

# KJMC FINANCIAL SERVICES LIMITED

NBFC : No. B-13.01633



Date: - September 02, 2024

To,

The Department of Corporate Services - CRD,  
**BSE Limited,**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001.  
**Scrip Code: 530235**

**Sub: Submission of 36<sup>th</sup> Annual Report under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/Madam,

With reference to above captioned subject and pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the 36<sup>th</sup> Annual Report of the Company for the financial year 2023-24.

The said Annual Report is also uploaded on the Company's website at [www.kjmcfinserv.com](http://www.kjmcfinserv.com).

You are requested to kindly take same on record.

Thanking you,

**Yours faithfully,**  
For **KJMC Financial Services Limited**

**Khushbu Bohra**  
**Company Secretary & Compliance Officer**  
**ACS: A68509**

**Encl: A/a**



**KJMC FINSERV**  
MONEY MATTERS

# **KJMC FINANCIAL SERVICES LIMITED**

**36th  
Annual Report  
2023 - 2024**



## BOARD OF DIRECTORS

Mr. Inderchand Jain	Chairman
Mr. Rajnesh Jain	Whole-Time Director
Mr. Girish Jain	Non-Executive Director
Mrs. Shraddha Jain	Non-Executive Director
Mr. S. C. Aythora	Independent Director
Mr. Nitin Kulkarni	Independent Director
Mr. Anil Sampat	Independent Director
Mr. Vijay Joshi	Independent Director

## CHIEF FINANCIAL OFFICER

Mr. Sajjan Bawri

## COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Khushbu Bohra (w.e.f. 13/05/2024)

## STATUTORY AUDITOR

M/s. Batliboi & Purohit 204,  
Dadabhoy Naoroji Road,  
Fort, Mumbai-400 001

## BANKERS

HDFC Bank Limited  
Union Bank of India  
ICICI Bank Limited

## REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Private Limited,  
Office No S6-2, 6<sup>th</sup> floor, Pinnacle Business Park,  
Next to Ahura Centre, Mahakali Caves Road,  
Andheri (East) Mumbai - 400093.  
Tel. No. 022 62638200, Fax No. 022 62638299,  
Mail id: [investor@bigshareonline.com](mailto:investor@bigshareonline.com).

## REGISTERED OFFICE

162, 16<sup>th</sup> Floor, Atlanta Building, Nariman Point,  
Mumbai – 400 021  
Tel.No.: 022 4094 5500  
Email ID: investor.finance@kjmc.com  
CIN : L65100MH1988PLC047873

36 <sup>th</sup> ANNUAL GENERAL MEETING	
<b>Date</b>	: Tuesday, September 24, 2024
<b>Time</b>	: 3.30 pm
<b>Venue</b>	: through Video Conferencing / Other Audio Visual Means (deemed venue shall be registered office of the Company)

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**NOTICE** is hereby given that the 36<sup>th</sup> Annual General Meeting of the Members of **KJMC Financial Services Limited** (CIN: L65100MH1988PLC047873) will be held on Tuesday, September 24, 2024, at 3.30 p.m. through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”), to transact the following businesses: -

**ORDINARY BUSINESSES:**

1. To receive, consider and adopt:
  - a) The Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2024, together with the Reports of the Board of Directors and Auditors thereon; and
  - b) The Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2024, together with the Reports of the Auditors thereon.
2. To appoint a director in place of Mrs. Shraddha Jain (DIN: 00156306), Non-Executive Director, who retires by rotation and being eligible, offers herself for re-appointment.

**SPECIAL BUSINESS:**

3. **TO APPOINT MR. SHYAM RAMSHARAN KHANDELWAL (DIN: 05147157) AS AN INDEPENDENT DIRECTOR OF THE COMPANY AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Shyam Ramsharan Khandelwal (DIN: 05147157), who was appointed as an Additional Director of the Company in the category of Independent Director w.e.f. August 10, 2024, and who in terms of Section 161(1) of the Act, shall hold office upto the date of this Annual General Meeting, qualifies for being appointed as an Independent Director be and is hereby appointed as an Independent Director of the Company to hold office for a term of Two (2) consecutive years upto August 09, 2026.”

**RESOLVED FURTHER THAT** Mr. Rajnesh Jain, Whole-Time Director and/ or Mr. Girish Jain, Director and/ or Ms. Khushbu Bohra, Company Secretary of the Company be and are hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this resolution and matters incidental thereto.”

4. **TO APPOINT MR. SUHAS SAHAKARI (DIN: 08168414) AS AN INDEPENDENT DIRECTOR OF THE COMPANY AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Suhas Sahakari (DIN: 08168414), who was appointed as an Additional Director of the Company in the category of Independent Director w.e.f. August 10, 2024 and who in terms of Section 161(1) of the Act, shall hold office upto the date of this Annual General Meeting, qualifies for being

appointed as an Independent Director , be and is hereby appointed as an Independent Director of the Company to hold office for a term of Two (2) consecutive years upto August 09, 2026”.

**RESOLVED FURTHER THAT** Mr. Rajnesh Jain, Whole-Time Director and/ or Mr. Girish Jain, Director and/ or Ms. Khushbu Bohra, Company Secretary of the Company be and are hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this resolution and matters incidental thereto.

5. **APPROVAL TO RELATED PARTY TRANSACTION BETWEEN KJMC CAPITAL MARKET SERVICES LIMITED AND THE COMPANY:**

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’), as amended from time to time, [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], other applicable laws/statutory provisions, if any, the Company’s Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Transaction(s)/ Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), with KJMC Capital Market Services Limited for granting Demand Loan upto Rs. 10,00,00,000/- (Rupees Ten Crores only) @ interest upto 14% per annum.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respects.”

6. **TO CONSIDER REVISION IN TERMS AND CONDITIONS OF MR. RAJNESH JAIN, WHOLE-TIME DIRECTOR OF THE COMPANY:**

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution:**

“**RESOLVED THAT** in partial modification to the resolution passed by shareholders of the Company at their meeting held on September 18, 2023 and pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any

statutory modification(s) or re-enactment thereof for the time being in force), as per the recommendation of Nomination and Remuneration Committee, consent of the Members of the Company be and is hereby accorded for the revision in terms and conditions of Mr. Rajnesh Jain (DIN: 00151988) the Whole-Time Director ('WTD') of the Company, with immediate effect as under:

### I. **Perquisites and allowances:**

In addition to the Salary, the following perquisites, he shall also be paid allowances, viz.:

- (i) Payment/Reimbursement of actual traveling expenses in India or Abroad for proceeding on leave twice in a block of four years in respect of himself and family.
- (ii) Payment/Reimbursement of membership fees for clubs in India or abroad, including any admission / life membership fees.
- (iii) Keyman insurance policy.
- (iv) Payment/Reimbursement of entertainment expenses incurred in the course of business of the company.
- (v) Free use of Company's car along with the driver for Company's works.
- (vi) Telephone, Mobile, Tele-fax and other communication facilities at company's cost for official purpose.
- (vii) Payment/Reimbursement of expenditure incurred towards membership fees for gym, etc.
- (viii) Payment of tax on perquisites, in addition to the salary and other perquisites.

**RESOLVED FURTHER THAT** the nomination and remuneration committee and any of the Board of Directors be and are hereby authorized to alter and vary the terms and conditions of the said appointment and /or reappointment including remuneration as it may deem fit and as may be acceptable to Mr. Rajnesh Jain, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof without obtaining fresh approval of members;

**RESOLVED FURTHER THAT** any of the Independent Directors and/or Company Secretary of the Company for the time being in office, be and are hereby severally authorized to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution."

### 7. **ISSUE OF NON-CONVERTIBLE DEBENTURES (NCD's) AND/OR SUCH OTHER MARKET LINKED DEBENTURES AND/OR DEBT SECURITIES ON PRIVATE PLACEMENT BASIS:**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section(s) 42, and 71 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014, (including any statutory modifications or re-enactments thereof for the time being in force), and in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, other applicable SEBI Regulations and Guidelines, if any, the Foreign Exchange Management Act, as amended, applicable Master Directions, relevant guidelines, circulars and clarifications issued by the Reserve Bank of India as

applicable to Non-Banking Financial Companies ("NBFC") from time to time, the provisions of Memorandum and Articles of Association of the Company, and any such other laws, acts, rules, guidelines, regulations for the time being in force and any other circulars, notifications and/ or clarifications issued by any relevant authority (including any statutory modifications or re-enactments thereof for the time being in force), and subject to such other consent(s)/ permission(s)/ sanction(s), as may be required, consent of the Members of the Company be and are hereby accorded to authorize the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee constituted / may be constituted of the Board of Directors of the Company) to raise funds from time to time by way of issue, offer, invite for subscription and to allot rated/unrated, Secured/unsecured, listed/ unlisted, Redeemable Non-Convertible Debentures ('NCDs') and/or such other market linked debentures and/or debt securities, on a private placement basis, in one or more series / tranches, aggregating upto Rs. 50,00,00,000/- (Rupees Fifty Crores only), during the period of 1 (One) year from the date of passing of this Special Resolution, to Bank(s), Financial Institution(s), International Lenders, Multilateral Financial Institutions, Agencies, Qualified Institutional Buyers, Mutual Funds, Pension Fund, Provident Fund and Gratuity Funds, Corporate, Insurance Companies, Investors and such other entities/ eligible persons as the Board may in absolute discretion decide, within the overall borrowing limits of the Company as approved by the Members of the Company;

**RESOLVED FURTHER THAT** for the purpose of giving effect to above Resolution, the Board/Committee of the Board or officers authorized by them in this regard be and are hereby severally authorized to do, from time to time, all such acts, deeds and things as may be deemed necessary pre and the post issue, in respect of issue of Non- Convertible Debentures including but not limited to number of issue/tranches, face value, issue price, issue size, timing, amount, tenor, method of issuance, security/charge creation, coupon/ interest rate(s), yield, listing, allotment and other terms and conditions of issue of Non-Convertible Debentures and/or such other market linked debentures and/or debt securities as proper and most beneficial to the Company, including as to when the said Non-Convertible Debentures and/or such other market linked debentures and/or debt securities be issued, the consideration for the issue, utilization of the issue proceeds and all matters connected with or incidental thereto and to select, appoint and finalize the appointment and terms and conditions of appointment of various agencies, including but not limited to Credit Rating Agencies, Trustee, Legal Counsels, Arrangers, Joint Lead Managers, Process Agents and any other agency associated with the issue of secured/unsecured Redeemable Non-Convertible Debentures and/or such other market linked debentures and/or debt securities as they may be, in their absolute discretion, deemed necessary for this purpose, as the case may be."

**By Order of the Board of Directors  
For KJMC Financial Services Limited**

**Khushbu Bohra  
Company Secretary  
ACS 68509**

Place: Mumbai  
Date: August 16, 2024  
Registered Office:  
162, Atlanta, 16<sup>th</sup> Floor, Nariman Point, Mumbai-400021.  
**Email:** [investor.finance@kjmc.com](mailto:investor.finance@kjmc.com)  
**Website:** [www.kjmcfinserve.com](http://www.kjmcfinserve.com)  
**CIN:** L65100MH1988PLC047873

**NOTES:**

1. The Ministry of Corporate Affairs ('MCA'), inter alia, vide its General Circular No(s). 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020 and subsequent circulars issued in this regard, the latest being General Circular No. 09/2023 dated September 25, 2023, (collectively referred to as 'MCA Circulars'), has permitted the holding of the AGM through Video Conferencing ('VC') or through Other Audio-Visual Means ('OAVM'), without the physical presence of the Members at a common venue. Further, towards this, the Securities and Exchange Board of India ('SEBI'), vide its Circular(s) dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023, October 6, 2023, and October 7, 2023 ('SEBI Circulars') and other applicable circulars issued in this regard from time to time, has provided relaxations from compliance with certain provisions of the SEBI Listing Regulations. In compliance with the applicable provisions of the Act, SEBI Listing Regulations, MCA Circulars and SEBI Circulars, the 36<sup>th</sup> AGM of the Company will be held through VC/OAVM on Tuesday, September 24, 2024 at 3:30 p.m. (IST). The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company situated at 162, 16th Floor, Atlanta Building, Nariman Point, Mumbai-400 021 Maharashtra, India.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 ("the Act") read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and MCA Circulars as mentioned above, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the 36<sup>th</sup> AGM. For this purpose, the Company has entered into an agreement with Bigshare Services Private Limited ("Bigshare") for facilitating voting through electronic means, as the authorized e-voting's agency.
4. In accordance with the aforesaid MCA Circulars and SEBI Circulars, the Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same.
5. The Members can join the 36<sup>th</sup> AGM through VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the 36<sup>th</sup> AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the 36<sup>th</sup> AGM without restriction on account of first come first served basis.
6. The attendance of the Members attending the 36<sup>th</sup> AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.
7. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA circulars and SEBI circulars through VC / OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the proxy form, attendance slip and route map of AGM are not annexed to this Notice.
8. The Notice convening the 36<sup>th</sup> AGM has been uploaded on the website of the Company at <https://www.kjmcfinserv.com>. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The 36<sup>th</sup> AGM Notice is also disseminated on the website of Bigshare (agency for providing the Remote e-voting facility and e-voting system during the AGM) i.e. <https://ivote.bigshareonline.com>.
9. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, as amended ('Act') setting out material facts concerning the business under Item Nos. 3 to 7 of the Notice, is annexed hereto. The relevant details, pursuant to Regulations 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors retiring by rotation and seeking appointment/re-appointment at this Annual General Meeting ("AGM") are also annexed.
10. In accordance with the aforesaid MCA Circulars and the applicable SEBI Circulars, the Notice of the AGM along with the Integrated Report & Annual Accounts for FY2023-24 are being sent ONLY through electronic mode to those Members whose e-mail addresses are registered with the Company/Registrar and Transfer Agent/ Depositories/Depository Participants. The Company shall send physical copy of the Integrated Report & Annual Accounts for FY2023-24 to those Members who request for the same at [cosec@kjmc.com](mailto:cosec@kjmc.com). The Notice convening the 36<sup>th</sup> AGM along with the Integrated Report & Annual Accounts for FY2023-24 will also be available on the website of the Company at [www.kjmcfinserv.com](http://www.kjmcfinserv.com) and website of the Stock Exchanges where the securities of the Company are listed, i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the website of RTA at <https://ivote.bigshareonline.com>.
11. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC / OAVM. Institutional Investors, who are Members of the Company and Corporate Members intending to appoint an authorized representative to attend the AGM through VC and to vote thereat through remote e-voting are requested to send a certified copy of the Board Resolution/ Letter of Authorisation/Power of Attorney to the Scrutiniser by e-mail at [js@rathindassociates.com](mailto:js@rathindassociates.com) with a copy marked to [cosec@kjmc.com](mailto:cosec@kjmc.com).
12. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available electronically for inspection by the members at the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of 36<sup>th</sup> AGM. Members seeking to inspect such documents can send an email to [cosec@kjmc.com](mailto:cosec@kjmc.com).
13. In case of joint holders, the member whose name appears as the first holder in the order of their names as per the Register of Members of the Company will be entitled to cast vote at the AGM.
14. Members who have not yet registered their e-mail addresses are requested to register the same with their respective Depository Participants ("DP") in case the shares are held by them in electronic form and with Bigshare in case the shares are held by them in

- physical form.
15. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, etc., to their DPs if the shares are held by them in electronic form and to Bigshare if the shares are held by them in physical form.
  16. Members are requested to address all correspondence to the Registrar and Share Transfer Agents (RTA), Bigshare Services Private Limited at Office No S6-2, 6<sup>th</sup> Floor Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400093, India, Tel. No.022- 62638200, Fax No. 022- 62638299, mail id : [investor@bigshareonline.com](mailto:investor@bigshareonline.com).
  17. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrars and Share Transfer Agent.
  18. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website <https://www.kjmcinserv.com/investor-relations/investor-information>.
  19. Members are requested to submit the said details to their Depository Participants in case the shares are held by them in dematerialised form and to Bigshare in case the shares are held by them in physical form, quoting their folio number.
  20. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021 in Form ISR-1. The Form ISR-1 is also available on the website of the Company at <https://www.kjmcinserv.com/investor-relations/investor-information>. Attention of the Members holding shares of the Company in physical form is invited to go through and submit the said Form ISR-1.
  21. The Members may kindly note that as per the amended Regulation 40 of the Listing Regulations w.e.f. April 01, 2019, transfer of the securities would be carried out in dematerialised form only. Members may also note that SEBI vide its Circular No. SEBI/HO/MIRSD/ MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialised form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; subdivision/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website i.e. <https://www.kjmcinserv.com/investor-relations/investor-information>. It may be noted that any service request can be processed only after the folio is KYC Compliant. Accordingly, members holding shares in physical mode are advised to demat their physical share holdings at the earliest.
  22. SEBI vide Circular no. SEBI/HO/OIAE/ OIAE\_IAD-1/P/ CIR/2023/131 dated 31 July 2023 (updated as on August 04, 2023) has specified that a shareholder shall first take up his/her/their grievance with the listed entity by lodging a complaint directly with the concerned listed entity and if the grievance is not redressed satisfactorily, the shareholder may, in accordance with the SCORES guidelines, escalate the same through the SCORES Portal in accordance with the process laid out therein. Only after exhausting all available options for resolution of the grievance, if the shareholder is not satisfied with the outcome, he/ she/ they can initiate dispute resolution through the Online Dispute Resolution ("ODR") Portal. Shareholders are requested to take note of the same. The aforesaid SEBI Circular can be viewed on the following link [https://www.sebi.gov.in/legal/circulars/aug-2023/corrigendum-cum-amendment-to-circular-dated-july31-2023-on-online-resolution-of-disputes-in-the-indiansecurities-market\\_74976.html](https://www.sebi.gov.in/legal/circulars/aug-2023/corrigendum-cum-amendment-to-circular-dated-july31-2023-on-online-resolution-of-disputes-in-the-indiansecurities-market_74976.html):
  23. SEBI, vide its circular dated November 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17 , 2023) mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any dividend payment in respect of such folios, only through electronic mode with effect from April 01, 2024, only upon furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature. Further, relevant FAQs published by SEBI on its website can be viewed at the following link : [https://www.sebi.gov.in/legal/circulars/nov-2023/simplifiednorms-for-processing-investor-s-service-requests-byrtas-and-norms-for-furnishing-pan-kyc-details-andnomination\\_79167.html](https://www.sebi.gov.in/legal/circulars/nov-2023/simplifiednorms-for-processing-investor-s-service-requests-byrtas-and-norms-for-furnishing-pan-kyc-details-andnomination_79167.html):
  24. Members desirous of seeking any information relating to the accounts and operations of the Company are requested to write to the Company at least 10 (Ten) days in advance of the Meeting through email on cosec@kjmc.com to enable the Company to provide the information required at the meeting. The same will be replied by the Company suitably.
  25. Non-Resident Indian members are requested to inform the Company's RTA, immediately of any change in their residential status on return to India for permanent settlement, their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code, IFSC and MICR Code, as applicable if such details were not furnished earlier.
  26. To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with Bigshare / Depository participants.
  27. The remote e-voting period commences from Thursday, September 19, 2024 at 9.00 a.m. and ends on Monday, September 23, 2024 at 5.00 p.m. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form as on September 17, 2024 ("cut-off date") may cast their vote electronically.
  28. The remote e-voting module shall be disabled by Bigshare for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change/modify it subsequently or cast the vote again.
  29. The Register of Members and Share Transfer Registers/Books



of the Company will remain closed from Tuesday, September 17, 2024 to Tuesday, September 24, 2024 (both days inclusive) for the purpose of the Meeting.

30. The voting rights of shareholders shall be in proportion to the share in the paid up equity share capital of the Company as on Tuesday September 17, 2024 i.e. the cut-off date.
31. The Company has appointed M/s. Rathi & Associates, a firm of Practicing Company Secretaries as a scrutinizer for conducting the e-voting including remote e-voting at the Annual General Meeting in a fair and transparent manner.
32. Any person, who acquires shares of the Company and become members of the Company after dispatch of the Notice and holding shares as on the cut-off-date i.e. Tuesday, September 17, 2024 may follow the same instructions for e-voting. A person who is not a member as on the Cut-off date should treat the Notice for information

(I) **Mrs. Shraddha Jain**

<b>Name &amp; Designation</b>	<b>Mrs. Shraddha Jain, Non- Executive Director</b>
Director Identification Number (DIN)	00156306
Date of Birth	May 23, 1973
Qualifications	Degree in Bachelor of Arts (B.A.)
Nationality	Indian
Expertise in specific functional area	She is having experience in human resources and administration related functions.
Director of the Company since	March 30, 2015
Terms and conditions of re-appointment	Mrs. Shraddha Jain, Non- Executive Director, liable to retire by rotation.
Number of Shares held in the Company as on March 31, 2024	Nil
Number of Meetings of the Board attended during the financial year 2023-24	Please refer Corporate Governance Report
Listed entities from which the Director has resigned in the past three years	None
Disclosure of relationships between directors inter-se	Mrs. Shraddha Jain is wife of Mr. Rajnesh Jain, Whole Time Director, apart from him she is not related to any other directors of the Company.

Directorships / Committee Membership of Mrs. Shraddha Jain in the other Companies:

<b>Name of the Company (Directorship)</b>	<b>Committee Chairmanship/Membership</b>
KJMC Shares & Securities Limited	-
Puja Trades and Investments Private Limited	Chairperson – Credit & Investment Committee.
AKIP Venture Private Limited	-
KJMC Realty Private Limited	-
KJMC Platinum Builders Private Limited	-

purpose only.

33. The Voting results will be declared within 2 (Two) working days from the conclusion of AGM. The results declared along with the Scrutinizer's Report shall be uploaded on the website of the Company i.e. [www.kjmcfinserv.com](http://www.kjmcfinserv.com) and on the website of Bigshare i.e. <https://ivote.bigshareonline.com> and the same shall also be communicated to BSE Limited, where the shares of the Company are listed.
34. Additional information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India in respect of the Directors seeking appointment / re-appointment at the AGM are furnished below:

The Director have furnished the requisite consents /declarations for their appointment/re appointment.

**(II) Mr. Shyam Ramsharan Khandelwal**

<b>Name &amp; Designation</b>	<b>Mr. Shyam Ramsharan Khandelwal, Independent Director</b>
Director Identification Number (DIN)	05147157
Date of Birth	30/07/1962
Qualifications	Commerce Graduate and Fellow Member of the Institute of Chartered Accountants of India
Nationality	Indian
Expertise in specific functional area	Mr. Shyam Ramsharan Khandelwal is Proprietor of M/s. S. R. Khandelwal & Co Chartered Accountants since 1988 having an experience of more than three decades in the fields of Finance and Accountancy.
Director of the Company since	With effect from August 10, 2024 subject to the approval of members at the AGM.
Terms and conditions of re-appointment	Independent Director, not liable to retire by rotation
Number of Shares held in the Company as on March 31, 2024	Nil
Number of Meetings of the Board attended during the financial year 2023-24	NA
Listed entities from which the Director has resigned in the past three years	None
Disclosure of relationships between directors inter-se	Not related to any Director / Key Managerial Personnel.

Directorships / Committee Membership of Mr. Shyam Ramsharan Khandelwal in the other Companies:

<b>Name of the Company (Directorship)</b>	<b>Committee Chairmanship/Membership</b>
Winmore Leasing and Holdings Limited	Chairman- Audit Committee Member- Nomination and Remuneration Committee
Nemesis Financial Services Private Limited	-
West Pioneer Properties (India) Private Limited	Chairman- Audit Committee Chairman- Nomination and Remuneration Committee
West Leisure Resorts Limited	-

**(III) Mr. Suhas Sahakari**

<b>Name &amp; Designation</b>	<b>Mr. Suhas Sahakari, Independent Director</b>
Director Identification Number (DIN)	08168414
Date of Birth	29/01/1960
Qualifications	Commerce Graduate, Certified Associate of Indian Institute of Bankers (CAIIB)
Nationality	Indian
Expertise in specific functional area	Mr. Suhas Sahakari is a Graduate in Commerce and Certified Associate of Indian Institute of Bankers (CAIIB) having vast experience of more than 3 decades in the Banking Sector. 37 Years of Banking: State Bank of India (14 years), Axis Bank (16 years), RBL Bank- Erstwhile Ratnakar Bank (5 years), SVC Cooperative Bank (2 years).
Director of the Company since	With effect from August 10, 2024, subject to the approval of members at the AGM.
Terms and conditions of re-appointment	Independent Director, not liable to retire by rotation
Number of Shares held in the Company as on March 31, 2024	Nil
Number of Meetings of the Board attended during the financial year 2023-24	NA
Listed entities from which the Director has resigned in the past three years	None
Disclosure of relationships between directors inter-se	Not related to any Director / Key Managerial Personnel.

Directorships / Committee Membership of Mr. Suhas Sahakari in the other Companies:

<b>Name of the Company (Directorship)</b>	<b>Committee Chairmanship/Membership</b>
Saksham Gram Credit Private Limited	-

**35. INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:**

The voting period begins on Thursday September 19, 2024 at 9.00 a.m. and ends on Monday, September 23, 2024 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) ie September 17, 2024 may cast their vote electronically. The e-voting module shall be disabled by Bigshare for voting thereafter.

- i. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- ii. Pursuant to **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- iii. In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

1. Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest is <a href="https://web.cdslindia.com/myeasitoken/home/login">https://web.cdslindia.com/myeasitoken/home/login</a> or visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of <b>BIGSHARE</b> the e-Voting service provider and you will be re-directed to <b>i-Vote</b> website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. <b>BIGSHARE</b>, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration">https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration</a></p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress, and also able to directly access the system of all e-Voting Service Providers. Click on <b>BIGSHARE</b> and you will be re-directed to <b>i-Vote</b> website for casting your vote during the remote e-voting period.</p>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name <b>BIGSHARE</b> and you will be re-directed to <b>i-Vote</b> website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name <b>BIGSHARE</b> and you will be redirected to <b>i-Vote</b> website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at [abovementioned website](#).

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

### 36. Login method for e-Voting for shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on “**LOGIN**” button under the ‘**INVESTOR LOGIN**’ section to Login on E-Voting Platform.
- Please enter you ‘**USER ID**’ (User id description is given below) and ‘**PASSWORD**’ which is shared separately on you register email id.
  - o Shareholders holding shares in **CDSL demat account should enter 16 Digit Beneficiary ID** as user id.
  - o Shareholders holding shares in **NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID** as user id.
  - o Shareholders holding shares in **physical form should enter Event No + Folio Number** registered with the Company as user id.

***Note** If you have not received any user id or password please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).*

- Click on **I AM NOT A ROBOT (CAPTCHA)** option and login.
 

**NOTE:** If Shareholders are holding shares in demat form and have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.
- If you have forgotten the password: Click on ‘**LOGIN**’ under ‘**INVESTOR LOGIN**’ tab and then Click on ‘**Forgot your password?**’
- Enter “**User ID**” and “**Registered email ID**” Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on ‘**Reset**’.

*(In case a shareholder is having valid email address, Password will be sent to his / her registered e-mail address).*

### 37. Voting method for shareholders on i-Vote E-voting portal:

- After successful login, **Bigshare E-voting system** page will appear.
- Click on “**VIEW EVENT DETAILS (CURRENT)**” under ‘**EVENTS**’ option on investor portal.
- Select event for which you are desire to vote under the dropdown option.
- Click on “**VOTE NOW**” option which is appearing on the right hand side top corner of the page.
- Cast your vote by selecting an appropriate option “**IN FAVOUR**”, “**NOT IN FAVOUR**” or “**ABSTAIN**” and click on “**SUBMIT VOTE**”. A confirmation box will be displayed. Click “**OK**” to confirm, else “**CANCEL**” to modify. Once you confirm, you will not be allowed to modify your vote.

- Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.
- Shareholder can “**CHANGE PASSWORD**” or “**VIEW/UPDATE PROFILE**” under “**PROFILE**” option on investor portal.

### 38. Custodian registration process for i-Vote E-Voting Website:

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on “**REGISTER**” under “**CUSTODIAN LOGIN**”, to register yourself on Bigshare i-Vote e-Voting Platform.
- Enter all required details and submit.
- After Successful registration, message will be displayed with “**User id and password will be sent via email on your registered email id**”.

**NOTE:** If Custodian have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on ‘**LOGIN**’ under ‘**CUSTODIAN LOGIN**’ tab and further Click on ‘**Forgot your password?**’
- Enter “**User ID**” and “**Registered email ID**” Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on ‘**RESET**’.

*(In case a custodian is having valid email address, Password will be sent to his / her registered e-mail address).*

### 39. Voting method for Custodian on i-Vote E-voting portal:

- After successful login, **Bigshare E-voting system** page will appear.

#### Investor Mapping:

- First you need to map the investor with your user ID under “**DOCUMENTS**” option on custodian portal.
  - o Click on “**DOCUMENT TYPE**” dropdown option and select document type power of attorney (POA).
  - o Click on upload document “**CHOOSE FILE**” and upload power of attorney (POA) or board resolution for respective investor and click on “**UPLOAD**”.

**Note:** The power of attorney (POA) or board resolution has to be named as the “**InvestorID.pdf**” (Mention Demat account number as Investor ID.)

- o Your investor is now mapped and you can check the file status on display.

#### Investor vote File Upload:

- To cast your vote select “**VOTE FILE UPLOAD**” option from left hand side menu on custodian portal.
- Select the Event under dropdown option.

- Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on “**UPLOAD**”. Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).
- Custodian can “**CHANGE PASSWORD**” or “**VIEW/UPDATE PROFILE**” under “**PROFILE**” option on custodian portal.

**Helpdesk for queries regarding e-voting:**

Login type	Helpdesk details
Shareholder's other than individual shareholders holding shares in Demat mode & Physical mode.	In case shareholders/ investor have any queries regarding E-voting, you may refer the Frequently Asked Questions ('FAQs') and i-Vote e-Voting module available at <a href="https://ivote.bigshareonline.com">https://ivote.bigshareonline.com</a> , under download section or you can email us to <a href="mailto:ivote@bigshareonline.com">ivote@bigshareonline.com</a> or call us at: 1800 22 54 22.

**40. PROCEDURE FOR JOINING THE AGM THROUGH VC/ OAVM:**

**For shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:**

- The Members may attend the AGM through VC/ OAVM at <https://ivote.bigshareonline.com> under Investor login by using the e-voting credentials (i.e., User ID and Password).
- After successful login, **Bigshare E-voting system** page will appear.
- Click on “**VIEW EVENT DETAILS (CURRENT)**” under ‘**EVENTS**’ option on investor portal.
- Select event for which you are desire to attend the AGM under the dropdown option.
- For joining virtual meeting, you need to click on “VC/OAVM” link placed beside of “**VIDEO CONFERENCE LINK**” option.

- Members attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

**41. THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

- The Members can join the AGM in the VC/ OAVM mode 15 minutes before the scheduled time of the commencement of the meeting. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- Only those members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**42. Helpdesk for queries regarding virtual meeting:**

In case shareholders/ investor have any queries regarding virtual meeting, you may refer the Frequently Asked Questions ('FAQs') available at <https://ivote.bigshareonline.com>, under download section or you can email us to [ivote@bigshareonline.com](mailto:ivote@bigshareonline.com) or call us at: 1800 22 54 22.

**By Order of the Board of Directors  
For KJMC Financial Services Limited**

**Khushbu Bohra  
Company Secretary  
ACS 68509**

Place: Mumbai  
Date: August 16, 2024  
Registered Office:  
162, Atlanta, 16<sup>th</sup> Floor, Nariman Point, Mumbai-400021.  
**Email:** [investor.finance@kjmc.com](mailto:investor.finance@kjmc.com)  
**Website:** [www.kjmcfinserv.com](http://www.kjmcfinserv.com)  
**CIN:** L65100MH1988PLC047873

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **ITEM NOS. 3 & 4**

As per the provisions of Section 149 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company should be in compliance with the said provisions. Accordingly, ½ of the Board Members should comprise of Independent Directors.

The present Board of Directors comprises of eight members of which Four (4) are Independent Directors, three (3) are Non-Executive Directors and One (1) Executive Director. Members may further note that second term of two of the Independent Directors are coming to an end in September 2024 and to fill up the vacancy created thereon, the Board of Directors of the Company at their meeting held on August 10, 2024, approved, subject to approval of Members of the Company, appointment of two independent directors considering the skills / expertise / competence to carry out the functions of the Board effectively.

The Board of Directors of the Company, on the recommendation of the Nomination & Remuneration Committee, at their Board Meeting held on August 10, 2024, pursuant to the provisions of Section 149, 152 read with Schedule IV of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, appointed Mr. Shyam Ramsharan Khandelwal (DIN: 05147157) and Mr. Suhas Sahakari (DIN: 08168414) as Non-Executive Independent Directors on the Board of the Company for a term of 2 (two) consecutive years upto August 9, 2026.

Mr. Shyam Ramsharan Khandelwal, fellow member of the Institute of Chartered Accountants of India, having varied and long-term experience in the fields of finance and accountancy and possesses appropriate skills, experience and knowledge.

Mr. Suhas Sahakari, Commerce Graduate and Certified Associate of Indian Institute of Bankers, having varied and long-term experience in the fields of banking and finance, possesses appropriate skills, experience and knowledge.

Keeping in view his vast expertise and knowledge, the appointment of both the Independent Directors will be in the interest of the Company.

In the opinion of the Nomination & Remuneration Committee and Board of Directors of the Company, considering their strong background and seniority, Mr. Shyam Ramsharan Khandelwal and Mr. Suhas Sahakari and to reap the benefits of their rich and varied experience, approval of shareholders is sought for their appointment as an Independent Directors of the Company as set out in Item No. 3 and 4 of this Notice.

Relevant details relating to appointment of Directorship of Mr. Shyam Ramsharan Khandelwal and Mr. Suhas Sahakari as Independent Directors, as required by Act and Secretarial Standards issued by the Company Secretaries of India are provided in the "Annexure" to this Notice.

Mr. Shyam Ramsharan Khandelwal and Mr. Suhas Sahakari are not disqualified from being appointed as a Director in terms of Section 164 of the Act and have given their respective consent to act as a Director. The Company has received a declaration from Mr. Shyam Ramsharan Khandelwal and Mr. Suhas Sahakari that they meet the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In the opinion of the Board, Mr. Shyam Ramsharan Khandelwal and Mr. Suhas Sahakari, fulfil the conditions specified in the Act and Rules made thereunder for their respective appointment as Independent Directors of the Company and is independent of the management.

Copy of the draft letter of appointment setting out the terms and conditions of re-appointment of the said Independent Directors shall be open for inspection by the Members at the Registered Office of the Company between 10 a.m. to 5 p.m. on all working days (except Saturday and Sunday).

Except, Mr. Shyam Ramsharan Khandelwal and Mr. Suhas Sahakari in their respective resolutions, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 and 4 of the Notice. This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board recommends their respective appointments by way of Special Resolution set out at Item Nos. 3 and 4 of the Notice for approval by the members.

### **ITEM NO. 5**

The Company is a Non-banking Finance Company (NBFC) engaged in the various activities as permitted to be carried out by the NBFCs. It is proposed to extend loan to KJMC Capital Market Services Limited, a Company incorporated under the provisions of the Companies Act, 1956 and engaged in the business of Financial and Insurance Services and other Financial Activities, one of the group companies. The directors representing the promoters are directors of the said Company.

In terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, any transactions with a related party shall be considered material, if the transaction(s) entered into/to be entered into individually or taken together with the previous transactions during a financial year exceeds Rs. 1,000 crore or 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, and shall require prior approval of shareholders by means of an ordinary resolution.

The Company, in ordinary course of its business, regularly does the transactions with the related parties including those mentioned in the Notice on an arm's length basis. On basis of the same, the Company hereby proposes to seek shareholders' approval for the said transactions by way of an Ordinary Resolution under Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to enable the Company to enter into Related Party Transactions in one or more tranches.

The Board of Directors recommends the resolution set forth in item No. 5 for approval of the Shareholders as an Ordinary Resolution. Except, Mr. Inderchand Jain, Mr. Rajnesh Jain, Mr. Girish Jain and Mrs. Shraddha Jain, Directors of the Company, none of the other Directors and/or any Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in this resolution.

#### ITEM NO. 6

The members of the Company at their meeting held on September 18, 2023 had pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), re-appointed Mr. Rajnesh Jain (DIN: 00151988) as a Whole-Time Director of the Company for the period of 3 (three) years with effect from August 11, 2023 to August 10, 2026.

The Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee and after consideration of the Board of Directors at their Meeting held on August 10, 2024 have approved the revision in terms and conditions of Mr. Rajnesh Jain (DIN: 00151988), Whole-Time Director, subject to approval of shareholders. Except the amendments as mentioned in the resolution and the explanatory statements, other terms of appointment of Mr. Rajnesh Jain shall remain unchanged and binding.

#### I) Information required to be given to members as per Schedule V of the Companies Act, 2013:

1	Nature of Industry	Financial Services (NBFC)		
2	Expected date of commencement of commercial production	Not applicable.		
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable.		
4	Financial performance based on given indicators	As per the Audited Accounts of the Company for the following financial year ended March 31, 2024		
		<b>Particulars</b>	<b>For the year ended March 31, 2024. (Rs. In '000')</b>	<b>For the year ended March 31, 2023. (Rs. In '000')</b>
		Total Revenue	46,932	30,874
		Profit Before Tax	13,728	(6,302)
		Profit for the period	9,035	(8,936)
5	Foreign Investments or collaborators, if any	Not applicable		

#### II) Information about the appointee:

1.	Background details	Mr. Rajnesh Jain is a FCA, having vast experience in Corporate Finance, Financial Services, Merchant Banking, Capital Market and fund based activities including investments, fund based and non-fund based working capital facilities and trade finance. He is also one of the promoters of the Company and associated with the Company for more than two decades. He holds 6, 05,168 (12.65%) equity shares of the Company.
2.	Past remuneration	Please refer to Corporate Governance Section of the Annual Report for the details of Last drawn remuneration .
3.	Job profile	Mr. Rajnesh Jain shall, subject to the directions, supervision and control of the Board of Directors of the Company, manage and conduct the business and affairs of your Company.
4.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin).	Mr. Rajnesh Jain is responsible for the affairs of the Company and responsible to the Board of Directors of the Company. Keeping in view the profile of Whole - Time Director with his enriched knowledge and vast experience, the Board of Directors considers that the revised remuneration of Mr. Rajnesh Jain is fully justifiable and commensurate with the similar sized industry.
5.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Besides the proposed remuneration payable to him, he does not have any other pecuniary relationship with the Company or with other managerial personnel.

In compliance with the provisions of Sections 196, 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, revision in terms and conditions of Mr. Rajnesh Jain, as specified herein are placed for the approval of Members. The Board recommends the Special Resolution as set out at Item No. 6 for approval by the members.



Except Mr. Rajnesh Jain (self), Mr. Inderchand Jain, Mr. Girish Jain, Mrs. Shraddha Jain and relatives of Mr. Rajnesh Jain none of the Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

**ITEM NO. 7**

The Company is Non-Banking Finance Company since its inception. The Company believes that the finance market's scope to create economic value is immense. Hence, we recognize that ideas develop over time, evolving into innovation. The main aim of the Company is to constantly reimagining various activities in the finance field for stakeholder value creation.

The Company constantly endeavor to innovate in the industry specific financial solutions by introducing new products to its customers for expansion and new projects.

As part of the measures to further strengthen its funds position and to augment the long term resources of the Company for its Lending, Financing and Investment activities, inter alia, for the strategic business expansion in future and for general corporate purpose, the Board of Directors at their meeting held on August 16, 2024, subject to the approval of the Shareholders of the Company and statutory authorities as may be required, accorded their approval to raise funds from time to time by way of issue, offer, invite for subscription and to allot rated/unrated, Secured/unsecured, listed/ unlisted, redeemable Non-Convertible Debentures ('NCDs'), for Cash and/or such other market linked debentures and/or debt securities on a private placement basis, in one or more series / tranches, aggregating upto Rs. 50,00,00,000 /- (Rupees Fifty Crores only). Accordingly, consent of the members is sought by way of Special Resolution as set out in Item no. 7 of Notice for issue of NCDs and/or such other market linked debentures and/or debt securities. This is enabling resolution to authorize the Board of Directors of the Company to issue, offer, invite for subscription of the NCDs and/or such other market linked debentures and/or debt securities as may be required by the Company, from time to time for a year from the date of passing this resolution.

As per the provisions of Section 42 of the Companies Act, 2013, including any statutory modifications or re-enactments thereof for the time being in force, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a Company shall not make an offer or invitation to subscribe to securities through Private Placement unless the proposal has been previously approved by the Shareholders of the Company by a Special Resolution for each of the offers or invitations and subject to regulatory and statutory approval(s), as may be required.

Further, in case of offer or invitation to subscribe Non-Convertible Debentures (NCDs) and/or such other market linked debentures and/or debt securities on private placement basis, where the proposed amount to be raised through such offer or invitation exceeds the limits specified in clause (c) of sub-section (1) of section 180 it shall be sufficient if the Company passes a Special Resolution only once in a year for all the offers or invitations to subscribe NCDs and/or such other market linked debentures and/or debt securities.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise in the proposed Resolution.

The Board recommends the Special Resolution as set out at Item No. 7 for approval by the members.

**By Order of the Board of Directors  
For KJMC Financial Services Limited**

**Khushbu Bohra  
Company Secretary  
ACS 68509**

Place: Mumbai  
Date: August 16, 2024

**Registered Office:**

162, Atlanta, 16<sup>th</sup> Floor, Nariman Point, Mumbai-400021.

**Email:** [investor.finance@kjmc.com](mailto:investor.finance@kjmc.com)

**Website:** [www.kjmcfinserv.com](http://www.kjmcfinserv.com)

**CIN:** L65100MH1988PLC047873

## DIRECTORS REPORT

Dear Members,

Your Directors have pleasure in presenting the 36<sup>th</sup> Annual Report of KJMC Financial Services Limited ('KFSL / Company'), together with the Annual Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended March 31, 2024.

### FINANCIAL SUMMARY AND HIGHLIGHTS

The performance of the Company on standalone and on consolidated basis for the financial year ended March 31, 2024 is summarized below:

(Rs. in '000')

Particulars	Standalone		Consolidated	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from Operations	46,306	28,850	46,306	28,850
Other Income	626	2,024	1,425	2,341
<b>Total Revenue</b>	<b>46,932</b>	<b>30,874</b>	<b>47,731</b>	<b>31,191</b>
Total Expenses	33,204	37,176	33,468	37,743
<b>Profit before Tax</b>	<b>13,728</b>	<b>(6,302)</b>	<b>14,263</b>	<b>(6,552)</b>
<b>Less: Provision for Tax</b>				
- Current Tax	401	-	401	-
- Deferred Tax	4,292	2,634	4,292	2,634
- Earlier year Provision Written off	-	-	-	-
- MAT Credit Written off	-	-	-	-
<b>Profit/(loss) after tax</b>	<b>9,035</b>	<b>(8,936)</b>	<b>9,570</b>	<b>(9,186)</b>
Share in Associates' profit/(Loss)	-	-	(952)	(30)
<b>Profit/(loss) for the year</b>	<b>9,035</b>	<b>(8,936)</b>	<b>8,618</b>	<b>(9,216)</b>
<b>Appropriations:</b>				
Profit/(loss) for the year	9,035	(8,936)	8,618	(9,216)
Add: Balance brought forward from previous year	(25,779)	(16,843)	(29,138)	(19,922)
Amount available for appropriations	(16,744)	(25,779)	(20,520)	(29,138)
<b>Less: Appropriations</b>				
Special Reserve	1,807	-	1,807	-
General Reserve	-	-	-	-
Balance carried to Balance Sheet	(18,551)	(25,779)	(22,327)	(29,138)
<b>EPS</b>				
-Basic	1.89	(1.87)	1.80	(1.93)
-Diluted	1.89	(1.87)	1.80	(1.93)

## OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE

On standalone basis, your Company earned the gross income of Rs. 469.32 lakhs as against Rs. 308.74 lakhs in the previous year. The total expenditure during the year under review was Rs. 332.04 lakhs as against Rs. 371.76 lakhs in the previous year. The Net Profit after tax before OCI was Rs. 90.35 lakhs as against Net Loss after tax before OCI of Rs. 89.36 lakhs in the previous year.

On consolidated basis, your Company earned the gross income of Rs 477.31 lakhs as against Rs 311.91 lakhs in the previous year. The total expenditure during the year under review was Rs 334.68 lakhs as against Rs 377.43 lakhs in the previous year. The Net Profit after tax before OCI was Rs 86.18 lakhs as against Net Loss after tax before OCI of Rs 92.16 lakhs in the previous year.

There was no change in the nature of business of the Company.

### CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of the Companies Act, 2013 (hereinafter referred to as "the Act"), read with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and applicable Accounting Standards, the Audited Consolidated Financial Statements of the Company for the financial year 2023-24, together with the Auditors' Report forms part of this Annual Report.

### PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARY AND ASSOCIATE COMPANY

Pursuant to Section 134 of the Companies Act, 2013 and Rule 8(1) of the Companies (Accounts) Rules, 2014, the report on performance and financial position of subsidiary company and associate company (to the extent of the shareholding of the Company) is included in the Consolidated Financial Statements ('CFS') of the Company.

A statement containing the salient features of financial statements of subsidiary and associate company of the Company in the prescribed **Form AOC-1**, forming part of Consolidated Financial Statements of the Company is in compliance with Section 129 (3) and other applicable provisions, if any, of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014 is attached.

In accordance with Section 136 of the Act, the financial statements of the subsidiary and associate companies are available for inspection by the members at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and public holidays up to the date of the AGM. The financial statements including the CFS, and all other documents required to be attached to this report are also available on the website of the Company i.e. <https://www.kjmcinserv.com/investor-relations/subsidiary-companies-accounts>.

### Brief performance and financial position of subsidiary company is given hereunder:

KJMC Trading & Agency Limited, the wholly owned subsidiary of the Company earned gross income of Rs 12.24 lakhs as against Rs 14.30 lakhs in the previous year. The total expenditure during the year under review was Rs 6.87 lakhs as against Rs 16.81 lakhs in the previous year. The Net Profit after tax was Rs 5.37 lakhs as against Net Loss after tax of Rs 2.51 lakhs in the previous year.

## **Brief performance and financial position of associate company is given hereunder:**

KJMC Platinum Builders Private Limited, an Associate Company earned gross income of Rs 13.20 lakhs as against Rs 3.94 lakhs in the previous year. The total expenditure during the year under review was Rs 39.08 lakhs as against Rs 1.34 lakhs in the previous year. The Net Loss after tax was Rs 27.97 lakhs as against Net Loss after tax of Rs 0.88 lakhs in the previous year.

## **SHARE CAPITAL**

The Authorised share capital of the Company as on March 31, 2024, was Rs 62,15,00,000. Further, the issued, subscribed and paid-up share capital of the Company as on March 31, 2024 was Rs 4,78,57,400 comprising of 47,85,740 equity shares of Rs 10/- each. There was no change in the Capital structure of the Company during the reporting period.

## **DIVIDEND**

In view of accumulated losses, your directors do not recommend any dividend for the year under review.

## **TRANSFER TO RESERVES**

The Company has not transferred any amount out of the profit to reserves during the financial year 2023-24.

## **PUBLIC DEPOSITS**

The Company being a Non-Deposit Accepting Non-Banking Finance Company, it has not accepted any deposits from the public during the year under review.

## **INDIAN ACCOUNTING STANDARDS (IND AS)**

The Company has adopted Indian Accounting Standards ('IND AS') and accordingly, the financial statements for the year 2023-24 have been prepared in accordance with IND-AS, prescribed under Section 133 of the Act, read with the relevant rules issued there under and the other recognised accounting practices and policies to the extent applicable.

## **RBI PRUDENTIAL NORMS**

The Company being Non-Banking Financial (Non- Deposit Accepting or Holding), capital adequacy requirement, under Companies Prudential Norms (Reserve Bank) Directions, 2007, are not applicable to the Company.

## **ANNUAL RETURN**

The Annual Return of the Company for the financial year 2023-24 in Form MGT-7 pursuant to Section 134(3)(a) and Section 92(3) of the Act, read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, is available on the website of the Company at <https://www.kjmcfinserv.com/investor-relations/annual-reports>.

## **NUMBER OF MEETINGS OF THE BOARD**

During the Financial Year 2023-24, 4 (four) meetings of the Board of Directors were held. The details of the Board Meetings and the attendance of the Directors are provided in the Report on Corporate Governance forming part of the Annual Report.

## **COMMITTEES OF THE BOARD**

The Company has constituted committees in accordance with the requirements of the Companies Act, 2013, SEBI (LODR) Regulations, 2015, and Guidelines issued by the Reserve Bank of India for NBFC viz.:

- i. Audit Committee;
- ii. Nomination and Remuneration Committee;
- iii. Stakeholders Relationship Committee;
- iv. Credit and Investment Committee;
- v. Debenture Allotment Committee;
- vi. IT Strategy Committee;

## **AUDIT COMMITTEE**

The constitution of the Audit Committee is in compliance with the provisions of the Companies Act, 2013, the SEBI Listing Regulations and provisions as applicable to NBFC Company. During the year under review, 4 (four) Audit Committee Meetings were held. The details pertaining to composition of Audit Committee and the attendance of the members of the Audit Committee are provided in the Corporate Governance Report and forms part of the annual report.

## **NOMINATION AND REMUNERATION COMMITTEE**

During the year under review 2 (two) Nomination and Remuneration Committee Meetings were held. The details pertaining to composition of Nomination and Remuneration Committee and the attendance of the members of the Nomination and Remuneration Committee are provided in the Corporate Governance Report and forms part of the annual report.

## **STAKEHOLDERS RELATIONSHIP COMMITTEE**

During the year under review 1 (one) Stakeholders Relationship Committee Meeting was held. Stakeholders Relationship Committee has been formed as per the provisions of Section 178 of the Companies Act, 2013 and SEBI Listing Regulations. The details pertaining to composition of Stakeholders Relationship Committee, details of meeting held during the year under review and the attendance of the members of the Stakeholders Relationship Committee are provided in the Corporate Governance Report forms part of the annual report.

## **CREDIT AND INVESTMENT COMMITTEE**

The Board of Directors of the Company has, pursuant to the guidelines issued by Reserve Bank of India for NBFC, formed Credit and Investment Committee to deal with the matters related to extending loans and making investments. During the year under review, 4 (four) meetings were held. The details pertaining to composition of Credit and Investment Committee and the attendance of the members of the Credit and Investment Committee are provided in the Corporate Governance Report forms part of the annual report.

## **DEBENTURE ALLOTMENT COMMITTEE**

During the year under review, no meeting was held. The details pertaining to composition of Debenture Allotment Committee are provided in the Corporate Governance Report forms part of the annual report.

### IT STRATEGY COMMITTEE

During the year under review, 2 (two) IT Strategy Committee Meetings were held. The details pertaining to composition of IT Strategy Committee and the attendance of the members of the IT Strategy Committee are provided in the Corporate Governance Report forms part of the annual report.

### DIRECTORS' RESPONSIBILITY STATEMENT UNDER SECTION 134 OF THE COMPANIES ACT, 2013

Pursuant to Section 134 (5) and Section 134(3)(c) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a. in the preparation of the annual financial statements for the year ended March 31, 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b. the Directors' have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the Profit of the Company for the year ended March 31, 2024;
- c. the Directors' have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors' have prepared the annual accounts for the financial year ended March 31, 2024 on a going concern basis;
- e. the Directors' have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- f. the Directors' have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### AUDITORS

#### STATUTORY AUDITORS AND REPORT

The Company at its 32<sup>nd</sup> Annual General Meeting ('AGM') held on December 24, 2020, appointed M/s. Batliboi & Purohit, Chartered Accountants, as the Statutory Auditors for a term of 5 (five) consecutive years till the conclusion of the 37<sup>th</sup> AGM of the Company.

The said Auditors have confirmed their eligibility for their continuation as Statutory Auditors of the Company.

The Auditors' Report for the financial year ended March 31, 2024, does not contain any qualification, reservation or adverse remark. Further, notes to accounts are self-explanatory and do not call for any comments.

#### SECRETARIAL AUDITORS AND REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. Rathi & Associates Practising Company Secretaries, to

conduct Secretarial Audit for the Financial Year 2023-24.

The Report of the Secretarial Auditors issued by M/s. Rathi & Associates for the FY 2023-24 forms part of the Annual Report.

Further, the Board of Directors of the Company have approved the appointment of M/s. Rathi & Associates, Company Secretaries as Secretarial Auditors for the Financial Year 2024-25.

### INTERNAL AUDITORS

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the Board of Directors on the recommendation of the Audit Committee have the Company had re-appointed M/s Sanjay Raja Jain & Co., as internal auditors of the Company to conduct internal audit for the financial year 2024-25.

The Company has been receiving the reports on internal controls and systems implemented by the Company at a periodic interval and no lapse have been noticed during the period under review.

### DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143 (12)

During the reporting period, no frauds were reported by Auditors under sub section (12) of section 143 of the Act, and no offence involving fraud was committed against the Company by officers or employees of the Company.

### FAMILIARISATION PROGRAMMES FOR BOARD MEMBERS

The Board members are provided with necessary documents / brochures, reports and internal policies to enable them to familiarize with the Company's business, procedures and practices.

Periodic presentations are made at the Board and Committee meetings on business and performance updates of the Company, global business environment, business strategy and risks involved. Detailed presentations on the Company's business segments are made at the separate meetings of the Independent Directors from time to time.

### CODE OF CONDUCT

The Company has in place a comprehensive Code of Conduct ('the code') for its directors and employees. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the core values of the Company.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company being registered as Non-Banking Finance Company, provisions of Section 186 of Companies Act, 2013, except sub-section (1) is not applicable to the Company. However, the details of Loans, Guarantees and Investments made are disclosed in the Notes to the Financial Statements.

### PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All transaction entered into by the Company with its related parties, during the financial year 2023-24, were in ordinary course of business and at arm's length basis. The details of the Related Party Transactions are set out in the Notes to Financial Statements forming part of this Annual Report.

Further, the Related Party Transactions undertaken by the Company were in compliance with the provisions set out in the Companies Act, 2013, read with the Rules made there under and relevant provisions of Listing Regulations.

All the transactions with related parties were reviewed and approved by the Audit Committee and were in accordance with the Policy on dealing with Related Party Transactions and Materiality of Related Party Transactions, formulated by the Company. The Policy is also available on the website of the Company viz; <https://kjmcfinserv.com/investor-relations/codes-and-policies>.

The transactions with related party which as required to be reported in **Form AOC- 2** pursuant to Section 134 (3) (h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed herewith and forms part of this report.

**MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT**

There are no material changes and commitments affecting the financial position of the Company occurred between the period from end of the financial year to which these financial statements relate and on the date of this report.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Disclosure pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts), Rules 2014:

**(A) Conservation of Energy**

(i)	The steps taken or impact on conservation of energy	Your Company, being a Non-Banking Financial Company requires minimal energy consumption and every attempt is made to ensure optimal use of energy, avoid wastages and conserve energy as far as possible. Further, the Company believes in conserving the natural resources and take such steps from time to time for optimum utilization of energy.
(ii)	the steps taken by the Company for utilizing alternate sources of energy	
(iii)	the capital investment on energy conservation equipments	Nil

**(B) Technology absorption, adaptation, and innovation**

Your Company being a Non-banking Finance Company, the provisions related to technologies absorption, adaptation and innovation are not applicable.

**(C) Foreign Exchange Earnings and Outgo:**

The total Foreign Exchange Earnings was NIL and the Outflow was Rs. 1,171 (Rs. in '000') during the year under review.

**RISK MANAGEMENT**

The Company has implemented a mechanism for risk assessment and management. It assists for identification of possible risks associated with the business of the Company, assessment of the same at regular intervals

and taking appropriate measures. The key categories of risk jotted down while assessment are strategic risks, financial risks, operational risks and such other risk that may potentially affect the working of the Company.

**DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable to the Company.

**ANNUAL EVALUATION**

The Nomination and Remuneration Committee of the Company has laid down the criteria for performance evaluation of the Board and individual directors including the Independent Directors and Chairperson covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its committees, Board Culture, execution and performance of specific duties, obligations and governance.

The criteria include evaluation of the Board, its' Committees, Independent Directors / Non-Executive Directors / Executive Directors and the Chairperson of the Company.

Annual evaluation of performance of Non-Independent Directors, the Board as a whole and the Chairperson of the Company was carried out, taking into account the views of Executive Directors and Non-Executive Directors.

The directors expressed satisfaction with the evaluation process.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

As on March 31, 2024, the Board of Directors of the Company comprises of 8 (eight) Directors consisting of a Whole-Time Director and 7 (Seven) Non-Executive Directors, including 1 (one) woman director and 4 (four) Independent Directors. The constitution of the Board of the Company is in accordance with Section 149 of the Act read with Regulation 17 of SEBI Listing Regulations.

On the basis of the written representations received from the Directors, none of the Directors of the Company were disqualified under Section 164 (2) of the Act to hold their respective offices.

In accordance with the provisions of the Act and the Articles of Association of the Company, Mrs. Shraddha Jain (DIN: 00156306), Non-Executive Director of the Company will retire by rotation at the ensuing Annual General Meeting. The Board of Directors on the recommendation of the Nomination and Remuneration Committee and based on report of performance evaluation, has recommended re-appointment of Mrs. Shraddha Jain as Director of the Company liable to retire by rotation. Mrs. Shraddha Jain being eligible has offered herself for re-appointment. A resolution seeking shareholder's approval for her re-appointment along with the required details forms part of the Notice of AGM.

Further, Mr. Behla Tambawala ceased to be the Company Secretary and Compliance Officer (KMP) of the Company w.e.f April 19, 2024 and Ms. Khushbu Bohra, Associate Member of the Institute of Company Secretaries of India was appointed as the Company Secretary and Compliance Officer (KMP) of the Company w.e.f. May 13, 2024.

**DECLARATION OF INDEPENDENCE**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of

independence prescribed under the Act, and the Listing Regulations. The Independent Directors have confirmed that they have registered their names in the data bank maintained with the Indian Institute of Corporate Affairs.

In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Director of the Company and the Board is satisfied of the integrity, expertise, and experience including proficiency in terms of Section 150(1) of the Act and applicable rules made thereunder.

### THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No significant or material orders were passed by the Regulators or Courts or Tribunals which can have impact the going concern status and the Company's operations in future.

### ADEQUACY OF INTERNAL CONTROL

The Company has in place adequate financial controls commensurate with its size, scale and complexity of its operations. The Company has in place policies and procedures required and efficiently conduct its business, safeguard its assets, detect frauds and errors, maintain accuracy and completeness of accounting records in a timely and reliable manner.

The Company continues to have periodical internal audits conducted of all its functions and activities to ensure that system and processes are followed across all areas. During the year under review, no material or serious observation has been received from the Auditors of your Company citing inefficiency or inadequacy of such controls.

### SECRETARIAL STANDARDS

The Company has devised proper systems to ensure compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India ('ICSI') and during the year under review, the Company has complied with all the applicable provisions of the standards.

### PARTICULARS OF EMPLOYEES

The information required under Section 197 (12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- i. **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24;**

Directors	Ratio to median remuneration
<b>Non-Executive Directors*</b>	
Mr. Inderchand Jain	21.90 %
Mr. Anil Sampat	20.81 %
Mr. S.C. Aythora	23.00%
Mr. Nitin Kulkarni	30.67%
Mr. Vijay Joshi	21.90 %
Mrs. Shraddha Jain	17.52%
Mr. Girish Jain	19.71%
<b>Executive Director</b>	
Mr. Rajnesh Jain	321.33%

\*Sitting fees paid to all the Non-Executive Directors of the Company.

The median remuneration is calculated based on the salary paid during the financial year to employees on payroll as on March 31, 2024.

- ii. **The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary, if any, in the financial year;**

Name	Designation	% increase in remuneration in the financial year i.e. 2023-24
Mr. Inderchand Jain <sup>^</sup>	Non-Executive Director & Chairman	Not applicable
Mr. S.C. Aythora*	Non-Executive Independent Director	Not applicable
Mr. Nitin Kulkarni*	Non-Executive Independent Director	Not applicable
Mr. Anil Sampat*	Non-Executive Independent Director	Not applicable
Mr. Vijay Joshi*	Non-Executive Independent Director	Not applicable
Mr. Girish Jain <sup>^</sup>	Non-Executive Director	Not applicable
Mrs. Shraddha Jain <sup>^</sup>	Non-Executive Director	Not applicable
Mr. Rajnesh Jain	Whole-Time Director	Nil
Mr. Behla Murtaza Tambawala (Resigned w.e.f April 19, 2024)	Company Secretary & Compliance Officer	Not Applicable
Ms. Khushbu Bohra (Appointed w.e.f May 13, 2024)	Company Secretary & Compliance Officer	Not applicable

\* entitled for sitting fees

<sup>^</sup> neither drawn any remuneration nor paid any sitting fees

- iii. **The percentage increase in the median remuneration of employees in the financial year:** there was no increase in the median remuneration of employees.
- iv. **The number of permanent employees on the rolls of Company as on March 31, 2024: 5 (Five)**
- v. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**
- There is no increase in Average percentile in salaries of employees other than managerial Personnel.
- vi. **Affirmation that the remuneration is as per the remuneration policy of the Company:**
- The Company affirms remuneration is as per the remuneration policy of the Company.

**There are no employees falling within the purview of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, no such details, are required to be given.**

## **PREVENTION OF INSIDER TRADING**

The Company has adopted "Internal Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons & Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information" ("Code") as amended from time to time with a view to regulate trading in securities by the Directors, designated persons of the Company including their immediate relatives. The Code requires pre-clearance for dealing in the shares of the Company for consideration more than the threshold limit provided therein and prohibits trading in shares of the Company by the Directors, designated persons including their immediate relatives while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

The Board is responsible for implementation of the Code. All the Board Members and the designated employees have confirmed compliance with the said Code. The Code has been made available on the Company's website at <https://kjmcfinserv.com/investor-relations/codes-and-policies>.

## **WHISTLE BLOWER/VIGIL MECHANISM**

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees in confirmation with Section 177(9) of the Act and Regulation 22 of SEBI Listing Regulations to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The policy provides for adequate safeguards against victimization of employees under the mechanism and also provides for direct access by any employee to the Chairperson of the Audit Committee for such matters.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. During the year under review, no person was denied access to the Chairperson of the Audit Committee.

During the financial year, no cases under this mechanism were reported to the Company and/or to any of its subsidiaries/associate. The Whistle Blower Policy has been posted on the website of the Company at <https://kjmcfinserv.com/investor-relations/codes-and-policies>.

## **INVESTOR EDUCATION AND PROTECTION FUND**

Pursuant to the provisions of the Act, read with Investor Education Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('Rules'), underlying Shares pertaining to dividends remained unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company are liable to be transferred to the IEPF.

Shareholders /claimants whose shares, unclaimed dividend, have been transferred to the aforesaid IEPF Account or the Fund, as the case may be, may claim the shares or apply for refund by making an application to the IEPF Authority in Form IEPF-5 (available on <http://www.iepf.gov.in>) along with requisite fee as decided by the IEPF Authority from time to time.

## **POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

During the year under review, the Policy on Prevention of Sexual Harassment at work place is not applicable to the Company.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

A report on the Management Discussion and Analysis for the financial year under review is annexed and forms part of this report.

## **DETAILS OF APPLICATION MADE OR ANY PROCEEDING IS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 ("IBC") DURING THE YEAR ALONG WITH ITS STATUS AS AT THE END OF FINANCIAL YEAR**

No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016, during the year along with their status as at the end of the financial year is not applicable.

## **DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONETIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

The Company has not entered into one-time settlement for any loan or credit facilities from any Bank or Financial Institutions been made during the period under review.

## **MAINTENANCE OF COST RECORDS AND COST AUDIT**

During the year under review, provisions of Rule 8(5)(ix) of the Companies (Accounts) Rules, 2014 read with Section 148(1) and rule 3 and 4 of the Companies (Cost Records and Audit) Rules, 2014, were not applicable on the Company.

## **OTHER DISCLOSURES**

The Board of Directors confirm that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the financial year 2023-24:

1. issue of equity shares with differential rights as to dividend, voting or otherwise;
2. Issue of sweat equity shares to its directors or employees;
3. Non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014;
4. revision of financial statements and Board's Report of the Company pertaining to previous financial years, during the year under review.

## **ACKNOWLEDGEMENT**

Your directors would like to express their gratitude to the shareholders for reposing unstinted trust and confidence in the management of the Company and will also like to place on record their sincere appreciation for the continued co-operation, guidance, support and assistance extended by our bankers, customers, Government & Non-Government Agencies & various other stakeholders.

Your directors also place on record their appreciation of the vital contribution made by employees at all levels and their unstinted support, hard work, solidarity, cooperation and stellar performance during the year under review.

**For and on behalf of the Board of Directors  
For KJMC Financial Services Limited**

**Inderchand Jain  
Chairman  
DIN: 00178901**

Place: Mumbai  
Date: August 10, 2024

## 36<sup>TH</sup> ANNUAL REPORT 2023 - 2024

### Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

#### Part "A": SUBSIDIARY

(Rs. in 000)

Sr. No.	Particulars	Details
1.	<b>Name of the subsidiary</b>	<b>KJMC Trading &amp; Agency Limited</b>
2.	<b>The date since when subsidiary was acquired</b>	07-09-2015
3.	<b>Reporting period for the subsidiary concerned, if different from the holding company's reporting period</b>	Same as per holding Company's reporting period (i.e. 1 <sup>st</sup> April to 31 <sup>st</sup> March)
4.	<b>Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.</b>	INR
5.	<b>Share capital</b>	1000
6.	<b>Reserves &amp; surplus</b>	(3,193)
7.	<b>Total assets</b>	2,40,853
8.	<b>Total Liabilities</b>	22
9.	<b>Investments</b>	2,40,619
10.	<b>Turnover</b>	0
11.	<b>Profit before taxation</b>	537
12.	<b>Provision for taxation</b>	0
13.	<b>Profit after taxation before Other Comprehensive Income</b>	537
14.	<b>Other comprehensive income</b>	2,43,024
15.	<b>Proposed Dividend</b>	<b>Nil</b>
16.	<b>% of shareholding</b>	<b>100%</b>

1. Names of subsidiaries which are yet to commence operations: None
2. Names of subsidiaries which have been liquidated or sold during the year: None



**PART "B": ASSOCIATES**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies is not applicable to the Company

(Rs. In 000)

Sr No.	Particulars	Details
1.	<b>Name of Associate</b>	<b>KJMC Platinum Builders Private Limited</b>
2.	Latest audited Balance Sheet Date	31-03-2024
3.	Date on which the Associate was associated or acquired	13-03-2013
4.	Shares of Associate held by the company on the year end	79,800
5.	Amount of Investment in Associates	12,635
6.	Extend of Holding (%)	34.04%
7.	Description of how there is significant influence	The Company's shareholding in the said Company is more than 20% of Equity Shares, however there is no significant influence over the said associate company.
8.	Reason why the associate/joint venture is not consolidated	NA
9.	Net worth attributable to shareholding as per latest audited Balance Sheet	17,883
10.	Profit/Loss for the year	(2,797)
i.	Considered in Consolidation	(952)
ii.	Not Considered in Consolidation	(1,845)

1. Names of associates or joint ventures which are yet to commence operations: None

2. Names of associates or joint ventures which have been liquidated or sold during the year: None

**For and on behalf of the Board of Directors**  
**KJMC Financial Services Limited**

**Rajnish Jain**  
Whole-Time Director  
DIN : 00151988

**Girish Jain**  
Director  
DIN: 00151673

**Sajjan Bawri**  
Chief Financial Officer

**Khushbu Bohra**  
Company Secretary

Place: Mumbai  
Date: August 10, 2024

**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and

**Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. **Details of contracts or arrangements or transactions not at arm's length basis:** Nil

2. **Details of material contracts or arrangement or transactions at arm's length basis:**

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements / transactions	Duration of the contracts/arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1.	Mr. Rajnesh Jain, Whole Time Director	Payment of remuneration	36 months	The amount will not be more than Rs. 1,20,00,000/- p.a.	09.08.2023	-
2.	Puja Trades & Investments Private Limited, Enterprise over which key management personnel/relatives are able to exercise significant influence	Borrowings from Puja Trades & Investments Private Limited for meeting working capital requirements	12 months	Borrowings upto Rs. 1.25 Crore at an interest rate of 14% p.a.	10.03.2024	-

**For and on behalf of the Board of Directors  
KJMC Financial Services Limited**

**Inderchand Jain  
Chairman  
DIN: 00178901**

**Place: Mumbai  
Date: August 10, 2024**

## MANAGEMENT DISCUSSION & ANALYSIS

### OVERVIEW

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013, guidelines issued by the Securities and Exchange Board of India (SEBI), prudential norms issued by Reserve Bank of India, Ind AS i.e. Indian Accounting Standards prescribed by the Institute of Chartered Accountants of India and the Generally Accepted Accounting Principles in India. Our Management accepts responsibility for the integrity and objectivity of these financial statements. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner and reasonably present our state of affairs, profit / loss and cash flows for the year.

### Global Economic Performance

Notwithstanding the geopolitical tensions due to continuing Russia-Ukraine War and the on-going Israel-Hamas conflict, global economic activity is rebalancing and the world economy is expected to continue growing at a stable pace at 3.2% during 2024 and 2025 overcoming widespread concerns about a potential recession in developed countries in 2023. A slight acceleration for advanced economies—where growth is expected to rise from 1.6% in 2023 to 1.7% in 2024 and 1.8% in 2025—will be offset by a modest slowdown in emerging market and developing economies from 4.3% in 2023 to 4.2% in both 2024 and 2025. The forecast for global growth five years from now—at 3.1%—is at its lowest in decades. Over the last seven quarters, key G20 nations sustained an average growth rate closely mirroring pre-pandemic levels and highlighting the global economy's resilience. However, this growth was not uniform. While some European countries, including Germany and the UK, experienced economic downturns, emerging markets demonstrated a more dynamic trajectory. Countries like Russia, China, and Indonesia recorded notably higher growth rates, with India emerging as a leading economy. Even the United States, which was expected to enter a recession, surpassed expectations, contributing to a positive global economic outlook.

Global inflation is forecast to decline steadily, from 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. Uncertainty on the pace and timing of policy pivots by central banks is keeping financial markets volatile. Equity markets which touched new highs in both advanced and emerging market economies have recently witnessed sell-offs. Thus, non-energy commodity prices have firmed up while the US dollar and bond yields are exhibiting two-way movement with spillovers to emerging market currencies. Gold prices have surged to record highs on safe haven demand.

### The Indian Economy

India continues to be one of the fastest-growing major economies since 2015. Despite a pandemic-induced contraction, India has reclaimed its position with a projected real growth rate of 6%-7% over the next five years, according to the International Monetary Fund (IMF).

With the resilient global economic outlook and retreating inflation, domestic economic activity continues to sustain its momentum. After a weak and delayed start, the cumulative southwest monsoon rainfall has picked up with improving spatial spread. By August 7, 2024, rainfall being 7% above the long period average, supported kharif sowing with total area sown as on August 2, being 2.9% higher than a year ago. Industrial output registered an expansion of 5.9% (y-o-y) in May 2024.

Core industries rose by 4.0% in June, against 6.4% in May. Other high frequency indicators released during June-July 2024 indicate expansion of services sector activity, on-going revival of private consumption and signs of pickup in private investment activity. Merchandise exports, non-oil non-gold imports, services exports and imports expanded during April-June. Taking all these factors into consideration, real GDP growth for 2024-25 is projected at 7.2% with Q1 at 7.3%; Q2 at 7.2%; Q3 at 7.3% and Q4 at 7.2%.

The Reserve Bank of India's Monetary Policy Committee (MPC) decided to keep the repo rate unchanged at 6.5% in its August 2024 meeting for the ninth consecutive time. The MPC had last changed the benchmark interest rate in February 2023. The standing deposit facility (SDF) is at 6.25%, and the marginal standing facility (MSF) and bank rate is at 6.75%.

Notwithstanding the easing trends among major global central banks, the RBI continues to remain focused on withdrawal of monetary policy accommodation to safeguard the economy against inflationary pressures given the disproportionate influence of volatile food prices on India's CPI and support growth.

India's current account deficit (CAD) moderated to 0.7% of GDP in 2023-24 from 2.0% of GDP in 2022-23 due to a lower trade deficit and robust services and remittances receipts. In Q1:2024-25, merchandise trade deficit widened as imports grew faster than exports. Buoyancy in services exports and strong remittance receipts are expected to keep CAD within sustainable level in Q1FY2024-25.

On the external financing side, foreign portfolio investors turned net buyers in the domestic market from June 2024 with net inflows of US\$ 9.7 billion during June-August after witnessing outflows of US\$ 4.2 billion in April and May. Foreign direct investment (FDI) flows picked up in 2024-25 as gross FDI rose by more than 20% during April-May 2024, while net FDI flows doubled during this period compared to the corresponding period of the previous year. External commercial borrowings moderated during April-June 2024-25, while non-resident deposits recorded higher net inflows during April-May compared to the previous year. India's foreign exchange reserves reached a historical high of US\$ 675 billion as of August 2, 2024. Overall, India's external sector remains resilient as key indicators continue to improve.

The sustained momentum in manufacturing and services suggests steady urban demand. High frequency indicators of investment activity as evident in strong expansion in steel consumption, high capacity utilisation, healthy balance sheets of banks and corporates, and the Government's continued thrust on infrastructure spending, point to a robust outlook. Improving world trade prospects could support external demand. Headwinds from geopolitical tensions, volatility in international commodity prices and geo-economic fragmentation, however, pose risks to the outlook.

The Indian financial system remains resilient and is gaining strength from broader macroeconomic stability. Its well-capitalised and unclogged balance sheet is reflective of higher risk absorption capacity. The NBFC sector and the Urban Cooperative Banks also continue to show improvements.

Even in such stable financial sector conditions, alternative investment avenues are becoming more attractive to retail customers and banks are facing challenges on the funding front with bank deposits trailing loan growth. As a result, banks are taking greater recourse to short-term non-retail deposits and other instruments of liability to meet the

incremental credit demand. This may potentially expose the banking system to structural liquidity issues. Banks may, therefore, focus more on mobilisation of household financial savings through innovative products and service offerings and by leveraging fully on their vast branch network.

Certain segments of personal loans continue to witness high growth. Excess leverage through retail loans, mostly for consumption purposes, needs careful monitoring from macro-prudential point of view. This calls for careful assessment and calibration of underwriting standards, as may be required, as well as post-sanction monitoring of such loans.

Home equity loans or top-up housing loans have been growing at a brisk pace. Banks and NBFCs have also been offering top-up loans on other collateralised loans like gold loans. Regulatory guidelines relating to loan to value (LTV) ratio, risk weights and monitoring of end use of funds need to be strictly adhered to by market players. This will avoid loaned funds being deployed in unproductive segments or for speculative purposes. Banks and NBFCs would, therefore, be well-advised to strictly follow regulatory procedures.

At present, cheque clearing through Cheque Truncation System (CTS) operates in a batch processing mode and has a clearing cycle of up to two working days. The RBI has proposed to reduce the clearing cycle by introducing continuous clearing with 'on-realisation-settlement' in CTS. This means that cheques will be cleared within a few hours on the day of presentation. This will speed up cheque payments and benefit both the payer and the payee.

Recently there was an unprecedented IT outage globally, which affected businesses in many countries. The outage demonstrated how a minor technical change, if gone haywire, can wreak havoc on a global scale. It also showed the fast-growing dependence on big-techs and third-party technology solution providers. In this background, it is necessary that banks and financial institutions build appropriate risk management frameworks in their IT, Cyber security and third-party outsourcing arrangements to maintain operational resilience. The RBI has time and again emphasised the importance of robust business continuity plans (BCP) to deal with such incidents.

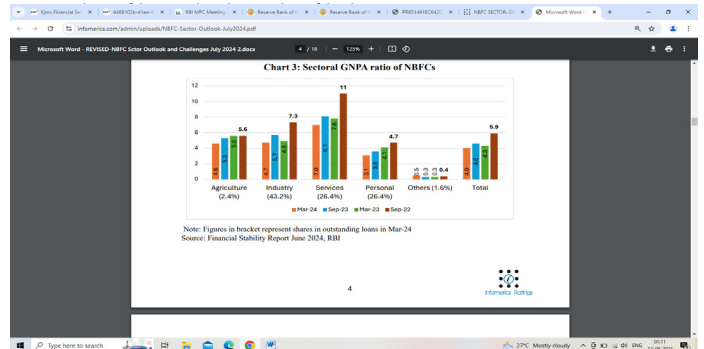
The RBI has taken several measures for the orderly development of the digital lending ecosystem in India. As a further measure in this direction and to address the problems arising from unauthorised and unscrupulous digital lending apps (DLAs) who falsely claim association with RBI regulated entities (REs), the RBI proposes to create a public repository of DLAs deployed by its REs which will be available on website of RBI. The REs will report and update information about their DLAs in this repository. This measure will help the consumers to identify such unauthorised and unscrupulous DLAs.

## NBFC Sector

India's non-banking financial sector has grown to become the third largest in the world, next only to the United State of America and United Kingdom thus indicating the growing strength of the country's financial sector. Over the past decade, the Indian banking system has demonstrated remarkable resilience, overcoming numerous challenges posed by both domestic and international economic environments. NBFCs have significantly increased their share in the credit portfolio, growing from one-sixth of the total bank credit in 2013 to more than one-fourth now. This steady growth reflects the sector's ability to reach underserved sectors, particularly small businesses, and households, offering customer friendly credit solutions. The robust economic growth envisaged by the RBI is expected to fuel strong credit demand and support the NBFC sector's

profitability.

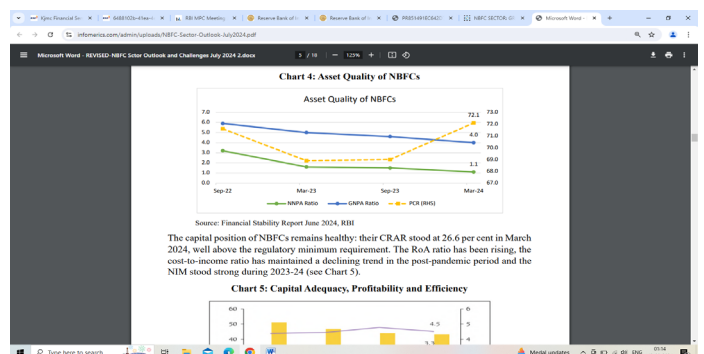
The GNPA ratio of NBFCs continued its downward trajectory in the post-pandemic period to reach 4.0% in March 2024. Within the retail segment, vehicle/auto loans had the highest GNPA ratio (5.0%), while other



Note: Figures in bracket represent shares in outstanding loans in Mar-24

Source: Financial Stability Report June 2024, RBI

Asset quality improved for both Government and Private NBFCs. Private NBFCs' industrial advances, which account for one-fifth of the overall GNPA stock of the NBFC sector, further moderated as reflected in the GNPA ratio to 10.2% in March 2024. The aggregate NNPA ratio of NBFCs improved further due to higher PCR and the fall in GNPA.



## BUSINESS REVIEW

Your Company is a NBFC registered with the RBI to carry out NBFC activities under Section 45(IA) of the Reserve Bank of India Act, 1934 and it is engaged primarily in the business of investing/trading in securities and advancing personal and commercial loans. The Company is also involved in providing fund based financial services and funding solutions to the Indian Corporate, institutions, MSME's etc. In the present era of digital revolution, technology has been leaving its indelible mark in several areas, including finance. Your Company believes technology will play a crucial role in making a breakthrough in the NBFC sector for the years to come. The use of technology typically has been confined to calculation of 'credit scores'.

Your Company initiated building its own proprietary technology for Lending including assessment and collection. This technology will utilize several third Party API's for assessing customer's credit worthiness using data collected through loan application and other credit verification of the documents of the customer using technology. Your Company believes that its focus on positioning itself as a Tech based NBFC shall provide

a significant competitive advantage in the market and it expects to continue to grow and align itself with the expected general economic and population growth trends and the government's focus on improving the economic standard of this population segment.

## FINANCIAL REVIEW

On standalone basis, your Company earned the gross income of Rs. 469.32 lakhs as against Rs. 308.74 lakhs in the previous year. The total expenditure during the year under review was Rs. 332.04 lakhs as against Rs. 371.76 lakhs in the previous year. The Net Profit after tax before OCI was Rs. 90.35 lakhs as against Net Loss after tax before OCI of Rs. 89.36 lakhs in the previous year.

On consolidated basis, your Company earned the gross income of Rs 463.06 lakhs as against Rs 311.91 lakhs in the previous year. The total expenditure during the year under review was Rs 334.68 lakhs as against Rs 377.43 lakhs in the previous year. The Net Profit after tax before OCI was Rs 86.18 lakhs as against Net Loss after tax before OCI of Rs 92.16 lakhs in the previous year.

## KEY FINANCIAL RATIOS

Sr. No.	Ratio	31.03.2024	31.03.2023	31.03.2022	Key Ratio Analysis
1	Debtors Turnover Ratio	-	-	-	
2	Inventory Turnover Ratio	-	-	-	
3	Interest Coverage Ratio	3.01	0.11	0.89	The Interest Coverage Ratio as of March 31, 2024, is 3.01 compared to 0.11 as of March 31, 2023. This significant increase is primarily due to the rise in EBIT to <b>205.54</b> Lakhs in the current year, up from <b>7.90</b> Lakhs in the previous year
4	Current Ratio	29.23	17.86	1.33	On a standalone basis, the Current Ratio as of March 31, 2024, is 29.23 compared to 17.86 as of March 31, 2023. The increase in the Current Ratio is primarily due to a reduction in current liabilities.

5	Debit Equity Ratio	0.064	0.11	0.06	On a standalone basis, the Debt-Equity Ratio as of March 31, 2024, is 0.064 compared to 0.11 as of March 31, 2023. This decrease in the Debt-Equity Ratio indicates a reduction in debt
6	Operating profit Margin	0.44	0.03	0.20	On a standalone basis, the Operating Profit Margin as of March 31, 2024, is 0.44 compared to 0.03 as of March 31, 2023. The improvement in the Operating Profit Margin is due to an increase in EBIT to <b>205.54</b> Lakhs in the current year, from <b>7.90</b> Lakhs in the previous year.
7	Net Profit Margin	0.20	(0.29)	(0.12)	On a standalone basis, the Net Profit Margin as of March 31, 2024, is 0.20 compared to (0.29) as of March 31, 2023. This improvement is primarily due to an increase in PAT to 90.35 in the current year, from (89.36 Lakhs) in the previous year.

## RISKS AND CHALLENGES

NBFCs have grown increasingly interconnected with banks, which can amplify systemic

risks, particularly during periods of financial stress. Many NBFCs maintain multiple borrowing relationships with banks, which can create contagion risks within the financial system due to high leverage. Over-reliance on bank credit and concentrated funding sources may also result in funding challenges during stress events, highlighting the need for NBFCs to diversify their funding sources.

NBFCs have shown significant credit growth, with their credit intensity (credit to GDP ratio) rising steadily. The spreads on bonds issued by NBFCs have remained below pre-pandemic levels, reflecting improved market confidence and increased activity in the sector. In their pursuit of high growth, NBFCs may oversimplify underwriting processes, which can compromise the quality of their loan portfolios. It is crucial for NBFCs to balance ease of lending with stringent underwriting standards.

Another concern involves the practices of NBFC-P2Ps, where some have been found to engage in non-compliant activities. Individual lenders on these platforms might not fully understand the risks involved in providing credit, and misleading practices such as promising high returns and structuring transactions irresponsibly have been observed. The increasing reliance on digital mediums and partnerships with FinTechs has heightened technology-related risks, including cyber-security threats and operational disruptions. To manage these risks effectively, NBFCs need to implement robust risk mitigation measures that go beyond regulatory minimum requirements. Addressing these concerns is essential for the sustainable growth and stability of the NBFC sector in India.

To thrive in the evolving financial landscape, NBFCs must address the credit needs of underserved segments, leverage new sources of funds, and embrace technological advancements. Promoting financial literacy will be crucial in protecting consumers and promoting informed financial decisions. By integrating these strategies, NBFCs can play a pivotal role in driving universal and sustainable economic growth, ensuring that the benefits of financial inclusion and technological innovation are widely shared across the nation.

### OPPORTUNITIES AND THREATS

The Indian financial sector has weathered the Covid-19 storm and has emerged stronger with higher capital, better asset quality and improved profitability. Your non-banking financial institution will have to remain prepared to face new challenges and reap emerging opportunities in this dynamic environment, keeping the focus on appropriate business models, adoption of new technologies, sustainability, stability, consumer protection and financial inclusion.

One of the significant opportunity for our Company is the increasing demand for credit in the Indian market. The growth in demand for credit is driven by the increase in consumer spending, the rise of e-commerce, and the expansion of small and medium-sized enterprises. Your Company can leverage this opportunity by expanding the offerings and catering to the diverse needs of our customers.

Another opportunity for our Company is the growth of digital payments and the adoption of digital technologies in the financial sector. The rise of digital payments has led to a surge in the number of digital transactions, which has created a vast amount of data. Your Company can leverage this data to offer personalized financial products and services to the customers.

One of the significant challenges faced by most of the NBFCs is liquidity crunch. The COVID-19 pandemic has led to a decrease in the availability of funds, which has affected the NBFCs' ability to lend. The Reserve Bank of India (RBI) has announced several measures to address the liquidity issues faced by NBFCs, such as the Targeted Long-Term Repo Operations (TLTRO) and the Partial Credit Guarantee Scheme. In our case, your Company needs to adopt a cautious approach to manage the liquidity to mitigate the impact of any future disruptions.

Another challenge faced by NBFC's is the increasing competition from banks and fintech companies. Banks have been expanding their offerings

to cater to the needs of the unbanked and underbanked segments of the population, which were earlier serviced by NBFCs. Fintech companies have also been disrupting the traditional financial sector by offering innovative financial products and services. As a result, your Company need to be agile and innovative in our approach to stay competitive in the ever evolving financial sector.

### ADEQUACY OF INTERNAL CONTROLS

Your Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition and that transaction are authorised, recorded and reported correctly. The Company has an extensive system of internal control which ensures optimal utilisation and protection of resources, its security, accurate reporting of financial transactions and compliances of applicable laws and regulations as also internal policies and procedures.

Your Company has in place, an adequate internal control and internal audit system managed by qualified and experienced people. Main objective of the system is to safeguard the Company's assets against loss through unauthorised use and pilferage, to ensure that all transactions are authorised, recorded and reported correctly and timely, to ensure various compliances under statutory regulations and corporate policies are made on time and to figure out the weaknesses persisting in the system and suggest remedial measure for the same.

The Company has continued its efforts to align all its processes and controls with best practices in these areas. Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2023-24.

### MATERIAL DEVELOPMENTS IN HUMAN RESOURCES

Your Company continues to lay great stress on its most valuable resource - people. Continuous training, both on the job and in an academic setting, is a critical input to ensure that employees at all levels are fully equipped to deliver a wide variety of products and services to the rapidly growing customer base of your Company. It is our endeavour to create an environment where people can use all of their capabilities in support of the business. Therefore, your Company encourages its employees to balance their work and personal responsibilities. The Company is actively working on developing a culture driven by the collective spirit of experience and companywide ownership. Assignment, empowerment and accountability will be the cornerstone of the people lead processes.

### FUTURE GROWTH

In addition to the Fund based Lending segment, KJMC Financial Services Limited has broadened its service offerings through additional verticals:

1. KJMC Financial Services Limited can enter into loan transaction through which the transferor transfers all or part of its economic interest in loan exposure to the Company (transferee) without the actual transfer of loan or contract wherein the Company (transferee) provides the fund to the transferor to the extent of economic interest.
2. **Loan against Property:** These loans will be advanced against fully constructed residential and/or commercial units with an occupation certificate. Repayment will be from the sale of these units.

3. **MSME Loans:** KJMC Financial Services Limited will also be offering Loans against Property SMEs, MSMEs against mortgage of their residential and commercial properties. This product will help clients address funding requirements for both personal and business needs. Clients leverage the economic worth of their property without giving away ownership
4. **Home Loans:** We will offer home loans for ready to move in homes, home construction, home improvement, home extension, plot plus construction, balance transfer and top up loans to customers.

The necessary infrastructure to carry out above add on services are in place.

#### **Talent Management:**

We believe that investing in our employees is critical to our long-term success and we will continue to prioritize talent management in years to come focusing on creating a highly engaged and motivated employee base.

We aim at improving the recruitment process, enhancing the boarding experience, investing in training and development as well as creating career development plans or succession plan higher growth.

#### **Client Asset Safeguarding:**

Transparency: Maintaining transparency with clients about potential risks

and the steps being taken to mitigate risk factors which enhances trust and confidence.

#### **Succession Planning:**

At KJMC, we promote an atmosphere of inclusion, by encouraging the next level of employees to take higher responsibilities. Managers along with Human Resources formulate a customized grooming and orientation of high potentials, by carefully planning their work experiences. Their skills and capabilities are developed through further training and mentoring.

#### **CAUTIONARY STATEMENT**

Management discussion and analysis report contains statements which are forward looking based on assumptions. Actual results may differ from those expressed or implied due to risk and uncertainties which have been detailed in this report. Several factors as listed in this report could make significant difference to the Company's operations. Investors, therefore, are requested to make their own independent judgments and seek professional advice before taking any investment decisions.

Sources:

1. RBI Monetary Policy Committee Report / RBI Website
2. Informatics NBFC-Sector-Outlook-July 2024
3. <https://bfsi.economictimes.indiatimes.com/news/nbfc/indias-nbfc-sector-now-worlds-3rd-largest-next-only-to-usa-uk/111099411>

## SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

### FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2024

To,

The Members

#### **KJMC FINANCIAL SERVICES LIMITED**

162, Atlanta, 16th Floor,  
Nariman Point,  
Mumbai - 400021

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **KJMC Financial Services Limited** (hereinafter called "the Company") for the financial year ended on 31<sup>st</sup> March, 2024. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended 31<sup>st</sup> March, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2024, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') -
  - a. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; and
  - c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (v) Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report: -
  - a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - b. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - c. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998;

- d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and
- f. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2014.

During the year under review, there was no transaction relating to Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings observed under Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder.

We have also examined compliance with the applicable clauses of:

- (a) the Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of the Companies Act, 2013, as amended from time to time and
- (b) the Listing Agreements entered into by the Company with BSE Limited

During the year under review, in accordance with the provisions of Regulation 3(5) and Regulation 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015, the process for maintenance of Structured Digital Database is required to be strengthened.

#### **We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

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

None of the members have communicated dissenting views, in the matters/ agenda proposed from time to time for consideration of the Board and its Committees, during the year under the report, hence were not required to be captured and recorded part of the minutes.

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

Except above, there was no events/ actions which had a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**For RATHI & ASSOCIATES  
COMPANY SECRETARIES**

**JAYESH M. SHAH  
PARTNER  
FCS. No. 5637  
COP No. 2535  
P.R NO: 668/2020**

**Date: 10.08.2024**

**Place: Mumbai**

**UDIN: F005637F000943211**

**Note: This report should be read with our letter of even date which is annexed as Annexure-I and forms an integral part of this report**



To

The Members

**KJMC FINANCIAL SERVICES LIMITED**

162, Atlanta, 16th Floor,  
Nariman Point,  
Mumbai - 400021

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

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

**For RATHI & ASSOCIATES  
COMPANY SECRETARIES**

**JAYESH M. SHAH  
PARTNER  
FCS. No. 5637  
COP No. 2535  
P.R NO: 668/2020  
UDIN: F005637F000943211**

**Date: 10.08.2024  
Place: Mumbai**

## REPORT ON CORPORATE GOVERNANCE

For the year ended and as on March 31, 2024

Pursuant to Regulation 34(3) and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company submits the report on the Corporate Governance:

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

We, at KJMC Financial Services Limited ("the Company"), strongly believe in the practice of conducting the business activities in an ethical manner that ensures high level of accountability and trust for all our stakeholders. For us, Corporate Governance is a reflection of principles entrenched in our values and policies and also embedded in our day-to-day business practices, leading to value driven growth. We have adopted the best governance practices and disclosure standards leading to enhanced shareholders' value while protecting the interests of all the stakeholders.

Our values reflect our continued commitment to ethical business practices across our operations. The timely disclosures, transparent accountability policies and independent Board go a long way in maintaining good corporate governance, preserving shareholders' trust and maximizing long term corporate value. Our actions are governed by our values and principles, viz., integrity, teamwork, client focus, innovation, implementation, performance and partnership, which is reinforced at all levels across the KJMC financial group.

We conduct our business in accordance with prevailing statutes and regulations, with due focus on transparent and fair practices, efficiency, and corporate governance principles. We also constantly strive to adopt emerging best practices. It is our constant endeavour to provide the stakeholders' an oversight for strategy implementation, risk management and fulfilment of stated goals and objectives and provide them relevant, sufficient and reliable information on a timely and regular basis to enable them to participate in corporate governance process.

The Company continuously strives at improving and adhering to the good governance practice as stipulated in various legislations viz., Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as "Listing Regulations"), the Companies Act, 2013 (hereinafter referred to as "the Act") and all other applicable rules and regulations.

A report on Corporate Governance as prescribed under the Listing Regulations is given below:

### 2. BOARD OF DIRECTORS

The Directors on the Board of the Company possess varied skills and expertise, have diverse background and possess requisite qualifications and experience which enables them to discharge their responsibilities, provide effective leadership and independent views to the management. The Directors of the Company helps the Company in adhering to high standards of corporate governance practices.

Further, the information in terms of Para C (2) (h)(ii) of Schedule V of the SEBI Listing Regulations is mentioned below:

Sr. No	Name of Director	Skills / competencies / experience possessed
1	Mr. Inderchand Jain	Mr. I. C Jain is fellow Member of the Institute of Chartered Accountants of India, having over five decades of rich and varied experience in Income Tax Counselling, Corporate Finance, Merchant Banking and Company Audit etc. He is a qualified Chartered Accountant. He has guided the Company through decades of diversification and growth. He was a Director on Local Board of RBI from 1994-2002. He was also on the Board of prominent Companies such as Asian Paints Limited, Mahindra & Mahindra Limited, Raymond India Limited etc.
2	Mr. Rajnesh Jain	Mr. Rajnesh Jain is a Fellow member of the Institute of Chartered Accountants, having experience in Corporate Finance, Financial Services, Merchant Banking, Capital Market and fund-based activities including investments, fund based and non-fund based working capital facilities and trade finance. He is also one of the promoters of the Company and associated with the Company for more than two decades.
3	Mr. Girish Jain	Mr. Girish Jain is a B.E. in Electronics and PGDBM in Finance. He is responsible for setting up and running the Investment Banking, Broking, Research and Distribution Business of the Group Company. He was the past Chairman of the Association of Merchant Bankers of India (AMBI) and an Ex-member of SEBI committee of primary market advisory committee.
4	Mr. S.C. Aythora	Mr. S C Aythora is also a fellow member of the Institute of Chartered Accountants of India in Practice and has more than 35 years of experience in the field of Corporate Accounts, Audit, Taxation and Company Law matters.
5	Mr. Nitin Kulkarni	Mr. Nitin Kulkarni is a fellow member of the Institute of Chartered Accountants of India and has more than 35 years of experience in the field of Corporate Accounts, Audit, Taxation and Company Law matters.
6	Mrs. Shraddha Jain	Mrs. Shraddha Jain is a Bachelor of Arts (B.A). She is having vast experience in holding management positions in the stream of Human Resources and Administration, NBFC etc.
7	Mr. Anil Sampat	Mr Anil Sampat is fellow member of the Institute of Chartered Accountants of India started his practising in audit, taxation and finance in the year 1979. He has devoted last 50 years in Banking related activities and developed expertise in Banking, Finance, Mutual Funds, BIFR matters and Corporate Debt Restructuring activities etc. He was an Independent Trustee of Bank of Baroda Mutual Fund for about 10 years since its inception. He was also a member of Expert Committee of Indian Merchant Chamber on Banking, Finance and Capital Market for about Six Years and a member of Expert Committee on Banking and Finance of ASSOCHAM for a period of three years.
8	Mr. Vijay Joshi	Mr. Vijay Joshi is the Fellow Member of the Institute of Company Secretary with over 30 years of rich and varied professional experience in the areas of Secretarial, Legal and Corporate Finance.

## (a) Board Composition & Meetings:

The composition of the Board complies with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI LODR Regulations, 2015'). As on March 31, 2024, the Board consists of 8 (eight) Directors of which 3 (three) are Non-Executive Directors including a Woman Director, 4 (four) Independent Directors and 1 (one) Executive Director. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business.

None of the Directors on the Board holds directorships in more than twenty (20) Indian Companies including ten public limited companies of which not more than seven (7) listed companies. Further, none of the Directors on the Board is a member of more than ten (10) Committees and Chairperson of more than five (5) Committees across all public companies in which he/she is a director. None of the Independent Directors of the Company serve as Independent Directors in more than seven (7) listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2024, have been made by the Directors.

The Chairperson of the Company is a Non-Executive Director. The Independent Directors have confirmed to the Board that they meet the criteria of Independence as specified under Section 149(6) of the Act and that they qualify to be Independent Directors pursuant to Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014. They have further confirmed to the Board that they meet the required criteria for being appointed as the independent directors, as outlined under Regulation 16(1) (b) of the

Listing Regulations.

Further, the Independent Directors have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs. The Company has issued formal letters of appointment to the Independent Directors. The familiarisation programme for Independent Directors in terms of provisions of Listing Regulations is uploaded on the website of the Company viz; <https://kjmcfinserv.com/investor-relations/codes-and-policies>. Further, in the opinion of the Board, all the Independent Directors of the Company fulfil the conditions specified in the Listing Regulations and are independent of the management of the Company. During this financial year, there was no instance of resignation by an Independent Director before the expiry of their tenure.

The Board meetings are held at regular intervals to consider, discuss and approve inter alia, the unaudited and audited standalone and consolidated financial results of the Company, strategy and policy, risk management, competitive scenario, etc.

During the financial year under review, the Board met 4 (Four) times i.e. May 15, 2023, August 09, 2023, November 07, 2023 and January 23, 2024. The required quorum was present at all the meetings.

The names and categories of the Directors on the Board, their attendance at board meetings held during the year and the number of directorships and committee chairmanships /memberships held by them in other public companies as on March 31, 2024 are given herein below.

Name of the Director	Category	Relationship with each other	Directorships held in other listed entities	Number of Board meetings during the year 2023-24		Whether attended last AGM held on September 18, 2023	Number of directorships in other Public Companies	Number of committee positions held in other public companies*		No. of shares held in the Company along with % to the paid up share capital of the Company ***
				Held	Attended			Chairperson	Member	
Mr. Inderchand Jain DIN:00178901	Promoter & Non Executive Director (Chairman)	Father of Mr. Rajnesh Jain and Mr. Girish Jain	Non-Executive - Non Independent Director of KJMC Corporate Advisors (India) Limited	4	4	Yes	2	1	2	2,13,000 (4.45%)
Mr. Rajnesh Jain DIN:00151988	Promoter & Executive Director	Son of Mr. Inderchand Jain, Brother of Mr. Girish Jain and Husband of Mrs. Shraddha Jain	Non-Executive - Non Independent Director of KJMC Corporate Advisors (India) Limited	4	4	Yes	5	-	2	6,05,168 (12.65%)
Mr. Girish Jain DIN:00151673	Promoter & Non-Executive Director	Son of Mr. Inderchand Jain, Brother of Mr. Rajnesh Jain	Whole-Time Director of KJMC Corporate Advisors (India) Limited	4	4	Yes	4	-	1	6,05,168 (12.65%)
Mr. S.C. Aythora DIN:00085407	Independent Director	**	Non-Executive - Independent Director of KJMC Corporate Advisors (India) Limited and Gold Rock Investments Limited	4	4	Yes	5	2	3	350 (0.00%)
Mr. Nitin Kulkarni DIN: 02297383	Independent Director	**	Non-Executive - Independent Director of KJMC Corporate Advisors (India) Limited	4	4	Yes	2	2	3	-
Mrs. Shraddha Jain DIN:00156306	Non-Executive Director	Wife of Mr. Rajnesh Jain	Non-Executive - Non Independent Director of KJMC Corporate Advisors (India) Limited	4	4	Yes	3	-	-	-

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Name of the Director	Category	Relationship with each other	Directorships held in other listed entities	Number of Board meetings during the year 2023-24		Whether attended last AGM held on September 18, 2023	Number of directorships in other Public Companies	Number of committee positions held in other public companies*		No. of shares held in the Company along with % to the paid up share capital of the Company ***
				Held	Attended			Chairperson	Member	
Mr. Anil Sampat DIN: 06735051	Independent Director	**	Non-Executive - Independent Director of KJMC Corporate Advisors (India) Limited	4	4	Yes	1	-	-	5500 (0.11%)
Mr. Vijay Joshi DIN: 00151550	Independent Director	**	Non-Executive - Independent Director of KJMC Corporate Advisors (India) Limited	4	4	Yes	1	-	-	-

### Notes:

- \* Position in Audit Committee and Stakeholders Relationship Committee only considered (excluding Private Limited Company, Foreign Company and Section 8 Company) as provided in Regulation 26(1) of Listing Regulations.
- \*\* No inter-se relationship with any of the Directors of the Company.
- \*\*\* As per the declarations made to the Company by the Directors as to the shares held in their own name or held jointly as the first holder or held on beneficial basis as the first holder.

### (b) Board Procedures:

The Agenda for the meetings is circulated well in advance to the Board of Directors. The items in the Agenda are backed by comprehensive background information to enable the Board to take appropriate decisions. The Board is also kept informed of major events/items and approvals taken wherever necessary. At the Board meetings, the Board is apprised of the overall performance of the Company.

The Company adheres to the provisions of the Companies Act, 2013 read with the Rules issued there under, Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors and its Committees.

The day-to-day management of the Company is entrusted with the Executive Director and the Senior Management Personnel of the Company who function under the overall supervision, director and control of the Board of Directors. Actions taken/ status reports on decisions of the previous meeting(s) are placed at the next meeting(s) for information and further recommended actions, if any.

### (c) Reappointment of Directors

Detailed profile(s) of Directors seeking appointment / re-appointment are furnished in the Notice convening the Annual General Meeting (AGM).

### 3. AUDIT COMMITTEE

The Committee composition and terms of reference in compliance with the provision of Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). Members of the Audit Committee possess requisite qualifications and expertise as per the provisions of the SEBI Listing Regulations.

### (a) Terms of Reference:

- a) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- c) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (i) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (ii) changes, if any, in accounting policies and practices and reasons for the same;
  - (iii) major accounting entries involving estimates based on the exercise of judgment by management;
  - (iv) significant adjustments made in the financial statements arising out of audit findings; (v) compliance with listing and other legal requirements relating to financial statements; (vi) disclosure of any related party transactions;
  - (vii) modified opinion(s) in the draft audit report;
- e) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- f) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a [public issue or rights issue or preferential issue or qualified institutions placement], and making appropriate recommendations to the board to take up steps in this matter;
- g) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (h) approval or any subsequent modification of transactions of the listed entity with related parties;

- (i) scrutiny of inter-corporate loans and investments;
  - (j) valuation of undertakings or assets of the listed entity, wherever it is necessary;
  - (j) evaluation of internal financial controls and risk management systems;
  - (k) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - (l) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  - (m) discussion with internal auditors of any significant findings and follow up there on;
  - (n) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  - (o) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  - (p) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - (q) to review the functioning of the whistle blower mechanism;
  - (r) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
  - (s) Carrying out any other function as is mentioned in the terms of reference of the audit committee;
  - (t) reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.;
  - (u) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- aa) The Audit Committee shall mandatorily review the following information:
- (i) Management discussion and analysis of financial condition and result of operations;
  - (ii) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - (iii) Management letters/letters of internal control weaknesses issued by the statutory auditors;
  - (iv) Internal audit reports relating to internal control weaknesses;

- (v) The appointment, removal and terms of remuneration of the chief internal auditor; and
- (vi) Statement of deviations:
- (vii) statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and
- (viii) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

**(b) Composition & Meetings:**

The Committee met Four (4) times during the year under review i.e. May 15, 2023, August 09, 2023, November 07, 2023 and January 23, 2024. The necessary quorum was present for all the meetings.

The composition of the audit committee and the details of meetings attended by its members are given below:

Name of Member	Category	No. of meetings during the financial year 2023-24	
		Held	Attended
Mr. S. C. Aythora	Chairman – Independent Director	4	4
Mr. Nitin Kulkarni	Independent Director	4	4
Mr. Inderchand Jain	Non-Executive Director	4	4
Mr. Anil Sampat	Independent Director	4	3

All the members of the Audit Committee are financially literate and have accounting or related financial management expertise. The audit committee invites executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and representatives of the internal auditors at its meetings. The Company Secretary acts as the Secretary to the audit committee. The last Annual General Meeting (AGM) of the Company was attended by Mr. S. C. Aythora, Chairman of the Audit Committee.

**4. NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee of the Company is constituted in accordance with Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI Listing Regulations

**(a) Terms of Reference:**

- a) Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- l) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The

person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- i) use the services of an external agencies, if required;
  - ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - iii) consider the time commitments of the candidates; formulation of criteria for evaluation of performance of independent directors and the board of directors;
- b) devising a policy on diversity of board of directors;
  - c) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
  - d) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
  - e) recommend to the board, all remuneration, in whatever form, payable to senior management.

**(b) Composition & Meetings:**

The Committee met Two (2) times during the year on August 09, 2023 and January 23, 2024. The necessary quorum was present at the said meetings.

The composition of the Nomination and Remuneration Committee and the details of meetings attended by its members are given below:

Name of Member	Category	No. of meetings during the financial year 2023-24	
		Held	Attended
Mr. S. C. Aythora	Chairman –Independent Director	2	2
Mr. Nitin Kulkarni	Independent Director	2	2
Mr. Girish Jain	Non-Executive Director	2	2

**(c) Remuneration Policy:**

The Nomination and Remuneration Committee is fully empowered to determine/ approve and revise from time to time, subject to necessary approvals, the remuneration of managerial personnel including Managing Director/ Whole Time Director after taking into account the financial position of the Company, trends in the industry, qualifications, experience, past performance and past remuneration, etc.

The Company's remuneration policy is directed towards rewarding performance based on review of achievements of Key Performance Indicators (KPI) periodically. The remuneration policy is in consonance with the existing industry practice.

Independent and Non-Executive Directors entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by them, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Nomination and Remuneration Committee recommends the remuneration for the Whole Time Directors, on the recommendation by the Board, approval of Shareholders is obtained.

Further, remuneration of the Senior Management and Key Managerial Personnel are also recommended by the Nomination and Remuneration and Committee and approve by the Board.

The last Annual General Meeting (AGM) of the Company was attended by Mr. S. C. Aythora, Chairman of the Nomination and Remuneration Committee.

**(d) The details and criteria for making payments to Non-Executive Directors of the Company are as under:**

The Non-Executive Independent Directors are paid remuneration in form of sitting fees for attending the Board and Committee meetings.

The details of sitting fees for attending Board, Audit Committee, Independent Directors and Nomination & Remuneration Committee Meetings paid to Non-Executive Directors are as under:

(Amount in Rs.)

Name of Director	Sitting Fees			
	Board Meeting	Audit Committee Meeting	Nomination & Remuneration Committee Meeting	Independent Directors Meeting
Mr. S.C. Aythora	12000	3000	2000	4000
Mr. Nitin Kulkarni	16000	4000	2000	4000
Mr. Anil Sampat	12000	3000	-	4000
Mr. Vijay Joshi	16000	-	-	4000
Mr. Inderchand Jain	16000	4000	-	-
Mr. Girish Jain	16000	-	2000	-
Mrs. Shraddha Jain	16000	-	-	-

None of the non-executive directors had any pecuniary relationship with the Company apart from the receipt of sitting fees for attending the Board and Committee Meetings wherever they are members.

**(e) Details of remuneration paid to the Executive Director for the year ended March 31, 2024:**

(Rs. in 000)

Name of Executive Director	Salary Basic and allowances	Benefits Perquisites	Others	Total	Service contract / Notice period
Mr. Rajnesh Jain	2400	1431	-	3831	Was reappointed for a further period of three years w.e.f. 11 <sup>th</sup> August, 2023 to 10 <sup>th</sup> August, 2026

**(f) Details of equity shares of the Company held by the Non-executive Directors / executive director as on March 31, 2024 are given below:**

Name	Number of Equity Shares
Mr. Inderchand Jain	2,13,000
Mr. Rajnesh Jain	6,05,168
Mr. Girish Jain	6,05,168
Mr. S. C. Aythora	350
Mr. Nitin Kulkarni	0
Mr. Anil Sampat	5500

**5. STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee of the Company is constituted in accordance with the Regulation 20 of SEBI Listing Regulations read with Section 178 of the Companies Act, 2013.

**Terms of Reference:**

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The role and functions of the Stakeholders Relationship Committee are, effective redressal of grievances of shareholders, debenture holders and other security holders including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of

declared dividends. Further, the Committee overviews the steps to be taken for further value addition in the quality of service to the investors.

During the year, the Company had received 1 (one) complaint and the same was redressed/resolved effectively by the Company. As on March 31, 2024, no investor grievance had remained unattended/pending for more than thirty days.

The Board has delegated the powers to approve transmission, issue of duplicate certificate for securities held in physical mode and all other matters related to securities of the Company.

During the year ended on March 31, 2024, One (1) meeting was convened and held on June 22, 2023.

Mrs. Khushbu Bohra, Company Secretary is the Compliance Officer of the Company in terms of Regulation 6 of the Listing Regulations.

The composition of the Stakeholders Relationship Committee and the details of meeting attended by its members are given below:

Sr. No.	Name of Member	Category	No. of meetings during the financial year 2023-24	
			Held	Attended
1.	Mr. Inderchand Jain	Chairman (Non-Executive Director)	1	1
2.	Mr. Nitin Kulkarni	Member (Independent Director)	1	1
3.	Mr. Rajnesh Jain	Member (Executive Director)	1	1
4.	Mr. Girish Jain	Member (Non-Executive Director)	1	1

**6. INDEPENDENT DIRECTORS MEETING**

As stipulated by the Code of Independent Directors under Schedule IV of the Companies Act, 2013 and the SEBI Listing Regulations, Independent Directors mandated to hold at least one meeting in a year without the presence of Non-Independent Directors and members of the management.

The independent directors in their meeting shall, inter alia -

- Review the performance of non-independent directors and the board of directors as a whole;
- Review the performance of the chairperson of the listed entity, taking into account the views of executive directors and non-executive directors;
- Assess the quality, quantity and timeliness of flow of information between the management of the listed entity and the board of directors that is necessary for the board of directors to effectively and reasonably perform their duties.

Independent Directors met on January 23, 2024 and the said meeting was attended by all Independent Directors.

### 7. CREDIT & INVESTMENT COMMITTEE

In addition to the statutory committees, the Credit and Investment Committee has been constituted by the Board for considering and approving the proposals of investing the funds of the Company and to grant loan or give guarantee or provide security in respect of loans.

The composition of Credit and Investment Committee is as follows:

Sr. No.	Name of Member	Category
1.	Mr. Inderchand Jain	Chairman - Non-Executive Director
2.	Mr. Girish Jain	Non-Executive Director
3.	Mr. Rajnesh Jain	Executive Director

During the year under review, Four (4) meetings were convened and held on April 05, 2023, October 30, 2023, January 23, 2024 and March 15, 2024. The meetings were attended by all the members of the Committee.

### 8. DEBENTURE ALLOTMENT COMMITTEE

The Board of Directors has constituted Debenture Allotment Committee for considering and approving Allotment of Debentures.

The composition of the Debenture Allotment Committee is as follows:

Sr. No.	Name of Member	Category
1.	Mr. Inderchand Jain	Chairman - Non-Executive Director
2.	Mr. Girish Jain	Non-Executive Director
3.	Mr. Rajnesh Jain	Executive Director

During the year, no meeting of the Debenture Allotment Committee was held.

### 9. IT STRATEGY COMMITTEE

As per the Master Direction - Information Technology Framework for the NBFC Sector dated 08.06.2017 (Ref. Master Direction DNBS.PPD.No.04/66.15.001/2016-17), NBFC's are required to form IT Strategy Committee. Accordingly, the Board constituted IT Strategy Committee. The said Committee is responsible for reviewing and amending the IT strategies in line with the corporate strategies, Board policy reviews, cyber security arrangements and any other matter related to IT Governance.

The composition of the IT Strategy Committee is as follows:

Sr. No.	Name of Member	Category	No. of meetings during the financial year 2023-24	
			Held	Attended
1.	Mr. Nitin Kulkarni	Chairman (Independent Director)	2	2

2.	Mr. Sajjan Bawri	Member (Chief Financial Officer & Chief Information Officer)	2	2
3.	Mr. Raj Randhawa	Member (Group Chief Technology Officer)	2	2

During the financial year 2023-24, two meetings of the IT Strategy Committee were held i.e. on August 09, 2023 and January 23, 2024.

### 7. GENERAL BODY MEETINGS:

#### i. (a) Annual General Meeting:

The particulars of Annual General Meetings of the Company held in last three years are as under:

Year	AGM	Location	Date	Time
2022-23***	AGM	Through Video Conferencing / Other Audio Visual Means ("VC/OAVM").	18/09/2023	01:00 P.M.
2021-22**	AGM	KamalNayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point Mumbai – 400021.	28/09/2022	11.30 A.M.
2020-21*	AGM	KamalNayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point Mumbai – 400021.	29/09/2021	11.00 A.M.

Date of AGM	Particulars of Special Resolutions Passed
18/09/2023	<ol style="list-style-type: none"> <li>for issue, offer, invite for subscription and to allot rated/unrated, Secured/unsecured, listed/unlisted, Redeemable Non-Convertible Debentures ('NCDs'), on a private placement basis, in one or more series / tranches, aggregating upto Rs. 50,00,00,000/- (Rupees Fifty Crores only), during the period of 1 (one) year from the date of passing of this Special Resolution, was passed;</li> <li>to enter/continue to enter into Material Related Party Transaction(s)/ Contract(s)/Arrangement(s)/ Agreement(s) with Mrs. Rajnesh Jain for the maximum amount of Rs. 4 Crores (Rupees Four Crores only) and stamp duty, transfer charges etc. from the conclusion of this AGM to the conclusion of the next AGM;</li> <li>Re-appointment of Mr. Rajnesh Jain (DIN: 00151988) as a Whole-time director of the company.</li> </ol>



28/09/2022	<ol style="list-style-type: none"> <li>for issue, offer, invite for subscription and to allot rated/unrated, Secured/unsecured, listed/unlisted, Redeemable Non-Convertible Debentures ('NCDs'), on a private placement basis, in one or more series / tranches, aggregating upto Rs. 25,00,00,000/- (Rupees Twenty five Crores only), during the period of 1 (one) year from the date of passing of this Special Resolution, was passed;</li> <li>to enter/continue to enter into Material Related Party Transaction(s)/ Contract(s)/Arrangement(s)/ Agreement(s) for the maximum amount of Rs. 10 Crores (Rupees Ten Crores only) from the conclusion of this AGM to the conclusion of the next AGM;</li> <li>to renew loan to Mr. Rajnesh Jain, Whole-Time-Director of the Company, for a period of 12 months up to an amount of Rs.1,00,00,000/- (Rupees One Crore only) at an interest of 14% p.a.</li> </ol>
29/09/2021	<ol style="list-style-type: none"> <li>to issue, offer, invite for subscription and to allot rated/unrated, Secured/unsecured, listed/unlisted, Redeemable Non-Convertible Debentures ('NCDs'), on a private placement basis, in one or more series / tranches, aggregating upto Rs. 25,00,00,000/- (Rupees Twenty five Crores only), during the period of 1 (one) year from the date of passing of this Special Resolution, was passed;</li> <li>to grant loan to Mr. Rajnesh Jain, (DIN: 00151988) Whole-Time-Director of the Company, for a period of 12 months up to an amount of Rs.1,00,00,000/- (Rupees One Crore only) at an interest of 14% p.a. on arm's length basis.</li> </ol>

**(b) Extra Ordinary General Meeting:**

No Extra-ordinary general meeting of the members was held during the financial year 2023-24.

**(c) Postal Ballot:**

No approval was obtained from the members through postal ballot process, during the financial year 2023-24.

**(d) NCLT Convened meeting**

No NCLT convened meeting was held during the financial year 2023-24.

**8. DISCLOSURES**

- None of the transactions with any of the related party are in conflict with the interest of the Company at large. The board has approved a policy for related party transactions which has been uploaded on the Company's website.  
  
The web-link as required under Schedule V of the Listing Regulations, is as under <https://www.kjmcfinserv.com/investor-relations/codes-and-policies>
- The Company has complied with all the requirements of the Stock Exchange, SEBI and other statutory authorities on all matters relating to capital market during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchange, SEBI or other Statutory Authorities.
- The Company has adopted Whistle Blower Policy/Vigil Mechanism for Directors and Employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's

- Code of Ethics. No person has been denied access to the Chairperson of audit committee. The said policy has also been put up on the website of the Company.
- The Company has also adopted policy for Determination of Materiality of Events and Information and Policy on Preservation of Documents. The said policies have also been put up on the website of the Company.
  - There have been no instances of non-compliances by the Company and no penalties and/or strictures have been imposed on it by Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets during the previous three financial years.
  - The Company has one unlisted subsidiary company. The Company's Audit Committee reviews the Consolidated Financial Statements of the Company as well as the Financial Statements of the Subsidiary, including the investments made by the Subsidiary, if any.
  - The Company obtains share capital audit report on quarterly basis to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.
  - Particulars of total fees paid to Auditors are provided in notes to accounts of the standalone financial statements.
  - During the year under review, the Policy on Prevention of Sexual Harassment at work place was not applicable to the Company.
  - During the financial year 2023-24, the Board of Directors of the Company accepted all recommendations made to it by its' Committees.
  - The Company does not deal in commodities and hence the disclosure as required under SEBI Listing Regulations is not applicable.
  - M/s. Rathi & Associates, Company Secretaries, have certified that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors, by the SEBI / Ministry of Corporate Affairs or any such other statutory authority. The Certificate issued by M/s. Rathi & Associates, Company Secretaries, forms part of this report.

**9. MEANS OF COMMUNICATION**

Effective communication of information is an essential component of Corporate Governance. It is the process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promotes relations between the management and shareholders. The Company regularly interacts with its shareholders through multiple channels of communication.

**a. Quarterly Results**

The quarterly, half-yearly and annual results of the Company are published in national and regional newspapers in India having wide circulation. The Company also submits the financial results to the Stock Exchange immediately after its approval by the Board. These results are simultaneously posted on the website of the Company. No presentations were made to the Institutional Investor's or analysts during the year under review.

**b. Website**

The Company's website viz., [www.kjmcfinserve.com](http://www.kjmcfinserve.com) provides information about the businesses carried on by the Company, its subsidiary and associate. It is the primary source of information to all the stakeholders of the Company and to general public at large. It also contains a separate dedicated section on Investor Relations viz; Financial Results, Annual Reports, Shareholding Pattern, Official News Releases, various policies adopted by the Board and other general information about the Company and such other disclosures as required under the Listing Regulations, are made available on the Company's website.

**c. Annual Report**

Annual Report containing, inter alia, the Standalone and Consolidated Financial Statements, Board's Report, Auditors' Report, and other important information is circulated to the shareholders of the Company prior to the Annual General Meeting. The Report on Management Discussion and Analysis forms part of this Annual Report. The Annual Report of the Company is made available on its website and also on the website of BSE Limited.

**d. Designated Exclusive Email-ID**

The Company has designated an email id exclusively for its shareholders viz., [investor.finance@kjmc.com](mailto:investor.finance@kjmc.com) for the purpose of registering complaints by investors and the same is displayed on the Company's website.

**e. Price Sensitive Information**

All price sensitive information and such other matters which in the opinion of the Company are of importance to the shareholders/investors are promptly disseminated to the Stock Exchanges in terms of the Company's Policy for Determination of Materiality of Events/Information and the Listing Regulations.

**f. SEBI Complaints Redressal System (SCORES)**

The Company has registered on the SCORES portal of the SEBI and regularly tracks the investor complaints received on the said Portal.

**10. GENERAL SHAREHOLDER'S INFORMATION**

The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L65100MH1988PLC047873.

**i. Annual General Meeting scheduled to be held:**

Date : September 24, 2024  
 Time : 03.30 pm  
 Venue : through Video Conferencing / Other Audio Visual Means (deemed venue shall be registered office of the Company)

For more details, please refer Notice of the AGM.

**ii. Financial year:**

The Company follows the period of April 01 to March 31 as the Financial Year. Tentative Financial calendar for the financial year 2024-25 is as under:

Financial Reporting for the Financial Year 2023-24	Tentative month of reporting
Un-audited Financial Results for the quarter ending June 30, 2024	approved at the Board Meeting held on August 10, 2024
Un-audited Financial Results for the quarter and half year ending September 30, 2024	On or before November 14, 2024
Un-audited Financial Results for the quarter and nine months ending December 31, 2024	On or before February 14, 2025
Audited Financial Results for the quarter and year ending March 31, 2025	On or before May 30, 2025

**iii. Book Closure:**

The Register of Members and Share Transfer Books will remain closed from Wednesday September 17, 2024 to Tuesday September 24, 2024 (both days inclusive) for the purpose of AGM.

**iv. Dividend Payment Date:**

No dividend recommended on the Equity Shares of the Company for the financial year under review.

**v. Listing of Equity Shares on Stock Exchange:**

Equity Shares of the Company are listed on BSE Limited (BSE).

**Address:** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001

Annual listing fees for the financial year 2023-24 have been paid to the BSE Limited, Mumbai.

**vi. Stock Code:**

- (i) BSE Limited, Mumbai (BSE): 530235
- (ii) ISIN: INE533C01018

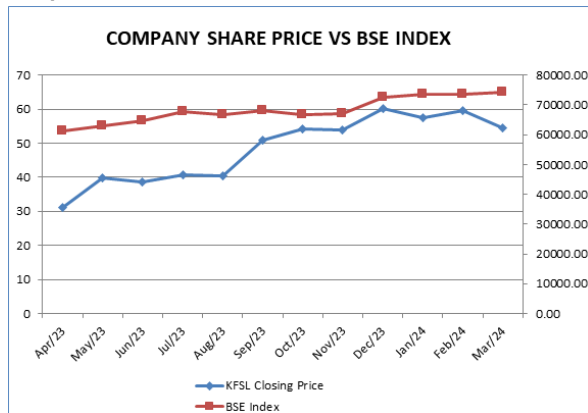
**vii. Stock Price Data:**

Month wise high and low price of the Company's Shares at BSE Limited (BSE) from April, 2023 to March, 2024 are as under:

Month	BSE Limited (BSE)		SENSEX		No. of shares traded
	High (Rs.)	Low (Rs.)	High	Low	
April, 2023	31.00	27.65	61209.46	58,793.08	890
May, 2023	39.88	30.00	63036.12	61,002.17	8,671
June, 2023	38.65	30.12	64768.58	62,359.14	15,462
July, 2023	40.77	33.25	67619.17	64,836.16	7,255
August, 2023	40.28	32.80	66658.12	64,723.63	11,895
September, 2023	51.00	37.92	67927.23	64,818.37	12,573
October, 2023	54.23	43.71	66592.16	63,092.98	5,274

Month	BSE Limited (BSE)		SENSEX		No. of shares traded
	High (Rs.)	Low (Rs.)	High	Low	
November, 2023	53.77	44.61	67069.89	63,550.46	8,042
December, 2023	60.20	48.54	72484.34	67,149.07	1,75,815
January, 2024	57.59	46.36	73427.59	70,001.60	85,995
February, 2024	59.50	47.00	73413.93	70,809.84	79,819
March, 2024	54.40	45.50	74245.17	71,674.42	18,046

**viii. Performance of the share price of the Company in comparison to the BSE Sensex:**



**ix. Registrar & Share Transfer Agent (R&T Agent):**

Bigshare Services Private Limited, Office No S6-2, 6<sup>th</sup> floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400093, India., Tel. No.022-62638200, Fax No. 022- 62638299, email id: info@bigshareonline.com.

**x. Share Transfer System:**

As per SEBI norms, all requests for transfer of securities shall be processed only in dematerialised form. Further vide circular dated January 24, 2022, SEBI has notified that all requests for transmission, transposition, duplicate issuance, splitting and consolidation requests too will be processed in a demat mode only. All Shareholders are requested to convert their shares in demat mode. The necessary form is available on the Company's website at <https://www.kjmcfinserv.com/investor-relations/investor-information>

The Company obtains certificate on annual basis, from a Company Secretary in Practice, on compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations, and files a copy of the same with the Stock Exchange. The Share Transfer Committee meets generally as and when required basis to consider the transfer proposals.

**xi. Shareholding as on March 31, 2024:**

**a. Distribution of equity shareholding as on March 31, 2024:**

Range (in Rs)		Number of Shareholders	% of Total	Shares Amount (in Rs)	% of Total
1	5000	3160	95.18	2364720	4.94
5001	10000	52	1.57	390970	0.82
10001	20000	42	1.27	629070	1.31
20001	30000	5	0.15	117520	0.25
30001	40000	9	0.27	291660	0.61
40001	50000	7	0.21	334620	0.70
50001	100000	13	0.39	890160	1.86
100001	99999999	32	0.96	42838680	89.51
<b>Total</b>		<b>3320</b>	<b>100.00</b>	<b>47857400</b>	<b>100.00</b>

**b. Shareholding pattern as on March 31, 2024:**

Categories of equity shareholding as on March 31, 2024 is given below:

Category	Number of shares	Percentage %
Promoter and Promoters Group	35,60,477	74.40
Directors and their Relatives	6,500	0.14
Investor Education and Protection Fund	16,215	0.34
Bodies Corporate	3,92,886	8.21
Resident Individuals	7,26,536	15.18
Financial Institutions/Banks	65,400	1.37
Foreign Investors (FIIs/NRIs/ OCBs/ Foreign Bank/ Foreign Corporate Bodies)	369	0.00
Others (Clearing Members/HUF)	17,357	0.36
<b>TOTAL</b>	<b>47,85,740</b>	<b>100</b>

**xii. Top ten Equity Shareholders of the Company as on March 31, 2024:**

Sr No.	Name of shareholder	Number of equity shares held	Percentage of holding
1	Chanddevi Jain	18,70,076	39.08
2	Rajnesh Jain	6,05,168	12.65
3	Girish Jain	6,05,168	12.65
4	I C Jain HUF	2,67,065	5.58
5	Inderchand Jain	2,13,000	4.45
6	Rajesh Bhogilal Bhanshali	59,100	1.23
7	Oricon Enterprises Limited	1,06,420	2.22

Sr No.	Name of shareholder	Number of equity shares held	Percentage of holding
8	TCK Finance & Leasing Private Limited	75,000	1.57
9	Apex Enterprises (India) Limited	50,000	1.04
10	Dena Bank	64,300	1.34

**xiii. De-materialisation of Shares and its liquidity:**

The Company's shares are compulsorily traded in dematerialised form on BSE. Further, as on March 31, 2024, out of total Equity Capital of 47,85,740 Equity Shares, 45,27,691 Equity Shares representing 94.61% are held in dematerialized form with NSDL and CDSL.

**xiv. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:**

The Company has not issued any GDRs / ADRs or any Warrants in the past and hence as on March 31, 2024, the Company does not have any outstanding GDRs / ADRs or any Warrants.

**xv. Plant Locations:**

Since the Company is engaged in providing financial services, the Company does not have any plant.

**xvi. Address for correspondence:**

KJMC Financial Services Limited  
162, Atlanta, 16th Floor,  
Nariman Point, Mumbai - 400 021.  
Tel: 022-40945500 Fax: 022-22852892  
Email: [investor.finance@kjmc.com](mailto:investor.finance@kjmc.com)  
Website: [www.kjmcfinserve.com](http://www.kjmcfinserve.com)

**xvii. Company Secretary and Compliance Officer:**

Ms. Khushbu Bohra

**xviii. Credit Rating:**

The Company has not issued any securities/instruments for which credit rating is required.

**xix Disclosures with respect to demat suspense account/ unclaimed suspense account - Nil**

**xx Disclosure of certain types of agreements binding the Company:**

No agreements as stipulated under Regulation 5A of paragraph A of Part A of Schedule III have been entered by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or impose any restriction or create any liability upon the Company.

## 11. OTHER INFORMATION

**i. Prevention of Insider Trading Code:**

The Company has adopted a Code of Conduct to Regulate, Monitor and Report trading by Designated Persons (Insider Trading Code) under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (SEBI Insider Trading Regulations). SEBI notified several amendments to SEBI Insider Trading Regulations pursuant to SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 which were effective from 1<sup>st</sup> April, 2019.

In accordance with the said amendments to the SEBI Insider Trading Regulations, it was, inter alia, required to amend/formulate the following:

- Code of Conduct to Regulate, Monitor and Report trading by Designated Persons
- Formulate a Policy for determination of 'legitimate purposes' as a part of 'Code of Fair Disclosure and Conduct'
- Policy for inquiry in case of leak of Unpublished Price Sensitive Information (UPSI)
- Whistle Blower Policy to enable reporting in case of leak of UPSI

All the Directors, employees at Senior Management and other employees who could have access to the unpublished price sensitive information of the Company governs by this code.

The Audit Committee reviews cases of non-compliances, if any, and makes necessary recommendations w.r.t. action taken against such defaulters. The said non – compliances are promptly intimated to SEBI. The Code of Conduct to Regulate, Monitor and Report trading by Designated Persons, Code of Fair Disclosure & Conduct and Whistle Blower Policy have been uploaded on website of the Company.

**ii. CEO/CFO Certification:**

Whole Time Director/Chief Financial Officer (CFO) have issued certificate as specified in Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the financial year ended March 31, 2024 certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs.

**iii. Compliance with Mandatory Requirements and adoption of Non-Mandatory Requirements:**

The Company has complied with all mandatory requirements of the listing regulations.

Adoption of non-mandatory requirements as prescribed under Schedule II Part E of the SEBI Listing Regulations are reviewed by the Board from time to time.

**iv. Modified/ Unmodified opinion(s) in audit report:**

The Company is in the regime of financial statements with unmodified audit opinion.

**v. Separate posts of chairperson and Chief Executive Officer:**

The Chairperson of the Company is not the Chief Executive Officer or Managing Director of the Company.

**vi. Reporting of Internal Auditor:**

The Internal Auditor reports directly to the Audit Committee of the Company.

**vii. Policy for determining 'material subsidiaries':**

There were no material subsidiary of the Company for the period under review. Further, the Company has formulated and adopted a policy for determining 'Material Subsidiaries' in compliance with the Listing Regulations.

The Policy is available on the website of the Company at <https://www.kjmcfinserv.com/investor-relations/codes-and-policies>

**viii. Details of utilization of funds raised through Preferential allotment:**

The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI LODR Regulations, 2015, during the year under review.

**ix. Non-compliance of any requirement of Corporate Governance Report of sub-paras (2) to (10) of Para C to Schedule V of the Listing Regulations:**

The Company has complied with all the requirements in this regard, to the extent applicable.

**x. Traded Securities:**

The securities of the Company have not been suspended from trading from stock exchanges during FY 2023-24.

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

I hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed the compliance with the provisions of the code of conduct for the financial year ended on March 31, 2024.

Place : Mumbai  
Date : August 10, 2024

**Rajesh Jain**  
**Whole Time Director**  
**DIN : 00151988**

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

**The Members of  
KJMC Financial Services Limited**  
162, Atlanta, 16th Floor,  
Nariman Point, Mumbai - 400021

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **KJMC Financial Services Limited**, having CIN: L65100MH1988PLC047873, and having registered office at 162, Atlanta, 16th Floor, Nariman Point, Mumbai – 400 021 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status on the portal [www.mca.gov.in](http://www.mca.gov.in)), as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31<sup>st</sup> March, 2024, have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of The Director	DIN	Date of Appointment
1.	Mr. Girish Inderchand Jain	00151673	21/09/1994
2.	Mr. Inderchand Mohanlal Jain	00178901	30/06/2000
3.	Mr. Nitin Vasant Kulkarni	02297383	31/07/2008
4.	Mr. Rajnesh Inderchand Jain	00151988	30/06/2001
5.	Ms. Shraddha Rajnesh Jain	00156306	22/05/2019
6.	Mr. Vijay Indukumar Joshi	00151550	07/09/2020
7.	Mr. Anil Vallabhdas Sampat	06735051	15/07/2020
8.	Mr. Sureshchandra Chhanalal Aythora	00085407	09/06/2004

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For RATHI & ASSOCIATES  
COMPANY SECRETARIES**

**JAYESH M. SHAH  
PARTNER  
MEM NO. FCS.: 5637  
COP NO.: 2535**

**UDIN: F005637F000989941  
Peer Review Cer. No: 668/2020**

**Place: Mumbai  
Date: 16.08.2024**

**CERTIFICATE ON CORPORATE GOVERNANCE**

To,

The Members of  
**KJMC Financial Services Limited**

We have examined the compliance of conditions of Corporate Governance by **KJMC Financial Services Limited** ('the Company') for the year ended March 31, 2024, as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examinations have been limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV, of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For RATHI & ASSOCIATES  
COMPANY SECRETARIES**

**JAYESH M. SHAH**

**PARTNER**

**MEM NO. FCS.: 5637**

**COP NO. 2535**

**UDIN: F005637F000990016**

**Peer Review Cer. No: 668/2020**

**Place: Mumbai  
Date: 16.08.2024**

**INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF KJMC Financial Services Limited.**

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

**Opinion**

We have audited the standalone financial statements of KJMC Financial Services Limited. ("the Company"), which comprise the Balance Sheet as at March 31 2024, the statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the standalone financial statements, including a summary of 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 March 31, 2024, and its profit and other comprehensive income, 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

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

No.	Key Audit Matter	Auditors' Response
1	<p><b>Impairment of Investments</b></p> <p>Where impairment indicators have been identified, the quantification of impairment in the carrying value of investments is considered to be a risk area due to the judgmental nature of key assumptions. The estimated recoverable amount is subjective due to the inherent uncertainty involved in forecasting and discounting future cash flows. The most significant judgements are:</p> <ul style="list-style-type: none"> <li>• Timely identification of diminution in the value of investments.</li> <li>• Proper estimation of fair market value in respect of listed and unlisted investments</li> </ul>	<p><b>Auditor's Response</b></p> <p>Tested the design and effectiveness of internal controls implemented by the management for following:</p> <ul style="list-style-type: none"> <li>• Identification of any diminution in the value of investments.</li> <li>• Collection of relevant data to estimate the fair market value of investments at the balance sheet date.</li> <li>• To ascertain the sufficiency of amount of provision in case of diminution in value of investments</li> <li>• Management's judgement applied for the key assumptions used for the purpose of determination of impairment provision.</li> <li>• Completeness and accuracy of the data inputs used.</li> <li>• We critically assessed and tested the key underlying assumptions and significant judgements used by management.</li> <li>• For investments identified by management as potentially impaired, examined the same and checked the calculation of the impairment</li> <li>• Examined the investments which had not been identified by management as potentially impaired and formed our own judgement as to whether that was appropriate through examining available information</li> </ul>



2	<p><b>Impairment of financial assets as at the balance sheet (Expected Credit Losses)</b></p> <p>Ind AS 109 requires the Company to provide for impairment of its loan receivables (designated at amortized cost and fair value through other comprehensive income) using the expected credit loss (ECL) approach. ECL involves an estimation of probability weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances</p> <p>In the process, a significant degree of judgment has been applied by the Management for:</p> <ul style="list-style-type: none"> <li>• Grouping of borrowers based on homogeneity by using appropriate statistical techniques;</li> <li>• Estimation of behavioral life;</li> <li>• Determining macro-economic factors impacting credit quality of receivables; Estimation of losses for loan products with no/minimal historical defaults.</li> </ul>	<p><b>Auditors Response</b></p> <ul style="list-style-type: none"> <li>• Read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109</li> <li>• Evaluated the reasonableness of the Management estimates by understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation.</li> <li>• Tested the ECL model, including assumptions and underlying computation.</li> <li>• Assessed the floor/minimum rates of provisioning applied by the Company for loan products with inadequate historical defaults.</li> <li>• Tested assumptions used by the Management in determining the overlay for macro-economic factors.</li> </ul> <p>Assessed disclosures included in the standalone Ind AS financial statements in respect of expected credit losses.</p>
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**Information other than the Financial Statements and Auditors' Report thereon**

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 our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Management's Responsibility 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 Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, statement of changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true

and fair view and are free from material misstatement, whether due to fraud or error.

In preparing these financial statements, 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 Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditors' Responsibilities for the Audit of the Financial Statements**

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place

and the operating effectiveness of such controls.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
4. Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) Planning the scope of our audit work and in evaluating the results of our work; and (ii) To evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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

As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

1. 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.

2. 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 of accounts and the company has maintained daily backup of such books in electronic mode, in a server physically located in India 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.
3. The Balance Sheet, the Statement of Profit and Loss (including other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
4. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
5. On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
6. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
7. The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A (2) above on reporting under section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rule, 2014.
8. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- A. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a. The Company has disclosed the impact of pending litigations on its financial position in its 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 notes to the accounts, 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 notes to accounts, 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 Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that has 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 d (i) and (ii) above, contain any material misstatement.

e. The Company has not declared any dividend during the current financial year ended March 31 ,2024

f. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which as a feature of recording audit trail (edit log) facility is applicable to company with effect from April 1, 2023.

Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting software 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 software:

In the absence of any information on existence of Audit trail (edit logs) for any changes made at the application level or database level in the aforesaid systems, we are unable to comment on whether audit trail feature of the said systems/software was enabled and operated throughout the year.

Further, for the periods where audit trails (edit logs) facility was enabled for the respective software, we did not come across any instances of audit trail feature being tampered with.

As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of the Audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March 2024

**For Batliboi & Purohit**  
**Chartered Accountants**  
**Firm Registration Number:101048W**

**Gaurav Dhebar**  
**Partner**

**Place: Mumbai**  
**Date: May 13, 2024**

**Membership No. 153493**  
**UDIN: 24153493BKCTNA7960**

**The Annexure A referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2024 we report that:**

- (i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. The Company has maintained proper records showing full particulars of intangible assets.
- b) As explained to us, the fixed assets have been physically verified by management at reasonable intervals under a phased programme of verification. In accordance with this program, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion this periodicity of physical verification is reasonable having regard to the size of company and nature of its assets.
- c) Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- d) The Company has not revalued its Property, Plant and Equipment and intangible assets during the year.
- e) No proceedings have been initiated or are pending against the Company as at 31st March, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) a) The Company is in the business of providing loans and does not have any physical inventories. Accordingly, the provision of clause 3(ii)(a) of the Order is not applicable to it.
- b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, during the year, from financial institution on the basis of security of non-current assets. Accordingly, the provisions of clause 3(ii) of order is not applicable on company.
- (iii) a) The Company's principal business is to give loans. Accordingly, the provision of clause 3(iii)(a) of the Order is not applicable to it.
- b) The Company, being a Non-Banking Financial Company ('NBFC'), is registered under provisions of RBI Act, 1934. In our opinion and according to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees, provided during the year are, prima facie, not prejudicial to the Company's interest
- c) The Company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its customers as stipulated. In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and in cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof.
- d) The Company, being a NBFC, registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors and report total amount overdue including principal and/or payment of interest by its customers for more than 180 days. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer note no 33 to the Standalone Financial Statements for summarised details of such loans/ advances which are not repaid by borrowers as per stipulations. According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof.
- e) Since the Company's principal business is to give loans. Accordingly, the provision of clause 3(iii)(e) of the Order is not applicable to it.
- (iv) In our opinion and according to the information and explanations given to us, the Company has granted loans to party covered under section 185 of the Act. The provision of Section 185 and 186 of the Companies Act 2013 have been complied with.
- (v) The Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Act and Rules framed there under to extent notified.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) section 148 of the Act for the business activities carried out by the Company. Accordingly, the provision of clause 3(vi) of the Order is not applicable to the Company.
- (vii) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including provident fund, employee state insurance, income tax, sales tax, service tax, GST, duty of customs, duty of excise, value added tax, cess and any other material statutory dues as applicable, with the appropriate authorities.
- Further no undisputed amounts payable in respect of provident fund, employee state insurance, income tax, sales tax, service tax, GST, duty of customs, duty of excise, value added tax, cess and any other material statutory dues were in arrears as at March 31 2024 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, and the records of the company examined by us, there are no dues in respect of sales tax, income-tax, duty of customs, service tax, GST, entry tax, value added tax, central sales tax, duty of excise, which have not been deposited with the appropriate authority on account of any disputes.
- (viii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) a) According to the records of the company examined by us and the information and explanation given to us, the company has not defaulted in repayment of loans or borrowings to any financial institution, bank or Government as at the Balance sheet date.
- b) The company is not declared as a wilful defaulter by any bank or financial institution or other lenders.
- c) Company has vehicle loan from Finance Company. The said loan has been applied for the purpose for which it was obtained.
- d) According to the records of the company examined by us and the information and explanation given to us, the funds raised on short term basis have not been utilised for long term purposes.
- e) As per the records of the company examined by us and the information and explanation given to us no funds are taken from any entity to meet the obligations of the subsidiary or associate companies.
- f) As per the records of the company examined by us and the information and explanation given to us, the company has raised no loans during the year on pledge of securities held in its subsidiaries.
- (x) The Company did not raise any moneys by way of initial public offer or further public offer (including debt instruments) or right issue of shares nor has obtained any term loans during the year, hence paragraph 3 (x) of the order is not applicable to the Company.
- (xi) a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instances of material fraud by the Company or on the Company by its officers or employees noticed or reported during the year nor have we been informed of any such case by the Management.
- b) As there are no frauds, hence sub para (b) of clause (xi) of the order is not applicable to the company.
- c) Whistle blower complaints if any received during the year were considered by us.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required under Ind AS and Companies Act, 2013.
- (xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period up to 31st March, 2024.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) a) The Company is required to be registered under Section 45- IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration.
- b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial activities without obtaining a valid CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934
- c) According to the information and explanations given to us, the Company is not a Core Investment Company ('CIC') as defined under the Regulations by the Reserve Bank of India.
- d) As per information provided in course of our audit, the Group to which the Company belongs has no CIC's as defined in the Core Investment Companies (Reserve Bank) Directions, 2016.
- (xvii) The Company has not incurred cash loss during the current financial year but has incurred in the immediately preceding financial year.
- (xviii) There is no resignation of Statutory auditor during the year, hence the said clause (xviii) of the order is not applicable.
- (xix) According to the information and explanation given to us including the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, and on the basis of Board of Directors and management plans, which causes us to believe that material uncertainty exists as on the date of the audit report indicating that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the explanation given to us and based on our scrutiny of the books of accounts, Section 135 of the Companies Act 2013 is not applicable for the financial year 2023-24 and hence the said clause of the order is not applicable to the Company.

**For Batliboi & Purohit**  
**Chartered Accountants**  
**Firm Registration Number:101048W**

**Gaurav Dhebar**  
**Partner**

**Place: Mumbai**  
**Date: May 13, 2024**

**Membership No. 153493**  
**UDIN: 24153493BKCTNA7960**

### **Annexure - B to the Auditors' Report**

#### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

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

#### **Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

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

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion and to the best of our information & according to the explanations give to us, the Company has, in all material respects, adequate internal financial controls with reference to Standalone financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to Standalone 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").

**For Batliboi & Purohit  
Chartered Accountants  
Firm Registration Number:101048W**

**Gaurav Dhebar  
Partner**

**Place: Mumbai  
Date: May 13, 2024**

**Membership No. 153493  
UDIN: 24153493BKCTNA7960**

**STANDALONE BALANCE SHEET AS AT MARCH 31, 2024**

CIN NO : L65100MH1988PLC047873

(₹ In '000)

PARTICULARS	NOTE NO.	As At 31.03.2024	As At 31.03.2023
<b>ASSETS</b>			
<b>Financial Assets</b>			
(a) Cash and cash equivalents	4	3,029	3,734
(b) Bank Balance other than (a)	5	400	400
(c) Loans	6	41,358	76,667
(d) Investments	7	1,184,053	719,556
(e) Other Financial Assets.	8	10,439	6,133
<b>Non-Financial Assets</b>			
(a) Current Tax Assets	9	2,203	2,753
(b) (i) Property, Plant & Equipment	10	7,039	9,192
(ii) Intangible assets		-	-
(c) Other Non Financial Assets.	11	1,088	953
<b>Total assets</b>		<b>1,249,609</b>	<b>819,388</b>
<b>Financial Liabilities</b>			
<b>(a) Payables</b>			
(I) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	12	329	937
(b) Borrowings(other than Debt Securities)	13	69,008	75,303
(c) Deposits	14	3,288	2,890
(d) Other Financial Liabilities	15	816	888
<b>Non-Financial Liabilities</b>			
(a) Provision	16	3,873	4,946
(b) Other Non Financial Liabilities	17	526	799
(c) Deferred Tax Liability (Net)	18	92,279	44,718
<b>Equity</b>			
(a) Equity Share Capital	19	47,857	47,857
(b) Other Equity	20	1,031,633	641,050
<b>Total liabilities and equity</b>		<b>1,249,609</b>	<b>819,388</b>

Significant Accounting Policies and Notes to Accounts

1 to 38

The above notes are integral part of the financial statements

As per our report of even date attached

**For Batliboi & Purohit**

Chartered Accountants

Registration No: 101048W

For and on behalf of the Board of Directors

**KJMC FINANCIAL SERVICES LIMITED**

**Rajnish Jain**

**Whole time Director**

DIN: 00151988

**Girish Jain**

**Director**

DIN: 00151673

**Gaurav Dhebar**

Partner

Membership No. 153493

Place : Mumbai

Date : 13th May 2024

UDIN: 24153493BKCTNA7960

**Sajjan Bawri**

**Chief Financial Officer**

Place : Mumbai

Date : 13th May 2024

**Khusbhu Bohra**

**Company Secretary**

## 36<sup>TH</sup> ANNUAL REPORT 2023 - 2024

### STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024 CIN NO : L65100MH1988PLC047873

(₹ In '000)

PARTICULARS	NOTE NO.	For the Year Ended 31.03.2024	For the Year Ended 31.03.2023
Interest Income		9,511	11,287
Dividend Income		2,497	2,120
Processing , Documentation & other Charges		46	320
Income from Shares & Securities Trading		34,252	15,123
<b>Revenue from Operations</b>	21	<b>46,306</b>	<b>28,850</b>
Other Income	22	626	2,024
<b>Total Revenue</b>		<b>46,932</b>	<b>30,874</b>
<b>Expenses:</b>			
Finance Costs	23	6,825	7,092
Employee Benefits Expenses	24	11,401	11,297
Depreciation and Amortization Expenses	11	2,454	2,016
Other Expenses	25	12,524	16,771
<b>Total Expenses</b>		<b>33,204</b>	<b>37,176</b>
<b>Profit Before Tax</b>		<b>13,728</b>	<b>(6,302)</b>
Tax Expense:			
(1) Current tax		401	-
(2) Deferred tax		4,292	2,634
		<b>4,693</b>	<b>2,634</b>
<b>Profit for the Year</b>		<b>9,035</b>	<b>(8,936)</b>
<b>Other comprehensive income (OCI)</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Profit / (Loss) on Sale of Investments (Equity) - Realised		9,760	8,797
Remeasurement gains/(losses) on defined benefit plans		28	71
Net Gain / (Loss) on Fair Value Changes - Unrealised		416,043	(15,826)
Current Tax		(1,015)	-
Deferred Tax		(43,268)	1,646
<b>Other comprehensive income for the year (net of tax)</b>		<b>381,548</b>	<b>(5,312)</b>
<b>Total</b>		<b>390,583</b>	<b>(14,248)</b>
<b>Earnings per Equity Share: (Rs)</b>			
(1) Basic		1.89	(1.87)
(2) Diluted		1.89	(1.87)

Significant Accounting Policies and Notes to Accounts

The above notes are integral part of the financial statements

As per our report of even date attached

**For Batliboi & Purohit**

Chartered Accountants

Registration No: 101048W

For and on behalf of the Board of Directors

**KJMC FINANCIAL SERVICES LIMITED**

**Rajnish Jain**

**Whole time Director**

DIN: 00151988

**Girish Jain**

**Director**

DIN: 00151673

**Gaurav Dhebar**

Partner

Membership No. 153493

Place : Mumbai

Date : 13th May 2024

UDIN: 24153493BKCTNA7960

**Sajjan Bawri**

**Chief Financial Officer**

Place : Mumbai

Date : 13th May 2024

**Khusbhu Bohra**

**Company Secretary**



**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024**

CIN NO : L65100MH1988PLC047873

(₹ In '000)

Sr. no.	Particulars	For the Year Ended 31.03.2024 (Audited)	For the Year Ended 31.03.2023 (Audited)
<b>A</b>	<b>Cash Flow from Operating Activities</b>		
	<b>Net Profit Before Tax and Extraordinary Items</b>	<b>13,728</b>	<b>(6,302)</b>
	Adjustment for:		
	Depreciation & amortization	2,454	2,016
	Gratuity Provision through OCI	28	71
	Addition/(Reversal) of Provision of Standard Assets	(1,230)	325
	Interest and Financial Charges	6,825	7,092
	<b>Operating Profit Before Working Capital Changes</b>	<b>21,805</b>	<b>3,202</b>
	<b>Changes in Working Capital</b>		
	(Increase)/Decrease in Loans	35,309	(25,836)
	(Increase)/Decrease in other financial assets	(4,306)	16,823
	(Increase)/Decrease in other non financial assets	(135)	(519)
	Stock in Trade (Securities held for trading)	(8,441)	(13,145)
	Increase/( Decrease) in other payables	(609)	80
	Increase/(Decrease) in other financial liabilities	(71)	151
	Increase / (Decrease) in Deposit (Liability)	398	<b>(8,220)</b>
	Increase / (Decrease) in provisions	157	79
	Increase/(Decrease) in other non financial Liabilities	(272)	45
	<b>(Increase)/ Decrease in Net Current Assets</b>	<b>22,030</b>	<b>(30,542)</b>
	<b>Cash generated from Operations</b>	<b>43,835</b>	<b>(27,340)</b>
	Direct taxes (paid) (Net of refund)/Refund	(866)	1,585
	<b>Cash Flow Before Extraordinary Items</b>	<b>42,969</b>	<b>(25,755)</b>
	Extraordinary Items	-	-
	<b>Net Cash flow from Operating Activities</b>	<b>42,969</b>	<b>(25,755)</b>
<b>B</b>	<b>Cash Flow from Investment Activities</b>		
	Purchase & Sale of Shares/ units (Net)	(456,056)	7,601
	Net (gain)/loss on Equity instruments at fair value through OCI (Unrealised)	416,043	(15,826)
	Net (gain)/loss on Equity instruments through OCI (Realised)	9,760	8,797
	Purchase of Property Plant & Equipment	(300)	(2,717)
	<b>Net Cash Flow from Investing Activities</b>	<b>(30,553)</b>	<b>(2,145)</b>
<b>C</b>	<b>Cash Flow From Financing Activities</b>		
	Borrowings other than debt securities issued (net)	(6,296)	35,408
	Interest and Financial Charges	(6,825)	(7,092)
	<b>Net Cash Flow from Financing Activities</b>	<b>(13,121)</b>	<b>28,316</b>
	Net Increase in Cash and Cash Equivalents	(705)	416
	Cash and Cash Equivalents at the beginning of the Year *	4,134	3,718
	Cash and Cash Equivalents at the close of the Year *	<b>3,429</b>	<b>4,134</b>
	<b>* Cash and Cash Equivalents comprise of :</b>		
	Cash in hand	31	291
	Balance in current account	2,998	3,443
	In Deposit Accounts with Less than 12 months'	400	400
	<b>Total</b>	<b>3,429</b>	<b>4,134</b>

**Note:- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS -7 Statement of Cash Flows**

As per our report of even date attached

**For Batliboi & Purohit**

Chartered Accountants

Registration No: 101048W

For and on behalf of the Board of Directors

**KJMC FINANCIAL SERVICES LIMITED**
**Rajnish Jain**
**Whole time Director**

DIN: 00151988

**Girish Jain**
**Director**

DIN: 00151673

**Gaurav Dhebar**

Partner

Membership No. 153493

Place : Mumbai

Date : 13th May 2024

UDIN: 24153493BKCTNA7960

**Sajjan Bawri**
**Chief Financial Officer**

Place : Mumbai

Date : 13th May 2024

**Khusbhu Bohra**

Company Secretary

## 36<sup>TH</sup> ANNUAL REPORT 2023 - 2024

### STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2024 CIN NO : L65100MH1988PLC047873

#### Statement of Changes in Equity

(₹ In '000)

Particulars	For the year ended	
	31st March 2024	31st March 2023
Balance of the Beginning of the year	47,857	47,857
Changes in equity	-	-
	47,857	47,857

#### Other Equity for the year ended 31st March 2024

##### Reserves and Surplus

(₹ In '000)

Particulars	Note No	General Reserve	Securities Premium	Capital Redemption Reserve	Other Comprehensive Income'	Special Reserve	Profit & Loss A/c	Total
<b>Balance as on 31.03.2023</b>	20	2,786	14,410	49,900	589,311	10,424	(25,781)	641,050
Profit after tax		-	-	-	-	-	9,035	9,035
Transfer from Profit & Loss A/c		-	-	-	-	1,807	-	1,807
Other Comprehensive Income (Net of tax)		-	-	-	381,548	-	-	381,548
		2,786	14,410	49,900	970,859	12,231	(16,746)	1,033,440
Transfer to Reserve		-	-	-	-	-	1,807	1,807
<b>Balance as on 31.03.2024</b>		2,786	14,410	49,900	970,859	12,231	(14,939)	1,031,633

#### Other Equity for the year ended 31st March 2023

##### Reserves and Surplus

(₹ In '000)

Particulars	Note No	General Reserve	Securities Premium	Capital Redemption Reserve	Other Comprehensive Income'	Special Reserve	Profit & Loss A/c	Total
<b>Balance as on 31.03.2022</b>	20	2,786	14,410	49,900	594,623	10,424	(16,845)	655,298
Addition		-	-	-	-	-	(8,936)	(8,936)
Profit after tax		-	-	-	-	-	-	-
Other Comprehensive Income (Net of tax)		-	-	-	(5,312)	-	-	(5,312)
		2,786	14,410	49,900	589,311	10,424	(25,781)	641,050
Transfer to Reserve		-	-	-	-	-	-	-
<b>Balance as on 31.03.2023</b>		2,786	14,410	49,900	589,311	10,424	(25,781)	641,050

As per our report of even date attached

**For Batliboi & Purohit**

Chartered Accountants

Registration No: 101048W

**Gaurav Dhebar**

Partner

Membership No. 153493

Place : Mumbai

Date : 13th May 2024

UDIN: 24153493BKCTNA7960

For and on behalf of the Board of Directors

**KJMC FINANCIAL SERVICES LIMITED**

**Rajnish Jain**

Whole time Director

DIN: 00151988

**Sajjan Bawri**

Chief Financial Officer

Place : Mumbai

Date : 13th May 2024

**Girish Jain**

Director

DIN: 00151673

**Khusbhu Bohra**

Company Secretary

## Notes to standalone financial statements for the year ended 31 March 2024

### 1. Corporate information

KJMC Financial Services Ltd. ('the Company', 'KFSL') is a company limited by shares, incorporated on 29 June 1988 and domiciled in India. The Company is engaged in the business of lending. KFSL has a diversified lending portfolio across retail, MSME and commercial customers. The Company has its registered office at Atlanta Society, Nariman Point, Mumbai, Maharashtra and its principal place of business is at 162, Atlanta Society, 16th floor, Nariman Point, Mumbai, Maharashtra, India.

The company is a non-deposit taking non-systematically in postant Non-Banking Financial Company (NBFC) classified as an Investment Company according to Circular No. DNBS.PD, CC No.85/03-02-89/2006-07 dated December 6, 2006. It is registered with the Reserve Bank of India (RBI) as a non-deposit taking Non-Systemically Important non-banking financial company (NBFC) under Registration No. B-13.01633, effective from 8 Aug 2002.

The audited financial statements were subject to review and recommendation of Audit Committee and were subsequently approved by the Board of Directors. On 13<sup>th</sup> May 2024, Board of Directors of the Company approved and recommended the audited financial statements for consideration and adoption by the shareholders in its annual general meeting.

### 2. Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act and the Master Direction – Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking (Reserve Bank) Directions, 2016 ('the NBFC Master Directions') issued by RBI. The financial statements have been prepared on a going concern basis. The Company uses accrual basis of accounting except in case of significant uncertainties

### 2.1 Presentation of financial statements

#### The Company presents its Balance Sheet in order of liquidity.

The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are material in nature.

#### Critical accounting estimates and judgments

The preparation of the Company's financial statements requires Management to make use of estimates and judgments. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based. Accounting estimates and judgments are used in various line items in the financial statements for e.g.

- Fair value of financial instruments [Refer note no. 3.12.]
- Effective Interest Rate (EIR) [Refer note no. 3.1(i)]
- Provision for tax expenses [Refer note no. 3.5(i)]
- Residual value and useful life of property, plant and equipment [Refer note no. 3.6].

### 3 Material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated

#### 3.1 Income

##### (i) Interest income

The Company recognises interest income using Effective Interest Rate (EIR) on all deposits given measured at fair value or net present value through the profit and loss account. EIR is calculated by considering the interest earned by the company on its Fixed Deposits lying with the bank and it represents a rate that exactly discounts the future cash receipts through the contracted life of the deposits to the carrying amount of deposits as on the date of the balance sheet.

The Company recognises interest income by applying the EIR to the carrying amount of deposits given

Delayed payment interest (penal interest) levied on customers for delay in repayments/non-payment of contractual cash flows is recognised on realisation.

Interest on loans given to customers/borrowers are recognised at the contractual rate of interest

##### (ii) Dividend income

Dividend income on equity shares is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

##### (iii) Other revenue from operations

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

##### (a) Fees and commission

The Company recognises service and administration charges towards rendering of additional services to its loan customers on satisfactory completion of service delivery.

Processing Fees collected from the customers is apportioned over the tenor of the loan.

Foreclosure charges are collected from loan customers for early payment/closure of loan and are recognised on realisation.

**(b) Net gain on fair value changes**

Investments are subsequently measured at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL), as applicable. The Company recognises gains/losses on fair value change of investments measured as FVOCI or FVTPL which is irreversible and even the realised gains/losses on subsequent sale of investments are recognized through FVOCI or FVTPL as applicable.

**(c) Recoveries of financial assets written off**

The Company recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

**(iv) Taxes.**

Incomes are recognised net of the Goods and Services Tax/ Service Tax, wherever applicable.

**3.2 Expenditures**

**(i) Finance costs**

Borrowing costs on deposits taken are recognised using the EIR [refer note no. 3.1(i)].

**(ii) Fees and commission expenses**

Fees and commission expenses which are not directly linked to the sourcing of financial assets, such as commission/incentive incurred on value added services and products distribution, recovery charges and fees payable for management of portfolio etc., are recognised in the Statement of Profit and Loss on an accrual basis.

**(iii) Taxes.**

Expenses are recognised net of the Goods and Services Tax/Service Tax, except where credit for the input tax is not statutorily permitted.

**3.3 Cash and cash equivalents**

Cash and cash equivalents include cash on hand and balance with banks in current account

**3.4 Financial instruments**

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and subsidiaries, debt securities and other borrowings, preferential and equity capital etc. are some examples of financial instruments.

All the financial instruments are recognised on the date when the Company becomes party to the contractual provisions of the financial instruments. For tradable securities, the Company recognises the financial instruments on settlement date

**(i) Financial Assets**

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity. Few examples of financial assets are loan receivables, investment in equity and debt instruments, trade receivables and cash and cash equivalents.

**Initial measurement.**

All financial assets are recognised initially at cost including transaction costs that are attributable to the acquisition of financial assets

**Subsequent measurement**

For the purpose of subsequent measurement, financial assets are classified into four categories

- (a) Debt instruments at FVOCI
- (b) Debt & Equity instruments at FVTPL
- (c) Equity instruments designated at FVOCI

**(a) Debt instruments at FVOCI**

The Company subsequently classifies its financial assets as FVOCI, only if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVOCI category are measured at each reporting date at fair value with such changes being recognised in other comprehensive income (OCI). The interest income on these assets is recognised in profit or loss.

**(b) Debt and Equity instruments at FVTPL**

The Company classifies financial assets which are held for trading under FVTPL category. Held for trading assets are recorded and measured in the Balance Sheet at fair value. Interest and dividend incomes are recorded in interest income and dividend income, respectively according to the terms of the contract, or when the right to receive the same has been established. Gain and losses on changes in fair value of debt instruments are recognized on net basis through profit or loss.

The Company's investments into equity (trading portfolio), mutual funds, Government securities (trading portfolio) and certificate of deposits for trading have been classified under this category.

**(c) Equity investments designated under FVOCI**

All equity investments in scope of Ind AS 109 'Financial Instruments' are measured at fair value. The Company has strategic investments in equity for which it has elected to present subsequent changes in the fair value in other comprehensive income. The classification is made on initial recognition and is irrevocable.

All fair value changes of the equity instruments, excluding dividends, are recognised in OCI and not available for reclassification to profit or loss, even on sale of investments.

## Impairment of financial assets

ECL are recognised for financial assets held under loan portfolio

Financial assets where no significant increase in credit risk has been observed are considered to be in 'stage 1' and for which a 12 month ECL is recognized. Financial assets that are considered to have significant increase in credit risk are considered to be in 'stage 2' and those which are in default or for which there is an objective evidence of impairment are considered to be in 'stage 3'. Lifetime ECL is recognized for stage 2 and stage 3 financial assets.

At initial recognition, provision in the case of loan portfolio is required for ECL towards default events that are possible in the next 12 months, or less, where the remaining life is less than 12 months.

In the event of a significant increase in credit risk, additional provision would be required for ECL towards all possible default events over the expected life of the financial instrument ('lifetime ECL'). As the company has only recently ventured into the direct lending business, it is in the process of collecting sufficient data to determine the percentage of ECL which needs to be provided for loan portfolio classified under stage 2 and stage 3.

Financial assets (and the related impairment loss allowances) are written off in full, when there is no realistic prospect of recovery.

Treatment of the different stages of financial assets and the methodology of determination of ECL

### (a) Credit impaired (stage 3)

The Company recognizes a financial asset to be credit impaired and in stage 3 by considering relevant objective evidence, primarily whether:

- Contractual payments of either principal or interest are past due for more than 180 days;
- The loan is otherwise considered to be in default.

Restructured loans, where repayment terms are renegotiated as compared to the original contracted terms due to significant credit distress of the borrower, are classified as credit impaired. Such loans continue to be in stage 3 until they exhibit regular payment of renegotiated principal and interest over a minimum observation period, typically 12 months– post renegotiation, and there are no other indicators of impairment. Having satisfied the conditions of timely payment over the observation period these loans could be transferred to stage 1 or 2 and a fresh assessment of the risk of default be done for such loans.

### (b) Significant increase in credit risk (stage 2)

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default of the loan exposure. However, unless identified at an earlier stage, 120 days past due is considered as an indication of financial assets to have suffered a significant increase in credit risk.

The measurement of risk of defaults under stage 2 is computed on homogenous portfolios, generally by nature of loans, tenors, underlying collateral, geographies and borrower profiles. The default risk is assessed using PD (probability of default) derived from past behavioral trends of default across the identified homogenous portfolios.

### (c) Without significant increase in credit risk since initial recognition (stage 1)

ECL resulting from default events that are possible in the next 12 months are recognised for financial instruments in stage 1.

## (ii) Financial liabilities

Financial liabilities include liabilities that represent a contractual obligation to deliver cash or another financial assets to another entity, or a contract that may or will be settled in the entities own equity instruments. Few examples of financial liabilities are trade payables, debt securities and other borrowings and subordinated debts.

### Initial measurement

All financial liabilities other than Deposits taken are recognized at cost. The Company's financial liabilities include trade payables, other payables, debt securities and other borrowings.

### Subsequent measurement

After initial recognition, all deposits taken subsequently measured at Net Present Value using the EIR [Refer note no. 3.1(i)]. Any gains or losses arising on derecognition of liabilities are recognized in the Statement of Profit and Loss.

### Derecognition

The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

## (iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet only if there is an enforceable legal right to offset the recognized amounts with an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

## (IV) Investment in subsidiaries

Investment in subsidiaries is recognized at cost and are not adjusted to fair value at the end of each reporting period. Cost of investment represents amount paid for acquisition of the said investment.

The Company assesses at the end of each reporting period, if there are any indications that the said investment may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

## 3.5 Taxes

### (a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed

therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax relating to items recognized outside profit or loss is recognized in correlation to the underlying transaction either in OCI or directly in other equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### (b) Deferred tax

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets, if any, are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized either in OCI or in other equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### 3.6 Property, plant and equipment

Property, plant and equipment are carried at historical cost of acquisition less accumulated depreciation and impairment losses, consistent with the criteria specified in Ind AS 16 'Property, Plant and Equipment'.

Depreciation on property, plant and equipment

- a) Depreciation is provided on a pro-rata basis for all tangible assets on written down value method over the useful life of assets.
- b) Useful lives of assets are determined by the Management by an internal technical assessment except where such assessment suggests a life significantly different from those prescribed by Schedule II – Part C of the Companies Act, 2013 where the useful life is as assessed and certified by a technical expert.
- c) Depreciation on addition to assets and assets sold during the year is being provided for on a pro rata basis with reference to the month in which such asset is added or sold as the case may be.

- d) Assets having unit value up to ₹ 5,000 is depreciated fully in the financial year of purchase of asset.
- e) An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included under other income in the Statement of Profit and Loss when the asset is derecognised.

### 3.7 Intangible assets and amortisation thereof

Intangible assets, representing website development expenses are initially recognized at cost and subsequently carried at cost less accumulated amortization and accumulated impairment. The intangible assets are amortized using the straight line method over a period of three years, which is the Management's estimate of its useful life.

### 3.8 Impairment of non-financial assets

An assessment is done at each Balance Sheet date to ascertain whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of asset is determined. If the carrying value of relevant asset is higher than the recoverable amount, the carrying value is written down accordingly.

### 3.9 Provisions and contingent liabilities

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. The Company also discloses present obligations for which a reliable estimate cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

### 3.10 Foreign currency translation

The Company's financial statements are presented in Indian Rupee, which is also the Company's functional currency.

#### Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### Conversion

Foreign currency monetary items are re-translated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

#### Exchange differences

All exchange differences are accounted in the Statement of Profit and Loss.

### 3.11 Retirement and other employee benefits

#### (a) Gratuity

The company has not created any Gratuity Fund to which payment for present liability of future payment of gratuity can be made. However, provision for gratuity is made in the books based on the actuarial valuation report provided by an approved valuer. The actuarial liability as determined by an appointed actuary using the projected unit credit method are recognised as a liability. Gains and losses through remeasurements of the net defined benefit liability/assets are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. The effect of any planned amendments are recognised in Statement of Profit and Loss. Remeasurements are not reclassified to profit or loss in subsequent periods.

#### (b) Provident fund

Provident Fund Contributions are made to Recognized Provident Fund.

### 3.12 Leases

#### Measurement of Lease Liability

At the time of initial recognition, the Company measures lease liability as present value of all lease payments discounted using the Company's cost of borrowing. Subsequently, the lease liability is –

- (i) increased by interest on lease liability;
- (ii) reduced by lease payments made; and
- (iii) remeasured to reflect any reassessment or lease modifications specified in Ind AS 116 'Leases', or to reflect revised fixed lease payments.

#### Measurement of Right-of-use assets

At the time of initial recognition, the Company measures 'Right-of-use assets' as present value of all lease payments discounted using the Company's cost of borrowing w.r.t said lease contract. Subsequently, 'Right-of-use assets' is measured using cost model i.e. at cost less any accumulated depreciation and any accumulated impairment losses adjusted for any measurement of the lease liability specified in Ind AS 116 'Leases'.

Depreciation on 'Right-of-use assets' is provided on straight line basis over the lease period.

The exception permitted in Ind AS 116 for low value assets and short term leases has been adopted by Company."

### 3.13 Investment properties

Investment properties are properties held to earn rentals or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property

#### Initial Recognition and Measurement

Investment properties are initially measured at cost, including transaction costs. The cost of a purchased investment property comprises its purchase price and any directly attributable expenditure, such as legal fees, property transfer taxes, and other transaction costs.

#### Subsequent Measurement

After initial recognition, investment properties are measured at cost less accumulated depreciation and any accumulated impairment losses. The carrying amount includes the cost of replacing parts of

an existing investment property at the time the cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property.

#### Depreciation

Investment properties are depreciated using the straight-line method over their estimated useful lives. The useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate.

#### Impairment

The carrying amounts of the investment properties are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. If the recoverable amount of the asset is less than its carrying amount, an impairment loss is recognized in the statement of profit and loss.

#### Revenue Recognition

Rental income from investment properties is recognized on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which use benefit derived from the property is diminished. Contingent rents are recognized as revenue in the period in which they are earned.

#### Transfers

Transfers to or from investment properties are made when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the carrying amount at the date of change in use. If an owner-occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property, plant, and equipment up to the date of change in use.

#### Disposal

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property is included in the statement of profit and loss in the period in which the property is derecognized.

### 3.14 Fair value measurement

The Company measures its Investments and Deposits (Both Given and Taken) at fair value on each Balance Sheet date.

Fair value is the price that would be received against sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place in the accessible principal market or the most advantageous accessible market as applicable.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair value measurement has been done for investments and Deposits (Both Given and Taken). Listed investments have been valued at the market price at which the respective investments were quoting as on 31.03.2024. Unlisted investments have been valued on the basis of the valuation certificates issued by an approved valuer. Both deposits given and taken have been valued at the Net present value applying the EIR method as explained in 3.1.

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(₹ In '000)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Note - 4: Cash and Cash Equivalents</b>		
Cash in Hand	31	291
Balance with Banks		
- In Current Accounts	2,998	3,443
<b>Total</b>	<b>3,029</b>	<b>3,734</b>
<b>Note - 5: Bank balances other than cash and cash equivalents</b>		
<b>Other Bank Balances</b>		
- On Deposit Accounts		
With Less than 12 month's maturity	400	400
<b>Total</b>	<b>400</b>	<b>400</b>
<b>Note - 6: Loans</b>		
<b>(Good unless otherwise stated )</b>		
<b>Secured</b>		
Against hypothecation of automobiles.	2,921	4,902
Less - Impairment Loss allowance	-	-
<b>Total A</b>	<b>2,921</b>	<b>4,902</b>
<b>Unsecured</b>		
<b>Others</b>		
Loans to Others (Unsecured, Considered good)	35,852	51,848
Loans to Others (Secured by Pledge of Securities)	-	10,000
<b>Related Parties :</b>		
- Unsecured, Considered good		
Loans to Related Party ( Rate of Interest 14%)	2,585	9,917
<b>Total B</b>	<b>38,437</b>	<b>71,765</b>
<b>Total A+ B</b>	<b>41,358</b>	<b>76,667</b>



(₹ In '000)

Particulars	Face Value Amount	As at 31.03.2024		As at 31.03.2023	
		Qty (Nos)	Fair Value	Qty (Nos)	Fair Value
<b>Note - 7: Investments</b>					
<b>(A) At Cost</b>					
<b>(i) Investment in Wholly Owned Subsidiary</b>					
KJMC Trading & Agency Limited	10	100,000	1,000	100,000	1,000
<b>(ii) Investment in Associates</b>					
KJMC Platinum Builders Private Limited	10	79,800	12,635	79,800	12,635
<b>(iii) Investment in Property</b>			42,847		-
			<b>56,482</b>		<b>13,635</b>
<b>(B) At fair value through Other Comprehensive Income</b>					
<b>(i) In equity instruments</b>					
Everest Industries Ltd	10	4,765	4,956	5,245	3,948
Garware HI-Tech Films Ltd	10	807	1,409	807	422
Gland Pharma Limited	1	1,740	3,205	2,900	3,679
Hotline Glass Ltd		37,549	-	37,549	-
ICICI Bank Ltd	2	2,010	2,203	2,010	1,763
ICICI Prudential Life Insurance Co Ltd	10	41,000	24,967	42,500	18,513
Jio Financial Services Limited	10	1,074	380	-	-
KDL Biotech Ltd.		10	-	10	-
Laxmi Organic Industries Ltd	2	11,500	2,707	11,500	2,562
Poly Medicure Ltd. *	5	644,625	1,024,180	650,611	620,097
Reliance Industries Ltd.	10	1,074	3,197	1,074	2,504
Shree Vindhya Paper Mills Ltd		1	-	1	-
State Bank of India	1	100	75	100	52
Suprajit Engineering Ltd *	1	750	308	750	259
			<b>1,067,587</b>		<b>653,799</b>
<b>(ii) In CCDs (Unquoted)</b>					
0.001% CCDs of Learnture Ventures Pvt Ltd		100,000	1,400	100,000	1,350
<b>(iii) In CCPS (Unquoted)</b>					
0% CCDs of Piquor Technologies Private Ltd		409	2,228	409	2,857
			<b>1,071,215</b>		<b>658,006</b>
<b>(C) At fair value through profit &amp; Loss A/c</b>					
<b>(i) In Quoted equity instruments</b>					
Arman Financial Services Limited	10	217	398	312	415
Asian Energy Services Ltd	10	500	135	-	-
Asian Paints Ltd.	1	86	245	86	238
Astral Limited	1	172	342	172	230
Atul Ltd	10	-	-	30	209
Bajaj Finance Limited	2	39	282	39	219
Bajaj Finserv Ltd.	1	180	296	180	228
Balaji Amines Ltd.	2	1	2	1	2
Brookfield India Real Estate Trust	-	1,201	306	-	-
C.E. Info Systems Ltd	2	-	-	1,573	1,559
Cello World Limited	5	25	19	-	-
Chennai Super Kings Ltd		-	-	3,400	731

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(₹ In '000)

Particulars	Face Value Amount	As at 31.03.2024		As at 31.03.2023	
		Qty (Nos)	Fair Value	Qty (Nos)	Fair Value
Cholamandalam Investment	2	245	283	-	-
Cms Info Systems Ltd	10	714	279	-	-
Dabur India Ltd.	1	700	366	700	382
Digidrive Distributors Limited		144	6	-	-
Dishman Carbogen Amcis Ltd	2	5,500	1,296	-	-
DSJ Keep Learning Ltd	1	258,000	968	258,000	782
Equitas Small Finance Bank Ltd.	10	10,639	985	11,624	780
Everest Industries Ltd	10	-	-	632	476
Fivestar Business Finance Ltd	1	466	335	466	252
FSN Ecommerce Ventures Ltd	1	1,330	215	1,330	165
Gabriel India Ltd.	1	-	-	333	45
Grindwell Norton Ltd.	5	140	266	140	262
Happy Forgings Limited	2	500	444	-	-
HCL Technologies Ltd	2	-	-	217	237
HDFC Bank Ltd.	1	182	264	182	293
HDFC Life Insurance Company Ltd	10	1,010	639	1,010	504
Hindustan Unilever Ltd.	1	115	261	115	294
ICICI Prudential Life Insurance Co Ltd	10	2,588	1,576	2,588	1,127
IIFL Finance Ltd	2	-	-	298	145
India Pesticides Limited	1	-	-	2,500	518
ITD Cementation India Ltd	1	-	-	10,000	1,047
J B Chemicals And Pharmaceuticals Ltd	1	-	-	400	788
Jio Financial Services Limited	10	1,726	611	-	-
Lumax Industries Ltd	10	-	-	100	177
Maharashtra Scooters Ltd.	10	115	825	124	525
Marico Ltd.	1	-	-	566	272
Mold-Tek Packaging Limited	5	-	-	350	316
Multi Commodity Exchange Of India Ltd.	10	234	784	330	500
Narayana Hrudayalaya Ltd	10	447	574	412	319
Navin Fluorine International Limited	2	-	-	71	303
Nesco Ltd	2	548	455	548	284
Nestle India Ltd.	1	-	-	15	295
Nuvoco Vistas Corporation Ltd	10	2,529	775	-	-
Oil And Natural Gas Corp Ltd	5	3,850	1,031	-	-
P. I. Industries Ltd	1	-	-	112	339
Pidilite Industries Ltd.	1	107	323	107	252
Poly Medicare Ltd.	5	-	-	1,150	1,096
Punjab National Bank	2	8,000	995	-	-
Rainbow Children'S Medicare Ltd	10	-	-	144	105
Reliance Industries Limited	10	2,226	6,626	1,650	3,846
Sapphire Foods India Limited	10	-	-	1,427	1,738
Saregama India Ltd	1	721	250	690	228
Shree Cements Ltd	10	11	283	11	288
State Bank Of India	1	3,000	2,258	1,500	786

(₹ In '000)

Particulars	Face Value Amount	As at 31.03.2024		As at 31.03.2023	
		Qty (Nos)	Fair Value	Qty (Nos)	Fair Value
Sterling And Wilson Renewable Energy Ltd	1	-	-	1,500	438
Suprajit Engineering Ltd	1	2,500	1,030	-	-
Swiss Military Consumer Goods Ltd	2	10,000	265	-	-
Syrma SGS Technology Limited	10	10,025	4,661	-	-
Tata Motors Ltd.	2	1	1	-	-
Tata Steel Ltd	1	5,500	857	-	-
TCNS Clothing Co. Ltd	2	-	-	319	134
Ujjivan Small Finance Bank Limited	10	951	453	-	-
Ujjivan Financial Services Limited	10	-	-	690	177
United Spirits Ltd.	2	50	57	-	-
Virat Industries Ltd.	10	-	-	24,400	5,367
			<b>33,322</b>		<b>29,713</b>
<b>(ii) In Quoted equity instruments</b>					
Saksham Gram Credit Private Ltd	10	226,771	9,298	178,571	5,000
<b>(ii) In Government Securities</b>					
GOI LOAN 6.69% 2024	100	75,000	7,604	75,000	7,604
<b>(iii) In Liquid Bees</b>					
Nippon India ETF Liquid B	1,000	5,675	5,672	5,046	5,048
<b>(iv) In CCPS (Unquoted)</b>					
Knorish Frameworks Pvt. Ltd.	10	496	460	496	550
			<b>56,356</b>		<b>47,915</b>
<b>Grand Total (A+B+C)</b>			<b>1,184,053</b>		<b>719,556</b>
<b>Out of the above</b>					
In India			1,184,053		719,556
Outside India			-		-
			<b>1,184,053</b>		<b>719,556</b>

\* 175200 shares of Polymedicure are pledged as security for loan from Non-Banking Finance Co.

\* These Investment are pledged as Security for Loan from Non-Banking Finance Company

(₹ In '000)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Note -8 : Other Financial Assets</b>		
<b>Advances recoverable in cash or kind or for value to be received</b>		
Unsecured, considered good	10,010	5,604
<b>Security Deposits</b>		
Unsecured, considered good	429	529
Interest accrued and impact of EIR	-	-
<b>Total</b>	<b>10,439</b>	<b>6,133</b>
<b>Note -9 : Current Tax Assets</b>		
Advance Income Tax	3,712	5,886
Less: Provision for Taxation	(1,509)	(3,133)
<b>Total</b>	<b>2,203</b>	<b>2,753</b>

Note -10 : Property , Plant , Equipment , and Intangible Assets  
 NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 2024

Description	Gross Block			Depreciation			Net Block		
	As on 1.04.2023	Additions/ Adjustments during the year	Impairment/ Reversal during the year	As on 31.03.2024	As on 1.04.2023	Provided during the year	Deductions/ Adjustments during the year	As on 31.03.2024	As on 31.03.2023
Building	10,849	-	-	10,849	10,182	122	-	10,304	667
Computers	831	217	-	1,048	752	85	-	837	79
Furniture & Fixtures	8,417	-	-	8,417	6,763	584	-	7,347	1,654
Office Equipments	2,654	83	-	2,737	2,441	130	-	2,571	213
Vehicles	10,549	-	-	10,549	3,970	1,532	-	5,502	6,579
<b>Total (A)</b>	<b>33,300</b>	<b>300</b>	<b>-</b>	<b>33,600</b>	<b>24,108</b>	<b>2,453</b>	<b>-</b>	<b>26,561</b>	<b>9,192</b>

Fixed Assets - Intangible

Description	Gross Block			Depreciation			Net Block		
	As on 1.04.2023	Additions/ Adjustments during the year	Impairment/ Reversal during the year	As on 31.03.2024	As on 1.04.2023	Provided during the year	Deductions/ Adjustments during the year	As on 31.03.2024	As on 31.03.2023
Computer Software	80	-	-	80	80	-	-	80	-
<b>Total (B)</b>	<b>80</b>	<b>-</b>	<b>-</b>	<b>80</b>	<b>80</b>	<b>-</b>	<b>-</b>	<b>80</b>	<b>-</b>
<b>Total (A+B)</b>	<b>33,380</b>	<b>300</b>	<b>-</b>	<b>33,680</b>	<b>24,188</b>	<b>2,453</b>	<b>-</b>	<b>26,641</b>	<b>9,192</b>

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 2023

Description	Gross Block			Depreciation			Net Block		
	As on 1.04.2022	Additions/ Adjustments during the year	Impairment/ Reversal during the year	As on 31.03.2023	As on 1.04.2022	Provided during the year	Deductions/ Adjustments during the year	As on 31.03.2023	As on 31.03.2022
Building	10,849	-	-	10,849	10,033	149	-	10,182	816
Computers	698	133	-	831	658	94	-	752	40
Furniture & Fixtures	6,646	1,771	-	8,417	6,575	188	-	6,763	71
Office Equipments	2,426	228	-	2,654	2,322	119	-	2,441	104
Vehicles	9,964	585	-	10,549	2,506	1,464	-	3,970	7,458
<b>Total (A)</b>	<b>30,583</b>	<b>2,717</b>	<b>-</b>	<b>33,300</b>	<b>22,094</b>	<b>2,014</b>	<b>-</b>	<b>24,108</b>	<b>8,489</b>

Fixed Assets - Intangible

Description	Gross Block			Depreciation			Net Block		
	As on 1.04.2022	Additions/ Adjustments during the year	Impairment/ Reversal during the year	As on 31.03.2023	As on 1.04.2022	Provided during the year	Deductions/ Adjustments during the year	As on 31.03.2023	As on 31.03.2022
Computer Software	80	-	-	80	79	1	-	80	1
<b>Total (B)</b>	<b>80</b>	<b>-</b>	<b>-</b>	<b>80</b>	<b>79</b>	<b>1</b>	<b>-</b>	<b>80</b>	<b>1</b>
<b>Total (A+B)</b>	<b>30,663</b>	<b>2,717</b>	<b>-</b>	<b>33,380</b>	<b>22,173</b>	<b>2,015</b>	<b>-</b>	<b>24,188</b>	<b>8,490</b>

(₹ In '000)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Note -11 : Other Non Financial Assets</b>		
Other	1,088	953
<b>Total</b>	<b>1,088</b>	<b>953</b>
<b>Note - 12 Payables</b>		
(I) Trade Payables		
(A) Micro & Small Enterprises	-	-
(B) Others	-	-
(I) Other Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	329	937
<b>Total</b>	<b>329</b>	<b>937</b>

Particulars	< 1 Year	1 to 2 years	2 to 3 years	>3 years	Total
<b>As at 31st March, 2024</b>					
<b>MSME</b>					
Trade Payable	-	-	-	-	-
Other Payable	274	-	55	-	329
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Unbilled Dues	-	-	-	-	-
<b>Total</b>	<b>274</b>	<b>-</b>	<b>55</b>	<b>-</b>	<b>329</b>
<b>As at 31st March, 2023</b>					
<b>MSME</b>					
Trade Payable	-	-	-	-	-
Other Payable	847	11	55	24	937
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Unbilled Dues	-	-	-	-	-
<b>Total</b>	<b>847</b>	<b>11</b>	<b>55</b>	<b>24</b>	<b>937</b>

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(₹ In '000)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Note -13 : Borrowings</b>		
<b>(A) In India</b>		
<b>At amortised Cost</b>		
Vehicle Loans (Term Value) : (Secured against hypothecation of Vehicle)	4,908	5,685
<b>Loan from NBFC (Secured)</b> (Loans secured against pledge of shares bearing interest rate @ 9.85%, repayable on demand.)	56,500	69,618
Loan from Group Company (Unsecured) bearing interest rate @ 14.00% Puja Trades & Investments Pvt Ltd - 1 Year	7,600	-
<b>Total</b>	<b>69,008</b>	<b>75,303</b>
<b>(B) Outside India</b>	-	-
<b>Total</b>	<b>69,008</b>	<b>75,303</b>
<b>Out of Above</b>		
(A) Secured(Against hypothecation of Fixed Deposit and Vehicles, Equitable mortgage of properties, Pledge of Shares)	61,407	75,303
(B) Unsecured	7,600	-
<b>Total</b>	<b>69,007</b>	<b>75,303</b>
<b>Note -14 : Deposits</b>		
<b>At amortised cost</b>		
<b>Security Deposits</b>		
Interest free deposit from related party payable <b>from Related Parties :</b>	2,964	2,350
Interest accrued and impact of EIR	324	540
<b>Total</b>	<b>3,288</b>	<b>2,890</b>
<b>Note -15 : Other Financial Liabilities</b>		
Employee Dues	533	551
Provision for Expenses	283	337
<b>Total</b>	<b>816</b>	<b>888</b>
<b>Note - 16 : Provision</b>		
Provision for Gratuity	998	868
Provision against Standard Asset & Sub Standard as per RBI & ECL	2,875	4,078
<b>Total</b>	<b>3,873</b>	<b>4,946</b>
<b>Note - 17 : Other Non Financial Liabilities</b>		
Statutory Dues	508	778
Other	18	21
<b>Total</b>	<b>526</b>	<b>799</b>
<b>Note -18 : Deferred Tax Liability (Net)</b>		
<b>Deferred Tax Assets</b>		
Business Loss	12,558	15,890
Unabsorbed Depreciation	-	377
Fixed Assets ( Diff in W.D.V)	617	398
Disallowance u/s 43B of the Income Tax, 1961	251	219
	<b>13,426</b>	<b>16,884</b>
<b>Deferred Tax Liability</b>		
Deferred Tax Liability	105,705	61,602
<b>Deffered tax Liability Net</b>	<b>92,279</b>	<b>44,718</b>

(₹ In '000)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Note -19 : Share Capital</b>		
<b>Authorised:</b>		
4,71,50,000 (Previous Year: 4,71,50,000 ) Equity Shares of Rs 10/- each	471,500	471,500
85,000 (Previous Year: 85,000) Redeemable Preference shares of Rs 100/- each	8,500	8,500
1,15,000 (Previous Year: 1,15,000) 0% Compulsorily Convertible Preference Shares of Rs 100/- each	11,500	11,500
13,00,000 (Previous Year: 13,00,000) Preference Shares of Rs 100/- each	130,000	130,000
	<b>621,500</b>	<b>621,500</b>
<b>Issued,Subscribed and Paid up:</b>		
47,85,740 (Previous Year: 47,85,740) Equity Shares of Rs 10/- each fully paid up	47,857	47,857
	<b>47,857</b>	<b>47,857</b>

**Additional Information:**
**a ) Reconciliation of Shares outstanding at the beginning and at the end of the year**

(Rs in '000')

Particulars	Nos	Amount
<b>As at 1st April 2022</b>		
Equity Share Capital issued Subscribed and fully paid up	47,857	47,857
Additions during the year	-	-
<b>As at 31st March 2023</b>	<b>47,857</b>	<b>47,857</b>
<b>As at 1st April 2023</b>		
Equity Share Capital issued Subscribed and fully paid up	47,857	47,857
Additions during the year	-	-
<b>As at 31st March 2024</b>	<b>47,857</b>	<b>47,857</b>

**(b) Terms and Rights attached to Equity Shares:**

The Company has only one class of equity shares having par value of Rs 10 per share. Each shareholder of equity share is entitled to one vote per share.

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.

**(c) Details of Shareholders holding more than 5% shares in the Company:**

Equity Shares of ₹ 10 each	As at 31.03.2024		As at 31.03.2023	
	No. of Shares held	%age of Holding	No. of Shares held	%age of Holding
Chand Devi Jain	1,870,076	39.08%	1,860,576	38.88%
RAJNESH JAIN	605,168	12.65%	595,668	12.45%
GIRISH JAIN	605,168	12.65%	595,668	12.45%
I. C. Jain HUF	267,065	5.58%	267,065	5.58%

d) Shares reserved for Issue under Employee Stock option plan is NIL.

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(₹ In '000)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Note -20 : Other Equity</b>		
<b>Securities Premium</b>		
As per last balance sheet	14,410	14,410
Add : Received during the year	-	-
Less: Deduction during the year	-	-
<b>Closing Balance</b>	<b>14,410</b>	<b>14,410</b>
<b>General Reserve :</b>		
As per last balance sheet	2,786	2,786
Add : Addition during the year	-	-
Less: Deduction during the year	-	-
<b>Closing Balance</b>	<b>2,786</b>	<b>2,786</b>
<b>Capital Redemption Reserve :</b>		
As per last balance sheet	49,900	49,900
Add : Addition during the year	-	-
Less: Deduction during the year	-	-
<b>Closing Balance</b>	<b>49,900</b>	<b>49,900</b>
<b>Other Comprehensive Income<sup>1</sup></b>	<b>589,309</b>	<b>594,621</b>
Employee Benefit	28	71
Increase/(Loss) in Fair Value of Investment	416,043	(15,826)
Loss on Sale of Investments, Futures & Options (Net)	9,760	8,797
Tax	(44,283)	1,646
	<b>970,857</b>	<b>589,309</b>
<b>Special Reserve</b>		
As per last balance sheet	10,424	10,424
Add : Addition during the year	1,807	-
Less : Deduction during the year	-	-
<b>Closing Balance</b>	<b>12,231</b>	<b>10,424</b>
<b>Surplus/(Deficit) in the statement of profit and loss</b>		
Balance brought forward from last year	(25,779)	(16,843)
Add:		
Profit for the Year	9,035	(8,936)
<b>Amount available for appropriation</b>	<b>(16,744)</b>	<b>(25,779)</b>
Less : Appropriations		
a) Special Reserve *	1,807	-
Balance carried forward	<b>(18,551)</b>	<b>(25,779)</b>
<b>Total</b>	<b>1,031,633</b>	<b>641,050</b>

\* 20% of the Net Profit After Tax is transferred to Special Reserve as required u/s 451C of RBI Guidelines, 1934.



(₹ In '000)

Particulars	For the Year ended 31.03.2024	For the Year ended 31.03.2023
<b>Note -21 : Revenue from Operations</b>		
Interest Income	9,511	11,287
Income from Shares & Securities Trading	34,252	15,123
Dividend Income	2,497	2,120
Processing & Documentation Fees	46	320
<b>Total</b>	<b>46,306</b>	<b>28,850</b>
<b>Note -22 : Other Income</b>		
Compensation for Use of Office & Common Facilities	506	543
Miscellaneous Income	120	252
Interest Income_Others	-	1,229
<b>Total</b>	<b>626</b>	<b>2,024</b>
<b>Note -23 : Finance Costs</b>		
Interest to other/NBFC	6,820	4,943
Interest to Bank	-	2,055
Bank Charges	5	94
<b>Total</b>	<b>6,825</b>	<b>7,092</b>
<b>Note -24 : Employee Benefit Expenses</b>		
Salaries and wages	10,616	10,590
Contribution / provisions to provident, Gratuity and other provisions.	459	452
Staff welfare expenses	326	255
<b>Total</b>	<b>11,401</b>	<b>11,297</b>
<b>Note -25 : Other Expenses</b>		
Advertisement	60	53
Auditors Remuneration (for break up refer below)	149	190
Business Promotion Expenses	310	311
Electricity Expenses	42	78
Contractual Services	425	1,114
Infrastructural Support service Expenses	238	238
Insurance Expenses	102	56
Computer Software Expenses	45	53
Listing Fees	325	300
Miscellaneous Expenses	1,436	925
Impairment Loss	570	-
Motor Car Expenses	916	727
Office Maintenance & Utility Expenses	300	240
Postage & Telegram	27	5
Printing & Stationery	52	46
Professional & Consul. Fees Exp	4,703	8,256
Rent	237	2,524
Repairs & Maintenance (Others)	477	245
Subscription & Membership	243	75
Travelling Expenses	2,745	953
Provision for ECL Provision	(1,230)	325
Loan Written off	352	57
<b>Total</b>	<b>12,524</b>	<b>16,771</b>
As Statutory Auditor		
As Audit Fees	66	92
For Taxation matters	-	24
For Limited Review	83	74
For reimbursement of expenses/Service Tax	-	-
	149	190

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### 26. Contingent Liabilities:

Claims against the Company for the Financial Year 2023-24 is NIL ( PY 2022-23 is NIL)

27. Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) Rs. NIL (Previous Year Rs. NIL)
28. Disclosure required by Micro, Small and Medium Enterprises (Development) Act, 2006. As per requirement of Section 22 of Micro, Small & Medium Enterprises (Development) Act, 2006 following information is disclosed:

(₹ In '000)

Sr. No	Particulars	31.03.2024	31.03.2023
(i)	Principal amount remaining unpaid to any supplier as at the end of each accounting year.	Nil	Nil
(ii)	Interest due on (i) above remaining unpaid	Nil	Nil
(iii)	Amounts paid beyond the appointed day during the accounting year	Nil	Nil
(iv)	Interest paid on (iii) above	Nil	Nil
(v)	Interest due and payable on (iii) above	Nil	Nil
(vi)	Interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
(vii)	Interest remaining unpaid of the previous years for the purpose of disallowance under the Income Tax Act, 1961	Nil	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

### 29. Earnings and Expenditure in Foreign Currency

Earnings in Foreign Currency – C.Y Rs Nil ('000') (P.Y Rs Nil ('000')).

Expenditure in Foreign Currency – C.Y Rs 1171 ('000') (P.Y Rs Nil ('000')).

### 30. Obligations on long-term, non-cancellable operating leases

The lease rentals charged during the period and the obligations on long-term, non-cancellable operating leases payable as per the rentals stated in the respective agreements are as follows:

(₹ In '000)

Particulars	Year Ended	
	31.03.2024	31.03.2023
Lease rental recognized during the year	NIL	NIL
<b>Lease obligation Payable</b>		
Within one year of the balance sheet date	NIL	NIL
Due in a period between one year and five years	-	-

### 31. Earnings Per Share

(₹ In '000)

Particulars	For the Year ended	
	31.03.2024	31.03.2023
Net Profit / (Loss) for the year (Rs in '000's)	9035	(8,936)
The weighted average Number of Equity Share (Nos.)- (Basic)	47,85,740	47,85,740
The weighted average Number of Equity Share (Nos.)- (Diluted)	47,85,740	47,85,740
Face Value (Rs)	10	10
Earnings Per Share (Basic)	1.89	(1.87)
Earnings Per Share (Diluted)	1.89	(1.87)

**32. Related party disclosures under Indian Accounting Standard 24**

**List of related parties**

**1. Parties where control exists**

**Wholly owned subsidiary Companies**

KJMC Trading & Agency Limited.

**2. Other parties**

**a) Key Management Personnel and Directors**

Inderchand Jain – Director  
 Rajnesh Jain – Whole Time Director  
 Girish Jain- Director  
 Sajjan Bawri – Chief Financial Officer.  
 Behla Tambawala - Company Secretary  
 Nitin Kulkarni – Independent Director  
 Anil Sampat – Independent Director  
 Vijay Joshi – Independent Director  
 S C Aythora - Independent Director

**b) Relatives of Whole Time Director.**

Inderchand Jain - Father of Whole time Director  
 Chanddevi Jain - Mother of Whole time Director  
 Girish Jain - Brother of Whole time Director  
 Shraddha Rajnesh Jain - Wife of Whole time Director  
 Pratham Jain - Son of Whole time Director  
 Aayushi Jain - Daughter of Whole Time Director

**c) Enterprises over which key management personnel/relatives are able to exercise significant influence:**

KJMC Corporate Advisors (India) Limited	Puja Trades & Investments Pvt Ltd
KJMC Shares and Securities Limited	KJMC Realty Private Limited
Prathamesh Enterprises Private Limited	Khandelwal Jain & Co
KJMC Investment Company	KJMC Capital Market Services Limited
AKIP Venture Private Limited	KJMC Credit Marketing Limited

**d) Associates**

KJMC Platinum Builders Private Limited

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(₹ In '000)

Sr. No.	Nature of Transactions with related parties	Party where control exists		Associates		Key Management Personal & their Relatives		Enterprises over which key management personnel/relatives are able to exercise significant influence	
		31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
1	<b>Interest Income</b>								
	Prathmesh Enterprises Pvt Ltd		-	-	-	-	-	-	69
	KJMC Trading & Agency Ltd	-	2	-	-	-	-	-	-
	Rajnesh Jain		-	-	-	999	1,372		-
	Puja Trades & Investments Private Limited		-	-	-		-	288	12
	KJMC Capital Market Services Limited		-	-	-		-	-	5
2	<b>Interest Paid</b>								
	Prathmesh Enterprises Private Limited	-	-	-	-	-	-	-	55
	Puja Trades & Investments Pvt Ltd	-	-	-	-	-	-	1,250	61
3	<b>Board Meeting Fees</b>								
	Inderchand Jain	-	-	-	-	20	20	-	-
	Shraddha Jain	-	-	-	-	16	16	-	-
	Girish Jain	-	-	-	-	18	17	-	-
4	<b>Salary and Perquisites</b>								
	Rajnesh Jain	-	-	-	-	3302	8130	-	-
5	<b>Rent Paid</b>								
	Rajnesh Jain	-	-	-	-	154	1,296	-	-
	Shraddha Jain	-	-	-	-	54	460	-	-
	Chanddevi Jain	-	-	-	-	6	46	-	-
6	<b>Professional Fees Paid</b>								
	Khandelwal Jain & Co	-	-	-	-	-	-	100	350
7	<b>Loan given to Borrower</b>								
	KJMC Trading & Agency Limited	-	70	-	-	-	-	-	-
	KJMC Capital Market Services Limited	-	-	-	-	-	-	-	5,000
	Prathmesh Enterprises Private Limited	-	-	-	-	-	-	-	1,200

Sr. No.	Nature of Transactions with related parties	Party where control exists		Associates		Key Management Personal & their Relatives		Enterprises over which key management personnel/relatives are able to exercise significant influence	
		31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	Puja Trades & Investments Pvt Ltd	-	-	-	-	-	-	-	3,300
	KJMC Platinum Builders Pvt Ltd	-	-	2500	-	-	-	-	-
8	<b>Security Deposit Received Back</b>								
	Puja Trades & Investments Pvt Ltd	-	-						19,000
9	<b>Asset Purchased</b>								
	Khandelwal Jain & Co	-	-	-	-	-	-	-	585
10	<b>Repayment of Loan by Borrower</b>								
	KJMC Trading & Agency Limited	-	70	-	-	-	-	-	-
	Prathmesh Enterprises Private Limited	-	-	-	-	-	-	-	1,200
	Puja Trades & Investments Pvt Ltd	-	-	-	-	-	-	-	3,300
	KJMC Capital Market Services Limited	-	-	-	-	-	-	-	5,000
	Rajnesh Jain	-	-	-	-	10,543	-	-	-
11	<b>Loan Taken</b>								
	Prathmesh Enterprises Private Limited	-	-	-	-	-	-	-	8,500
	Puja Trades & Investments Pvt Ltd	-	-	-	-	-	-	10,500	12,219
12	<b>Security Deposit Paid</b>								
	Mr. Rajnesh Jain	-	-	-	-	72	144	-	-
	Mrs. Shraddha Jain	-	-	-	-	25	51	-	-
	Mrs.Chanddevi Jain	-	-	-	-	3	5	-	-
13	<b>Security Deposit received Back</b>								
	Mr. Rajnesh Jain	-	-	-	-	217	-	-	-
	Mrs. Shraddha Jain	-	-	-	-	77	-	-	-
	Mrs.Chanddevi Jain	-	-	-	-	7	-	-	-

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Sr. No.	Nature of Transactions with related parties	Party where control exists		Associates		Key Management Personal & their Relatives		Enterprises over which key management personnel/relatives are able to exercise significant influence	
		31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
14	<b>Security Deposit Repaid</b>								
	KJMC Capital market Services Limited	-	-	-	-	-	-	-	8,500
15	<b>Loan Repaid</b>								
	Prathmesh Enterprises Private Limited	-	-	-	-	-	-	-	8,500
	Puja Trades & Investments Pvt Ltd	-	-	-	-	-	-	2,900	12,219
16	<b>Rent Income</b>								
	KJMC Corporate Advisors (India) Ltd	-	-	-	-	-	-	30	30
	Rajnesh Jain	-	-	-	-	260	-	-	-
17	<b>Purchase of property</b>								
	Rajnesh Jain	-	-	-	-	40,000	-	-	-
18	<b>Infrastructural Support Services</b>								
	KJMC Capital Market Services Ltd	-	-	-	-	-	-	236	238
19	<b>Brokerage Charges</b>								
	KJMC Capital Market Services Ltd	-	-	-	-	-	-	275	38
20	<b>Depository Charges</b>								
	KJMC Capital Market Services Ltd	-	-	-	-	-	-	79	29
21	<b>Purchase of Shares</b>								
	KJMC Corporate Advisors (India) Limited	-	-	-	-	-	-	-	1,001
22	<b>Sale of Shares</b>								
	Puja Trades & investments Pvt Ltd	-	-	-	-	-	-	941	-
	KJMC Capital Market Services Limited	-	-	-	-	-	-	-	1,125

Sr. No.	Nature of Transactions with related parties	Party where control exists		Associates		Key Management Personal & their Relatives		Enterprises over which key management personnel/relatives are able to exercise significant influence	
		31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
23	<b>Service Received</b>								
	KJMC Trading & Agency Ltd	487	1,114	-	-	-	-	-	-
24	<b>Reimbursement of Expenses Paid</b>								
	KJMC Corporate Advisors (India) Ltd	-	-	-	-	-	-	12	12
25	<b>Net Receivables</b>								
	Rajesh Jain	-	-	-	-	-	9,917	-	-
	KJMC Platinum Builders Pvt Ltd (Loan)	-	-	2,585	-	-	-	-	-
26	<b>Net Payables</b>								
	KJMC Capital Market Services Ltd (Security Deposit)	-	-	-	-	-	-	1,500	1,500
	KJMC Corporate Advisors (India) Ltd (Security Deposit)	-	-	-	-	-	-	1,500	1,500
27	<b>Balances in Investment in Associates</b>								
	KJMC Platinum Builders Private Limited	-	-	12,635	12,635	-	-	-	-

Managerial Remuneration is calculated as per schedule V of the Companies Act, 2013

**33. Schedule to the Balance Sheet of a Non-Deposit taking Non-Banking Financial Company [as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007]**

(₹ In '000)

	Particulars	As on 31.03.2024	
		Amount outstanding	Amount overdue
	<b>Liabilities side :</b>		
1	Loans and advances availed by the non- banking financial company inclusive of interest accrued thereon but not paid:		
	(a) Debentures : Secured	-	-
	Unsecured	-	-
	(other than falling within the meaning of public deposits)	-	-
	(b) Deferred Credits	-	-
	(c) Term Loans	4,907	-
	(d) Inter-corporate loans and borrowing	-	-
	(e) Commercial Paper	-	-
	(f) Other Loans (specify nature)	-	-
	Unsecured Loan from Related Party	7600	-
	Secured Loans against Shares	56,500	-

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	Asset Side :	Amount outstanding (Rs in '000')
<b>2</b>	<b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</b> (a) Secured (b) Unsecured	2,921 38,437
<b>3</b>	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities	
	(i) Lease assets including lease rentals under sundry debtors : (a) Financial lease (b) Operating lease (ii) Stock on hire including hire charges under sundry debtors: (a) Assets on hire (b) Repossessed Assets (iii) Other loans counting towards AFC activities (a) Loans where assets have been Repossessed (b) Loans other than (a) above	NIL

#### 4. Break-up of Investments:

(₹ In '000)

Current Investments :	
1. Quoted :	
(i) Shares : (a) Equity	48,292
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	7,604
(v) Others (please specify)	-
2. Un Quoted :	
(i) Shares : (a) Equity	-
(b) Preference	460
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	-
<b>Long Term Investments :</b>	
1. Quoted :	
(i) Shares : (a) Equity	10,81,222
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	-
2. Un Quoted :	
(i) Shares : (a) Equity	-
(b) Preference	2,228
(ii) Debentures and Bonds	1,400
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	-



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

(₹ In '000)

Category	Amount Net of Provisions		
	Secured	Unsecured	Total
1. Related Parties	-	-	-
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	2,579	2,579
2. Other than related parties	141	35,763	35,904

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

(₹ In '000)

	Market Value / Breakup or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	1,000	1,000
(b) Companies in the same group	38,304	12,635
(c) Other related parties	-	-
2. Other than related parties	11,27,570	11,27,570
<b>Total</b>	<b>11,66,874</b>	<b>11,41,205</b>

Other information	
Particulars	Amount
<b>Gross Non-Performing Assets</b>	
(a) Related parties	Nil
(b) Other than related parties	2749
<b>Net Non-Performing Assets</b>	
(a) Related parties	-
(b) Other than related parties	-
Assets acquired in satisfaction of debt	-

**34. Financial risk management objective and policies**

The Company's principal financial liabilities consist of loans and borrowings, as well as trade and other payables. These financial liabilities primarily serve the purpose of financing the Company's operations. The Company's principal financial assets encompass investments, loans, trade receivables, and other receivables, and cash and cash equivalents. These assets directly derive from the Company's operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks.

**a) Market risk:**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, other financial instruments.

**1) Interest rate risk:**

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair value of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that future cash flows of floating interest bearing investments will vary because of fluctuations in interest rates.

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The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term loan from banks. Redeemable preference shares carries fixed coupon rate and hence is not considered for calculation of interest rate sensitivity of the company.

(₹ In '000)

	As at 31st March'24	As at 31st March'23
Variable rate borrowings*	56,500	69,618

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact of change in interest rate of borrowings, as follows:

(₹ In '000)

	Increase/ decrease in basis points	Effect on Profit before tax
As on 31 March 2024	+ 50 / - 50	282.50
As on 31 March 2023	+ 50 / - 50	348.09

### 2) Foreign currency risk:

The company enters into transactions relating to expenses in currency other than its functional currency. The company makes advance payment for buying of foreign currency to be used for expenses incurred and is therefore not exposed to foreign currency risk. As there are no outstanding assets or liabilities denominated in foreign currency at any point of time, there is no need to hedge the currency risk. Thus, exchange rate exposures are not hedged considering the insignificant impact and period involved on such exposure.

The Company does not have any foreign currency risk. Hence no sensitivity analysis is required.

### 3) Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, deposits and loans given, investments and balances at bank.

The Company measures the expected credit loss of on loans given to customers/borrowers based on historical trend, industry practices and the business environment in which the entity operates. Expected Credit Loss (ECL) on loans is calculated based on past trends based on the historical data

(₹ In '000)

	As at 31st March'24	As at 31st March'23
Movement in allowance for credit loss during the year was as follows:		
Opening Balance	4,078	3,753
Add :- Provided during the year	-	325
Less :- Reversal during the year	1,203	-
Balance as at 31 March	2,875	4,078
<b>Loans</b>	<b>41,358</b>	<b>76,667</b>

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Investments primarily include investment in equity shares, Mutual Funds and Convertible Debentures.

### b) Liquidity Risk:

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The Company's principal source of liquidity are cash and cash equivalents and the cash flow i.e. generated from operations. The Company consistently generated strong cash flows from operations which together with the available cash and cash equivalents and investments provides adequate liquidity in short terms as well in the long term.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at:

(₹ In '000)

	Carrying Amount	31-Mar-24			
	/ fair value	Less than 1 year	1-5 years	More than 5 years	Total
<b>Financial Liabilities</b>					
Other payables	329	274	55	-	329
Borrowings	69,008	8444	60,564	-	69,008
Other financial liabilities	816	816	-	-	816
Deposits	3,288	-	3,288	-	3,288
	<b>73,441</b>	<b>9,534</b>	<b>63,907</b>	<b>-</b>	<b>73,441</b>

(₹ In '000)

	Carrying Amount	31-Mar-23			
	/ fair value	Less than 1 year	1-5 years	More than 5 years	Total
<b>Financial Liabilities</b>					
Other payables	937	847	90	-	937
Borrowings	75,303	841	74462	-	75,303
Debt Securities	888	888	-	-	888
Other financial liabilities	2,890	-	2,890	-	2,890
Deposits	<b>80,018</b>	<b>2,576</b>	<b>77,442</b>	<b>-</b>	<b>80,018</b>

ii) **Capital Management**

For the purpose of Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximize shareholder 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 gearing ratio, which is Net debt divided by total capital.

(₹ In '000)

	As at 31-Mar-24	As at 31-Mar-23
Gross debt (inclusive of long term and short term borrowing)	69,007	75,303
Less: Cash and cash equivalents	3,429	4,134
<b>Net debt</b>	<b>65,578</b>	<b>71,169</b>
Total equity	10,79,490	6,88,907
<b>Total capital</b>	<b>11,45,068</b>	<b>7,60,076</b>
<b>Gearing ratio</b>	<b>5.73%</b>	<b>9.36%</b>

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2024 and 31 March 2023

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### iii) Categories of financial instruments and fair value thereof

(₹ In '000)

Particulars	As at 31 March 2024			As at 31 March 2023		
	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL	Amortised Cost
<b>A) Financial assets (other than investment in subsidiaries &amp; Associates )</b>						
Cash and cash equivalents			3,029	-	-	3,734
Bank Balance other than (a) above			400	-	-	400
Loans			41,358	-	-	76,667
Investments	10,71,215	56,355	56,483	6,58,006	47,913	13,635
Other financial assets	-	-	104.39	-	-	6,133
<b>Total financial assets</b>	<b>10,71,215</b>	<b>56,355</b>	<b>1,11,709</b>	<b>6,58,006</b>	<b>47,913</b>	<b>1,00,569</b>
<b>B ) Financial liabilities</b>						
Other payables	-	-	329	-	-	937
Borrowings	-	-	69,007	-	-	75,303
Other financial liabilities	-	-	816	-	-	888
Deposits	-	3,288	-	-	2,890	-
<b>Total financial liabilities</b>	<b>-</b>	<b>3,288</b>	<b>70,152</b>	<b>-</b>	<b>2,890</b>	<b>77,128</b>

The management assessed that cash and cash equivalents and bank balances, trade receivables, other financial assets, certain investments, trade payables and other current liabilities approximate their fair value largely due to the short-term maturities of these instruments. Difference between carrying amount and fair value of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortized cost is not significant in each of the year presented.

### iv Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Disclosures of fair value measurement hierarchy for assets and liabilities as at 31 March 2024 & 31 March 2023

(₹ In '000)

Financial assets	As at 31 March 2024				
	Carrying Value	Fair value	Level 1	Level 2	Level 3
<b>Financial assets measured at FVTOCI</b>					
Investments	10,71,215	10,71,215	10,67,587	-	3,628
<b>Financial assets measured at FVTPL</b>					
Investments	56,356	56,356	55,896	-	560
<b>Financial assets measured at amortised cost</b>					
Investments	56,482	56,482	-	56,482	-
<b>Total</b>	<b>11,84,053</b>	<b>11,84,053</b>	<b>11,23,483</b>	<b>56,482</b>	<b>4,188</b>

(₹ In '000)

Financial assets	As at 31 March 2023				
	Carrying Value	Fair value	Level 1	Level 2	Level 3
<b>Financial assets measured at FVTOCI</b>					
Investments	6,58,006	6,58,006	6,53,799	-	4,207
<b>Financial assets measured at FVTPL</b>					
Investments	47,913	47,913	47,362	-	551
<b>Financial assets measured at amortised cost</b>					
Investments	13,635	13,635	-	13,635	-
<b>Total</b>	<b>7,19,554</b>	<b>7,19,554</b>	<b>7,01,161</b>	<b>13,635</b>	<b>4,758</b>

**Fair Value Hierarchy:**

- a) Investments included in Level 1 of fair value hierarchy are based on prices quoted in stock exchange and/ or NAV declared by the funds.
- b) Investments included in Level 2 of fair value hierarchy have been valued based on inputs from banks and other recognized institutions such as FIMMDA/ FEDAI
- c) Investments included in Level 3 of fair value hierarchy have been valued using acceptable valuation techniques such as Net Asset Value and/ or Discounted Cash Flow Method.

Note : All financial instruments for which fair value is recognized or disclosed are categorized within the Fair Value Hierarchy described as above, based on the lowest level input that is significant to the fair value measurement as a whole.

**Note 35. Employee Benefits plans**
**Defined Benefit plans**
**A. Gratuity**

The Gratuity plan is governed by the payment of Gratuity Act, 1972. The Gratuity Act is not applicable to the company, however the company provides gratuity benefits to the whole time director of the company. The company has not created any fund for the payment of the gratuity liability but has created a provision for gratuity liability based on Actuary Valuer report.

Movement in defined benefits obligations

(₹ In '000)

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
<b>Present Value of Benefit Obligation at the Beginning of the Period</b>	868	789
Interest Cost	65	54
Current Service Cost	93	96
Past Service Cost	-	-
Liability Transferred In/ Acquisitions	-	-
(Liability Transferred Out/ Divestments)	-	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	-	-
(Benefit Paid From the Fund)	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	16	(32)
Actuarial (Gains)/Losses on Obligations - Due to Experience	(44)	(39)
<b>Present Value of Benefit Obligation at the End of the Period</b>	<b>998</b>	<b>868</b>

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### Reconciliation of net liability / asset

(₹ In '000)

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
<b>Opening Net Liability</b>	868	789
Expenses Recognized in Statement of Profit or Loss	158	150
Expenses Recognized in OCI	(28)	(71)
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	-	-
(Employer's Contribution)	-	-
<b>Net Liability/(Asset) Recognized in the Balance Sheet</b>	<b>998</b>	<b>868</b>

### Expenses charged to the statement of Profit and Loss

(₹ In '000)

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Current Service Cost	93	95
Net Interest Cost	65	55
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
<b>Expenses Recognized</b>	<b>158</b>	<b>150</b>

### Measurement (gains)/ Losses in other comprehensive income.

(₹ In '000)

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Actuarial (Gains)/Losses on Obligation For the Period	(28)	(71)
Return on Plan Assets, Excluding Interest Income	-	-
Change in Asset Ceiling	-	-
<b>Net (Income)/Expense For the Period Recognized in OCI</b>	<b>(28)</b>	<b>(71)</b>

### Amount recognized in Balance Sheet.

(₹ In '000)

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
(Present Value of Benefit Obligation at the end of the Period)	(998)	(868)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/ (Deficit))	(998)	(868)
<b>Net (Liability)/Asset Recognized in the Balance Sheet</b>	<b>(998)</b>	<b>(868)</b>

**Change in the Fair Value of Plan Assets**

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Fair Value of Plan Assets at the Beginning of the Period	-	-
Interest Income	-	-
Contributions by the Employer	-	-
Expected Contributions by the Employees	-	-
Assets Transferred In/Acquisitions	-	-
(Assets Transferred Out/ Divestments)	-	-
(Benefit Paid from the Fund)	-	-
(Assets Distributed on Settlements)	-	-
(Expenses and Tax for managing the Benefit Obligations- paid from the fund)	-	-
Effects of Asset Ceiling	-	-
The Effect of Changes In Foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	-	-
Fair Value of Plan Assets at the End of the Period	-	-

**B. Defined Contribution Scheme**

The Employee's Provident Funds Scheme, 1952 is not applicable to the company. However, the company extends provident fund benefits to its whole time director. The employer contribution to the Provident Fund together with the employee deduction is deposited in the Recognized Provident Fund and is charged as an expense as and when accrued and incurred.

Other than the above, the company does not operate any superannuation, pension, ESOP or any other defined benefit or defined contribution scheme for the benefit of its employees.

36. The management has identified the Company's operations with a single business segment of non- banking financial operations in India. All the assets of the Company are located in India.

**37. Additional regulatory information required by Schedule III of the Act:**
**a) Title deeds of immovable properties not held in name of the Company.**

The title deeds of all the immovable (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in notes to the financial statements, are held in the name of the Company.

**b) Valuation of PP&E and Intangible Assets :**

The Company has not revalued its property, plant and equipment or intangible or both during the current or previous year.

**c) Loans or Advances in the nature of Loans granted to Promoters, Directors, Key Managerial Personnel and Related Parties.**

(₹ In '000)

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	NIL	NIL
Directors	NIL	NIL
KMPs	NIL	NIL
Related Parties	2,585	6.72%

**d) Capital-Work-in-Progress (CWIP).**
**(i) CWIP ageing Schedule**

Particulars	Amount of CWIP for a period of				Total
	Less than 1	1-2 Years	2-3 Years	More than 3	
Project in Progress	-	-	-	-	-

**e) Details of benami property held :**

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions.

**f) Borrowing secured against current assets :**

No borrowing has been secured against current assets.

**g) Wilful defaulter :**

The Company has not been declared a wilful defaulter by any bank, financial institution, government, or government authority.

**h) Relationship with struck off Companies**

There is no relationship or transaction with any struck off companies under Section 248 of the Companies Act, 2013, or Section 560 of the Companies Act, 1956.

**i) Registration of charges or satisfaction with Registrar of Companies :**

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

**j) Compliance with number of layers of Companies :**

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

**k) Financial ratios**

Ratios	Numerator	Denominator	Current	Previous	% Variance	Reason for Variance
Current ratio	Current Assets	Current Liabilities	29.23	17.86	63.7%	Current Asset has been Increased
Debt-equity ratio	Total Debt	Shareholder's Equity	6.4%	10.90%	-41.5%	Loan has been decreased during the year
Debt service coverage ratio	Earnings available debt service	Debt Service	24%	0%	11469.0%	Profit has been increased during the year
Return on equity ratio	Net Profits after taxes	Shareholder's Equity	0.84%	-1.30%	-164.5%	Profit has been increased during the year
Net Capital turnover ratio	Net Sales	Average working Capital	65%	49%	32.1%	Revenue increased & Average Working Capital increased
Net profit ratio	Net Profit after tax	Net Sales	19.51%	-30.97%	-163.0%	Profit has been increased during the year
Return on Capital employed	Earnings before interest and taxes	Capital Employed	1.47%	0.11%	1181.2%	Profit has been increased during the year
Return on investment	Earnings before interest and tax	Average total assets	1.95%	0.10%	1907.6%	Return on Investment Increased

**Notes :**

1. Earning for debt service = Net profit after taxes + Non-Cash operating expenses like depreciation and other amortisations + Interest + other.
2. Working capital + Current assets minus Current liabilities.
3. Capital employed = Tangible net worth + Total debt + Deferred tax liability.



**l) Compliance with approved schemes (s) arrangements :**

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

**m) Utilisation of borrowed funds and share premium:**

a) The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding 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) 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 on behalf of the Ultimate Beneficiaries,

**n) Undisclosed income:**

There has been no undisclosed income surrendered or disclosed during the current or previous year in the tax assessments under the Income Tax Act.

**o) Details of crypto currency or virtual currency:**

The Company has not engaged in any trading or investment activities related to crypto currency during the current or previous year.

38. Previous year figures have been regrouped or reclassified wherever necessary in order to make them comparable and shown in brackets.

As per our report of even date attached

**For Batliboi & Purohit**

Chartered Accountants

Registration No: 101048W

For and on behalf of the Board of Directors

**KJMC FINANCIAL SERVICES LIMITED**

**Rajnish Jain**

**Whole time Director**

DIN: 00151988

**Girish Jain**

**Director**

DIN: 00151673

**Gaurav Dhebar**

Partner

Membership No. 153493

Place : Mumbai

Date : 13th May 2024

UDIN: 24153493BKCTNA7960

**Sajjan Bawri**

**Chief Financial Officer**

Place : Mumbai

Date : 13th May 2024

**Khusbhu Bohra**

Company Secretary

**INDEPENDENT AUDITORS' REPORT**

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

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

**Opinion**

We have audited the Consolidated Financial Statements of KJMC Financial Services Limited. Ltd, ("the parent") and its subsidiaries (the parent and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31 2024, and the Consolidated Statement of Profit and Loss, (Including other comprehensive income), Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant 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 Consolidated Financial Statements give the information required by the 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 group as at March 31, 2024, and its Consolidated Profit and Other Comprehensive Income, Consolidated Changes in Equity and its Consolidated 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained along with the consideration of audit reports of the other auditors referred to in the "Other Matters" paragraph below is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

**Key Audit Matters**

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

No.	Key Audit Matters	Auditors' Response
1	<p><b>Impairment of Investments</b> <b>(As per Standalone financial statement of the Parent company)</b></p> <p>Where impairment indicators have been identified, the quantification of impairment in the carrying value of investments is considered to be a risk area due to the judgmental nature of key assumptions. The estimated recoverable amount is subjective due to the inherent uncertainty involved in forecasting and discounting future cash flows. The most significant judgements are:</p> <ul style="list-style-type: none"> <li>• Timely identification of diminution in the value of investments.</li> <li>• Proper estimation of fair market value in respect of listed and unlisted investments</li> </ul>	<p><b>Auditor's Response</b></p> <p>Tested the design and effectiveness of internal controls implemented by the management for following:</p> <ul style="list-style-type: none"> <li>• Identification of any diminution in the value of investments.</li> <li>• Collection of relevant data to estimate the fair market value of investments at the balance sheet date.</li> <li>• To ascertain the sufficiency of amount of provision in case of diminution in value of investments</li> <li>• Management's judgement applied for the key assumptions used for the purpose of determination of impairment provision.</li> <li>• Completeness and accuracy of the data inputs used.</li> <li>• We critically assessed and tested the key underlying assumptions and significant judgements used by management.</li> <li>• For investments identified by management as potentially impaired, examined the same and checked the calculation of the impairment</li> </ul> <p>Examined the investments which had not been identified by management as potentially impaired and formed our own judgement as to whether that was appropriate through examining available information</p>

2	<p><b>Impairment of financial assets as at balance sheet date (expected credit losses)</b>  <b>(As per Standalone financial statement of the Parent company)</b></p> <p>Ind AS 109 requires the Group to provide for impairment of its financial assets designated at amortised cost and fair value through other comprehensive income (including loan receivables and investments) using the expected credit loss (ECL) approach.</p> <p>ECL involves an estimation of probability-weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Group's financial assets.</p> <p>In the process, a significant degree of judgment has been applied by the Management for:</p> <ul style="list-style-type: none"> <li>• staging of the financial assets (i.e. classification in 'significant increase in credit risk' ('SICR') and 'default' categories);</li> <li>• determining macro-economic factors impacting credit quality of receivables;</li> <li>• estimation of losses for financial assets which are secured.</li> <li>• Identifying the loan wise details for risk categorization.</li> <li>• Security value to be considered while calculating the ECL for loans which are secured.</li> </ul> <p>Considering the materiality of the amounts and management estimates involved, these matters have been identified as a key audit matters for the current year audit.</p>	<p><b>Our process includes:</b></p> <ul style="list-style-type: none"> <li>• Read and assessed the Group's accounting policies for impairment of financial assets and their compliance with Ind AS 109.</li> <li>• Evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation.</li> <li>• Assessed the criteria for staging of financial assets based on their past-due status to check compliance with requirement of Ind AS 109.</li> <li>• Assessed the additional considerations applied by the Management for staging of loans or default categories.</li> <li>• Tested the ECL model, including assumptions and underlying computation.</li> <li>• Assessed the assumption for non-provisioning applied by the Group for financial assets with no dues.</li> <li>• Tested assumptions used by the Management for determining fair value of investments and the cash flow projections of the investee with reference to past experience.</li> </ul>
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**Information other than the Financial Statements and Auditors' Report thereon**

The Parent Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Management's Responsibility for the Consolidated Financial Statements**

The Parent Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated

financial performance, consolidated statement of changes in equity and consolidated cash flows of the group in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act.

This respective board of directors of parent and its subsidiaries are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing these consolidated financial statements, respective board of directors are responsible for assessing the group ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the parent or to cease operations, or has no realistic alternative but to do so. Those respective Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the parent company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
4. Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other

matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

#### Other Matters

1. The Consolidated annual Financial Statement includes the Holding Company's share of net loss (Including other comprehensive income) in associate of Rs 9.52 Lakhs for the year ended March 2024 as considered in the Statement, whose audited financial results have not been audited by us. These financial result and information have been furnished to us by the Management, and our conclusion on the statement in so far as it related to the amounts and disclosures included in respect of this associate company is based solely on such financial results and audit report issued by other auditor

Our opinion is not modified in respect of this matters.

#### Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraph 3(xxi) of the Order

#### 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 parent and its subsidiaries so far as it appears from our examination of those books and on the basis of other auditors' report.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (Including other comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
- d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the parent company directors as on 31st March, 2024 taken on record by the parent company Board of Directors and on the basis of audit report of subsidiaries, none of the directors are disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"

- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, is not applicable to parent. On the basis of audit report of one of the subsidiaries to whom the requirement of section 197(16) applies, the said subsidiary have complied with the requirement.
- h. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Group has disclosed the impact of pending litigations on its consolidated financial position in its consolidated financial statements – Refer Note on contingent liabilities to the consolidated financial statements
  - The group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the group.
  - The respective board of directors have represented that, to the best of their knowledge and belief, as disclosed in the consolidated notes to the accounts, 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 parent and its subsidiaries 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 Parent and its subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - The respective board of directors have represented, that, to the best of their knowledge and belief, as disclosed in the consolidated notes to accounts, no funds have been received by the parent and its subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the parent or its subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate

Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice and on the basis of other auditor report that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided under h (iv) (a) and (b) above, contain any material misstatement.
- The Company has not declared any dividend during the current financial year ended March 31, 2024.
- Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which as a feature of recording audit trail (edit log) facility is applicable to company with effect from April 1, 2023.

Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting software 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 software:

In the absence of any information on existence of Audit trail (edit logs) for any changes made at the application level or database level in the aforesaid systems, we are unable to comment on whether audit trail feature of the said systems/software was enabled and operated throughout the year.

Further, for the periods where audit trails (edit logs) facility was enabled for the respective software, we did not come across any instances of audit trail feature being tampered with.

As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of the Audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March 2024.

**For Batliboi & Purohit**  
**Chartered Accountants**  
**Firm Registration Number:101048W**

**Place: Mumbai**  
**Date: May 13 2024**

**Gaurav Dhebar**  
**Partner**  
**Membership No. 153493**  
**UDIN: 24153493BKCTNB4225**

### **Annexure - A to the Auditors' Report**

#### **Annexure A referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements of our report of even date."**

There are no qualifications or adverse remarks by the auditors in the Companies (Auditors Report) Order CARO reports of the company included in the consolidated financial statements. Accordingly, the requirement to report on the clause 3(xxi) of the Order is not applicable to the Holding Company.

**For Batliboi & Purohit  
Chartered Accountants  
Firm Registration Number:101048W**

**Gaurav Dhebar  
Partner**

**Place: Mumbai  
Date: May 13 2024**

**Membership No. 153493  
UDIN: 24153493BKCTNB4225**

### **Annexure - B to the Auditors' Report**

#### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **KJMC Financial Services Limited**. ("the parent") and its subsidiaries (the parent and its subsidiaries together referred to as "the Group") as of 31 March 2024 in conjunction with our audit of the consolidated financial statements of the parent company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Management of the parent and its subsidiaries are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the group internal financial controls over financial reporting based on our audit and on the basis of report of other auditor of subsidiaries. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that

a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained and on the basis of audit report of other auditors are sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

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

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion and to the best of our information & according to the explanations give to us and based on the consideration of other auditor as referred in "Other Matter" para below, the group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **Other Matter**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to subsidiary companies and associate company is not applicable as the said section 143(3)(i) is not applicable for subsidiary and associate companies.

**For Batliboi & Purohit  
Chartered Accountants  
Firm Registration Number:101048W**

**Gaurav Dhebar  
Partner**

**Place: Mumbai  
Date: May 13, 2024**

**Membership No. 153493  
UDIN: 24153493BKCTNB4225**

**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024**

CIN NO : L65100MH1988PLC047873

(₹ In '000)

PARTICULARS	NOTE NO.	As At 31.03.2024	As At 31.03.2023
<b>ASSETS</b>			
<b>Financial Assets</b>			
(a) Cash and cash equivalents	4	3,184	4,142
(b) Bank Balance other than (a)	5	400	400
(c) Loans	6	41,358	76,667
(d) Investments	7	1,423,107	871,369
(e) Other Financial Assets.	8	10,439	6,133
<b>Non-Financial Assets</b>			
(a) Current Tax Assets	9	2,258	2,859
(b) (i) Property, Plant & Equipment	10	7,039	9,192
(ii) Intangible assets		-	-
(c) Other Non Financial Assets.	11	1,091	955
<b>Total assets</b>		<b>1,488,876</b>	<b>971,717</b>
<b>Financial Liabilities</b>			
<b>(a) Payables</b>			
(I) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	12	307	937
(b) Borrowings(other than Debt Securities)	13	69,008	81,258
(c) Deposits	14	3,288	2,890
(d) Other Financial Liabilities	15	839	968
<b>Non-Financial Liabilities</b>			
(a) Provision	16	3,873	4,946
(b) Other Non Financial Liabilities	17	526	803
(c) Deferred Tax Liability (Net)	18	92,279	44,719
<b>Equity</b>			
(a) Equity Share Capital	19	47,857	47,857
(b) Other Equity	20	1,270,899	787,339
<b>Total liabilities and equity</b>		<b>1,488,876</b>	<b>971,717</b>

Significant Accounting Policies and Notes to Accounts

1 to 36

The above notes are integral part of the financial statements

As per our report of even date attached

**For Batliboi & Purohit**

Chartered Accountants

Registration No: 101048W

For and on behalf of the Board of Directors

**KJMC FINANCIAL SERVICES LIMITED**
**Rajesh Jain**
**Whole time Director**

DIN: 00151988

**Girish Jain**
**Director**

DIN: 00151673

**Gaurav Dhebar**

Partner

Membership No. 153493

Place : Mumbai

Date : 13th May 2024

UDIN: 24153493BKCTNB4225

**Sajjan Bawri**
**Chief Financial Officer**

Place : Mumbai

Date : 13th May 2024

**Khusbhu Bohra**

Company Secretary

## 36<sup>TH</sup> ANNUAL REPORT 2023 - 2024

### CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024 CIN NO : L65100MH1988PLC047873

(₹ In '000)

PARTICULARS	NOTE NO.	For the Year Ended 31.03.2024	For the Year Ended 31.03.2023
Interest Income		9,511	11,287
Dividend Income		2,497	2,120
Processing , Documentation & other Charges		46	320
Income from Shares & Securities Trading		34,252	15,123
<b>Revenue from Operations</b>	21	<b>46,306</b>	<b>28,850</b>
Other Income	22	1,425	2,341
<b>Total Revenue</b>		<b>47,731</b>	<b>31,191</b>
<b>Expenses:</b>			
Finance Costs	23	6,909	7,599
Employee Benefits Expenses	24	11,761	12,225
Depreciation and Amortization Expenses	11	2,454	2,016
Other Expenses	25	12,344	15,903
<b>Total Expenses</b>		<b>33,468</b>	<b>37,743</b>
<b>Profit Before Tax</b>		<b>14,263</b>	<b>(6,552)</b>
Tax Expense:			
(1) Current tax		401	-
(2) Deferred tax		4,292	2,634
		<b>4,693</b>	<b>2,634</b>
<b>Profit for the Year</b>		<b>9,570</b>	<b>(9,186)</b>
Add : Profit / (Loss) in Share of Associates		(952)	(30)
		<b>8,618</b>	<b>(9,216)</b>
<b>Other comprehensive income (OCI)</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Profit / (Loss) on Sale of Investments (Equity) - Realised		9,760	8,797
Remeasurement gains/(losses) on defined benefit plans		28	71
Net Gain / (Loss) on Fair Value Changes - Unrealised		416,043	(15,826)
Share in Partnership Firm		93,394	696
Current Tax		(1,015)	-
Deferred Tax		(43,268)	1,646
<b>Other comprehensive income for the year (net of tax)</b>		<b>474,942</b>	<b>(4,616)</b>
Add : Profit / (Loss) in Share of Associates		-	(146)
<b>Total</b>		<b>483,560</b>	<b>(13,978)</b>
<b>Earnings per Equity Share: (Rs)</b>			
(1) Basic		1.80	(1.93)
(2) Diluted		1.80	(1.93)

Significant Accounting Policies and Notes to Accounts  
The above notes are integral part of the financial statements

As per our report of even date attached

**For Batliboi & Purohit**

Chartered Accountants

Registration No: 101048W

For and on behalf of the Board of Directors

**KJMC FINANCIAL SERVICES LIMITED**

**Rajnish Jain**  
Whole time Director  
DIN: 00151988

**Girish Jain**  
Director  
DIN: 00151673

**Gaurav Dhebar**

Partner

Membership No. 153493

Place : Mumbai

Date : 13th May 2024

UDIN: 24153493BKCTNB4225

**Sajjan Bawri**  
Chief Financial Officer  
Place : Mumbai  
Date : 13th May 2024

**Khusbhu Bohra**  
Company Secretary



**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024**

CIN NO : L65100MH1988PLC047873

(₹ In '000)

Sr. no.	Particulars	For the Year Ended 31.03.2024 (Audited)	For the Year Ended 31.03.2023 (Audited)
<b>A</b>	<b>Cash Flow from Operating Activities</b>		
	<b>Net Profit Before Tax</b>	<b>13,312</b>	<b>(6,552)</b>
	Adjustment for:		
	Depreciation & amortization	2,454	2,016
	Gratuity Provision through OCI	28	71
	Addition/(Reversal) of Provision of Standard Assets	(1,230)	325
	Interest and Financial Charges	6,908	7,599
	<b>Operating Profit Before Working Capital Changes</b>	<b>21,472</b>	<b>3,459</b>
	<b>Changes in Working Capital</b>		
	(Increase)/Decrease in trade receivable		
	(Increase)/Decrease in other receivable		
	(Increase)/Decrease in Loans	35,308	(25,837)
	(Increase)/Decrease in Derivatives	(4,306)	16,822
	(Increase)/Decrease in other financial assets	(136)	(519)
	(Increase)/Decrease in other non financial assets		
	Increase/( Decrease) in Trade Payables		
	Stock in Trade (Securities held for trading)	(17,198)	(22,982)
	Increase/( Decrease) in other payables	(630)	315
	Increase/(Decrease) in other financial liabilities	(129)	127
	Increase / (Decrease) in Deposit (Liability)	398	(8,219)
	Increase / (Decrease) in provisions	157	79
	Increase/(Decrease) in other non financial Liabilities	(277)	37
	<b>(Increase)/ Decrease in Net Current Assets</b>	<b>13,187</b>	<b>(40,177)</b>
	<b>Cash generated from Operations</b>	<b>34,659</b>	<b>(36,718)</b>
	Direct taxes (paid) (Net of refund)/Refund	(815)	1,583
	<b>Cash Flow Before Extraordinary Items</b>	<b>33,844</b>	<b>(35,135)</b>
	Extraordinary Items		
	<b>Net Cash flow from Operating Activities</b>	<b>33,844</b>	<b>(35,135)</b>
<b>B</b>	<b>Cash Flow from Investment Activities</b>		
	Purchase & Sale of Shares/ units (Net)	(534,539)	16,651
	Net (gain)/loss on Equity instruments at fair value through OCI (Unrealised)	509,436	(15,305)
	Net (gain)/loss on Equity instruments through OCI (Realised)	9,760	8,797
	Purchase of Property Plant & Equipment	(300)	(2,717)
	<b>Net Cash Flow from Investing Activities</b>	<b>(15,643)</b>	<b>7,426</b>
<b>C</b>	<b>Cash Flow From Financing Activities</b>		
	Borrowings other than debt securities issued (net)	(12,251)	35,862
	Interest and Financial Charges	(6,908)	(7,599)
	<b>Net Cash Flow from Financing Activities</b>	<b>(19,159)</b>	<b>28,263</b>
	Net Increase in Cash and Cash Equivalents	(958)	554
	Cash and Cash Equivalents at the beginning of the Year *	4,542	3,988
	Cash and Cash Equivalents at the close of the Year *	<b>3,584</b>	<b>4,542</b>
	<b>* Cash and Cash Equivalents comprise of :</b>		
	Cash in hand	71	464
	Balance in current account	3,113	3,678
	In Deposit Accounts with Less than 12 months'	400	400
	<b>Total</b>	<b>3,584</b>	<b>4,542</b>

**Note:- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS -7 Statement of Cash Flows**

As per our report of even date attached

**For Batliboi & Purohit**

Chartered Accountants

Registration No: 101048W

For and on behalf of the Board of Directors

**KJMC FINANCIAL SERVICES LIMITED**

**Rajesh Jain**

**Whole time Director**

DIN: 00151988

**Girish Jain**

**Director**

DIN: 00151673

**Gaurav Dhebar**

Partner

Membership No. 153493

Place : Mumbai

Date : 13th May 2024

UDIN: 24153493BKCTNB4225

**Sajjan Bawri**

**Chief Financial Officer**

Place : Mumbai

Date : 13th May 2024

**Khusbhu Bohra**

**Company Secretary**

## 36<sup>TH</sup> ANNUAL REPORT 2023 - 2024

### CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2024

CIN NO : L65100MH1988PLC047873

#### Statement of Changes in Equity

(₹ In '000)

Particulars	For the year ended	
	31st March 2024	31st March 2023
Balance of the Beginning of the year	47,857	47,857
Changes in equity	-	-
	47,857	47,857

#### Other Equity for the year ended 31st March 2024

#### Reserves and Surplus

(₹ In '000)

Particulars	Note No	General Reserve	Securities Premium	Capital Redemption Reserve	Other Comprehensive Income'	Special Reserve	Profit & Loss A/c	Total
<b>Balance as on 31.03.2023</b>	20	2,786	14,410	49,900	738,957	10,424	(29,138)	787,339
Profit after tax		-	-	-	-	-	8,618	8,618
Transfer from Profit & Loss A/c		-	-	-	-	1,807	-	1,807
Other Comprehensive Income (Net of tax)		-	-	-	474,942	-	-	474,942
		2,786	14,410	49,900	1,213,899	12,231	(20,520)	1,272,706
Transfer to Reserve		-	-	-	-	-	1,807	1,807
<b>Balance as on 31.03.2024</b>		2,786	14,410	49,900	1,213,899	12,231	(18,713)	1,270,899

#### Other Equity for the year ended 31st March 2023

#### Reserves and Surplus

(₹ In '000)

Particulars	Note No	General Reserve	Securities Premium	Capital Redemption Reserve	Other Comprehensive Income'	Special Reserve	Profit & Loss A/c	Total
<b>Balance as on 31.03.2022</b>	20	2,786	14,410	49,900	743,718	10,424	(19,922)	801,316
Addition		-	-	-	-	-	(9,216)	(9,216)
Profit after tax		-	-	-	-	-	-	-
Other Comprehensive Income (Net of tax)		-	-	-	(4,761)	-	-	(4,761)
		2,786	14,410	49,900	738,957	10,424	(29,138)	787,339
Transfer to Reserve		-	-	-	-	-	-	-
<b>Balance as on 31.03.2023</b>		2,786	14,410	49,900	738,957	10,424	(29,138)	787,339

As per our report of even date attached

**For Batliboi & Purohit**

Chartered Accountants

Registration No: 101048W

For and on behalf of the Board of Directors

**KJMC FINANCIAL SERVICES LIMITED**

**Rajnish Jain**

Whole time Director

DIN: 00151988

**Girish Jain**

Director

DIN: 00151673

**Gaurav Dhebar**

Partner

Membership No. 153493

Place : Mumbai

Date : 13th May 2024

UDIN: 24153493BKCTNB4225

**Sajjan Bawri**

Chief Financial Officer

Place : Mumbai

Date : 13th May 2024

**Khusbhu Bohra**

Company Secretary

## KJMC FINANCIAL SERVICES LIMITED

### Notes to Consolidated financial statements for the year ended 31 March 2024

#### 1. Corporate information

KJMC Financial Services Limited. ('the parent Company', 'KFSL') is a company limited by shares, incorporated on 29 June 1988 and domiciled in India. The Parent Company is engaged in the business of lending. KFSL has a diversified lending portfolio across retail, MSME and commercial customers. The Parent Company has its registered office at Atlanta Society, Nariman Point, Mumbai, Maharashtra and its principal place of business is at 162, Atlanta Society, 16th floor, Nariman Point, Mumbai, Maharashtra, India.

The Parent Company is a NBFC Non Deposit Accepting or Holding, classified as Investment Company in terms of Circular No. DNBS. PD, CC No.85/03-02-89/2006-07 dt. December 6, 2006. It is a Non deposit taking Non-Systemically Important non-banking financial company (NBFC) registered with the Reserve Bank of India (RBI) with effect from 8 August 2002, with Registration No. B-13.01633.

The audited consolidated financial statements were subject to review and recommendation of Audit Committee and approval of Board of Directors. On 13<sup>th</sup> May 2024, Board of Directors of the Company approved and recommended the audited consolidated financial statements for consideration and adoption by the shareholders in its annual general meeting.

#### 2. Basis of preparation

The Consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act and the Master Direction – Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking (Reserve Bank) Directions, 2016 ('the NBFC Master Directions') issued by RBI. The Consolidated financial statements have been prepared on a going concern basis. The Group uses accrual basis of accounting except in case of significant uncertainties

#### 2.1 Presentation of financial statements

##### The Group presents its Balance Sheet in order of liquidity.

The Group generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Group offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are material in nature.

##### Critical accounting estimates and judgments

The preparation of the Group's financial statements requires Management to make use of estimates and judgments. In view of the inherent uncertainties and a level of subjectivity involved

in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based. Accounting estimates and judgments are used in various line items in the financial statements for e.g.

- Fair value of financial instruments [Refer note no. 3.12,]
- Effective Interest Rate (EIR) [Refer note no. 3.1(i)]
- Provision for tax expenses [Refer note no. 3.5(i)]
- Residual value and useful life of property, plant and equipment [Refer note no. 3.6].

#### 2.2 Principles of consolidation

- (i) The consolidated financial statements incorporate the financial statements of the Parent Company and all its subsidiaries (from the date control is gained), being the entities that it controls. Control is evidenced where the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns. The financial statements of subsidiaries are prepared for the same reporting year as the Parent Company. Where necessary, adjustments are made to the financial statements of subsidiaries to align the accounting policies in line with accounting policies of the Parent Company.

The Parent Company holds the entire shareholding in its subsidiaries and there are no contractual arrangements which rebut the control of the Parent Company over its subsidiaries. The financial statements of subsidiaries acquired or disposed off during the year are included in the consolidated statement of profit and loss from the effective date of acquisition or up to the effective date of disposal, as appropriate. Intragroup balances and transactions, and any unrealised income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements

- (ii) The Consolidated financial statements include results of the subsidiaries of KJMC Financial Services Limited. (Parent Company), consolidated in accordance with Ind AS 110 'Consolidated Financial Statements'

Sr. No.	Name of Subsidiary	Country of Incorporation	Ownership Interest	
			31.03.2024	31.03.2023
1.	KJMC Trading & Agency Limited	India	100%	100%

Figures for preparation of consolidated financial statements have been derived from the audited financial statements of the respective companies in the Group

- (iii) Disclosure in terms of Schedule III of the Companies Act, 2013

(₹ In '000)

	Net Assets , i.e. , total assets minus total liabilities		Share in profit or loss		Share in other comprehensive Income		Share in total comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
1	2	3	4	5	6	7	8	9
<b>Parent : KJMC Financial Services Limited</b>	81.86%	10,79,490	104.84%	9,035	80.34%	3,81,548	80.77%	3,90,583
Subsidiaries -								
Indian								
KJMC Trading & Agency Limited	18.26%	2,40,831	6.23%	537	19.66%	93,394	19.42%	93,931
Minority interest in all subsidiaries	-	-	-	-	-	-	-	-
Associates (Investment as per the equity method ) –								
Indian								
KJMC Platinum Builders Private Limited	-	-	(11.05%)	(952)	0.00%	0.00	(0.20%)	(952)
Joint Ventures	-	-	-	-	-	-	-	-

### 3 Material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these Consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated

#### 3.1 Income

##### (i) Interest income

The Group recognises interest income using Effective Interest Rate (EIR) on all deposits given measured at fair value or net present value through the profit and loss account. EIR is calculated by considering the interest earned by the Group on its Fixed Deposits lying with the bank and it represents a rate that exactly discounts the future cash receipts through the contracted life of the deposits to the carrying amount of deposits as on the date of the balance sheet.

The Group recognises interest income by applying the EIR to the carrying amount of deposits given

Delayed payment interest (penal interest) levied on customers for delay in repayments/non payment of contractual cash flows is recognised on realisation.

Interest on loans given to customers/borrowers are recognised at the contractual rate of interest

##### (ii) Dividend income

Dividend income on equity shares is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

##### (iii) Other revenue from operations

The Group recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Group identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

##### (a) Fees and commission

The Group recognises service and administration charges towards rendering of additional services to its loan customers on satisfactory completion of service delivery.

Processing Fees collected from the customers is apportioned over the tenor of the loan.

Foreclosure charges are collected from loan customers for early payment/closure of loan and are recognised on realisation.

##### (b) Net gain on fair value changes

Investments are subsequently measured at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL), as applicable. The Group recognises gains/losses on fair value change of investments measured as FVOCI or FVTPL which is irreversible and even the realised gains/losses on

subsequent sale of investments are recognized through FVOCI or FVTPL as applicable.

**(c) Recoveries of financial assets written off**

The Group recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

**(iv) Taxes.**

Incomes are recognised net of the Goods and Services Tax/ Service Tax, wherever applicable.

### 3.2 Expenditures

**(i) Finance costs**

Borrowing costs on deposits taken are recognised using the EIR [refer note no. 3.1(i)].

**(ii) Fees and commission expenses**

Fees and commission expenses which are not directly linked to the sourcing of financial assets, such as commission/incentive incurred on value added services and products distribution, recovery charges and fees payable for management of portfolio etc., are recognised in the Statement of Profit and Loss on an accrual basis.

**(iii) Taxes.**

Expenses are recognised net of the Goods and Services Tax/Service Tax, except where credit for the input tax is not statutorily permitted.

### 3.3 Cash and cash equivalents

Cash and cash equivalents include cash on hand and balance with banks in current account

### 3.4 Financial instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and subsidiaries, debt securities and other borrowings, preferential and equity capital etc. are some examples of financial instruments.

All the financial instruments are recognised on the date when the Group becomes party to the contractual provisions of the financial instruments. For tradable securities, the Group recognises the financial instruments on Trade date

**(i) Financial Assets**

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity. Few examples of financial assets are loan receivables, investment in equity and debt instruments, trade receivables and cash and cash equivalents.

**Initial measurement.**

All financial assets are recognised initially at cost including transaction costs that are attributable to the acquisition of financial assets

**Subsequent measurement**

For the purpose of subsequent measurement, financial assets are classified into four categories

- (a) Debt instruments at FVOCI
- (b) Debt & Equity instruments at FVTPL
- (c) Equity instruments designated at FVOCI

**(a) Debt instruments at FVOCI**

The Group subsequently classifies its financial assets as FVOCI, only if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVOCI category are measured at each reporting date at fair value with such changes being recognised in other comprehensive income (OCI). The interest income on these assets is recognised in profit or loss.

**(b) Debt and Equity instruments at FVTPL**

The Group classifies financial assets which are held for trading under FVTPL category. Held for trading assets are recorded and measured in the Balance Sheet at fair value. Interest and dividend incomes are recorded in interest income and dividend income, respectively according to the terms of the contract, or when the right to receive the same has been established. Gain and losses on changes in fair value of debt instruments are recognised on net basis through profit or loss.

The Group's investments into equity (trading portfolio), mutual funds, Government securities (trading portfolio) and certificate of deposits for trading have been classified under this category.

**(c) Equity investments designated under FVOCI**

All equity investments in scope of Ind AS 109 'Financial Instruments' are measured at fair value. The Group has strategic investments in equity for which it has elected to present subsequent changes in the fair value in other comprehensive income. The classification is made on initial recognition and is irrevocable.

All fair value changes of the equity instruments, excluding dividends, are recognised in OCI and not available for reclassification to profit or loss, even on sale of investments.

**Impairment of financial assets**

ECL are recognised for financial assets held under loan portfolio

Financial assets where no significant increase in credit risk has been observed are considered to be in 'stage 1' and for which a 12 month ECL is recognised. Financial assets that are considered to have significant increase in credit risk are considered to be in 'stage 2' and those which are in default or for which there is an objective evidence of impairment are considered to be in 'stage 3'. Lifetime ECL is recognised for stage 2 and stage 3 financial assets.

At initial recognition, provision in the case of loan portfolio is

required for ECL towards default events that are possible in the next 12 months, or less, where the remaining life is less than 12 months.

In the event of a significant increase in credit risk, additional provision would be required for ECL towards all possible default events over the expected life of the financial instrument ('lifetime ECL'). As the parent company has only recently ventured into the direct lending business, it is in the process of collecting sufficient data to determine the percentage of ECL which needs to be provided for loan portfolio classified under stage 2 and stage 3.

Financial assets (and the related impairment loss allowances) are written off in full, when there is no realistic prospect of recovery.

Treatment of the different stages of financial assets and the methodology of determination of ECL

### (a) Credit impaired (stage 3)

The Parent Company recognizes a financial asset to be credit impaired and in stage 3 by considering relevant objective evidence, primarily whether:

- Contractual payments of either principal or interest are past due for more than 180 days;
- The loan is otherwise considered to be in default.

Restructured loans, where repayment terms are renegotiated as compared to the original contracted terms due to significant credit distress of the borrower, are classified as credit impaired. Such loans continue to be in stage 3 until they exhibit regular payment of renegotiated principal and interest over a minimum observation period, typically 12 months— post renegotiation, and there are no other indicators of impairment. Having satisfied the conditions of timely payment over the observation period these loans could be transferred to stage 1 or 2 and a fresh assessment of the risk of default be done for such loans.

### (b) Significant increase in credit risk (stage 2)

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default of the loan exposure. However, unless identified at an earlier stage, 120 days past due is considered as an indication of financial assets to have suffered a significant increase in credit risk.

The measurement of risk of defaults under stage 2 is computed on homogenous portfolios, generally by nature of loans, tenors, underlying collateral, geographies and borrower profiles. The default risk is assessed using PD (probability of default) derived from past behavioral trends of default across the identified homogenous portfolios.

### (c) Without significant increase in credit risk since initial recognition (stage 1)

ECL resulting from default events that are possible in the next 12 months are recognised for financial instruments in stage 1.

## (ii) Financial liabilities

Financial liabilities include liabilities that represent a contractual obligation to deliver cash or another financial assets to another entity, or a contract that may or will be settled in the entities own equity instruments. Few examples of financial liabilities are trade payables, debt securities and other borrowings and subordinated debts.

### Initial measurement

All financial liabilities other than Deposits taken are recognised at cost. The Group's financial liabilities include trade payables, other payables, debt securities and other borrowings.

### Subsequent measurement

After initial recognition, all deposits taken subsequently measured at Net Present Value using the EIR [Refer note no. 3.1(i)]. Any gains or losses arising on derecognition of liabilities are recognized in the Statement of Profit and Loss.

### Derecognition

The Group derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

### (iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet only if there is an enforceable legal right to offset the recognized amounts with an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

### (IV) Investment in subsidiaries

Investment in subsidiaries is recognized at cost and are not adjusted to fair value at the end of each reporting period. Cost of investment represents amount paid for acquisition of the said investment.

The Parent Company assesses at the end of each reporting period, if there are any indications that the said investment may be impaired. If so, the parent Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

## 3.5 Taxes

### (a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax relating to items recognized outside profit or loss is recognized in correlation to the underlying transaction either in OCI or directly in other equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### (b) Deferred tax

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets, if any, are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized either in OCI or in other equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### 3.6 Property, plant and equipment

Property, plant and equipment are carried at historical cost of acquisition less accumulated depreciation and impairment losses, consistent with the criteria specified in Ind AS 16 'Property, Plant and Equipment'.

#### Depreciation on property, plant and equipment

- a) Depreciation is provided on a pro-rata basis for all tangible assets on written down value method over the useful life of assets.
- b) Useful lives of assets are determined by the Management by an internal technical assessment except where such assessment suggests a life significantly different from those prescribed by Schedule II – Part C of the Companies Act, 2013 where the useful life is as assessed and certified by a technical expert.
- c) Depreciation on addition to assets and assets sold during the year is being provided for on a pro rata basis with reference to the month in which such asset is added or sold as the case may be.
- d) Assets having unit value up to Rs 5,000 is depreciated fully in the financial year of purchase of asset.
- e) An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included under other

income in the Statement of Profit and Loss when the asset is derecognised.

### 3.7 Intangible assets and amortisation thereof

Intangible assets, representing website development expenses are initially recognized at cost and subsequently carried at cost less accumulated amortization and accumulated impairment. The intangible assets are amortized using the straight line method over a period of three years, which is the Management's estimate of its useful life.

### 3.8 Impairment of non-financial assets

An assessment is done at each Balance Sheet date to ascertain whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of asset is determined. If the carrying value of relevant asset is higher than the recoverable amount, the carrying value is written down accordingly.

### 3.9 Provisions and contingent liabilities

The Group creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. The Group also discloses present obligations for which a reliable estimate cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

### 3.10 Foreign currency translation

The Group's financial statements are presented in Indian Rupee, which is also the Group's functional currency.

#### Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### Conversion

Foreign currency monetary items are re-translated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

#### Exchange differences

All exchange differences are accounted in the Statement of Profit and Loss.

### 3.11 Retirement and other employee benefits

#### (a) Gratuity

The Group has not created any Gratuity Fund to which payment for present liability of future payment of gratuity can be made. However, provision for gratuity is made in the books based on the actuarial valuation report provided by an approved valuer. The actuarial liability as determined by an appointed actuary

using the projected unit credit method are recognised as a liability. Gains and losses through remeasurements of the net defined benefit liability/assets are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. The effect of any planned amendments are recognised in Statement of Profit and Loss. Remeasurements are not reclassified to profit or loss in subsequent periods.

### (b) Provident fund

Provident Fund Contributions are made to Recognized Provident Fund.

### 3.12 Leases

#### Measurement of Lease Liability

At the time of initial recognition, the Group measures lease liability as present value of all lease payments discounted using the Group's cost of borrowing. Subsequently, the lease liability is –

- (i) increased by interest on lease liability;
- (ii) reduced by lease payments made; and
- (iii) remeasured to reflect any reassessment or lease modifications specified in Ind AS 116 'Leases', or to reflect revised fixed lease payments.

#### Measurement of Right-of-use assets

At the time of initial recognition, the Group measures 'Right-of-use assets' as present value of all lease payments discounted using the Group's cost of borrowing w.r.t said lease contract. Subsequently, 'Right-of-use assets' is measured using cost model i.e. at cost less any accumulated depreciation and any accumulated impairment losses adjusted for any remeasurement of the lease liability specified in Ind AS 116 'Leases'.

Depreciation on 'Right-of-use assets' is provided on straight line basis over the lease period.

The exception permitted in Ind AS 116 for low value assets and short term leases has been adopted by Group."

### 3.13 Investment properties

Investment properties are properties held to earn rentals or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property

#### Initial Recognition and Measurement

Investment properties are initially measured at cost, including transaction costs. The cost of a purchased investment property comprises its purchase price and any directly attributable expenditure, such as legal fees, property transfer taxes, and other transaction costs.

#### Subsequent Measurement

After initial recognition, investment properties are measured at cost less accumulated depreciation and any accumulated impairment losses. The carrying amount includes the cost of replacing parts of an existing investment property at the time the cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property.

#### Depreciation

Investment properties are depreciated using the straight-line method over their estimated useful lives. The useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate.

#### Impairment

The carrying amounts of the investment properties are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. If the recoverable amount of the asset is less than its carrying amount, an impairment loss is recognized in the statement of profit and loss.

#### Revenue Recognition

Rental income from investment properties is recognized on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which use benefit derived from the property is diminished. Contingent rents are recognized as revenue in the period in which they are earned.

#### Transfers

Transfers to or from investment properties are made when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the carrying amount at the date of change in use. If an owner-occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property, plant, and equipment up to the date of change in use.

#### Disposal

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property is included in the statement of profit and loss in the period in which the property is derecognized.

### 3.14 Fair value measurement

The Group measures its Investments and Deposits (Both Given and Taken) at fair value on each Balance Sheet date.

Fair value is the price that would be received against sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place in the accessible principal market or the most advantageous accessible market as applicable.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair value measurement has been done for investments and Deposits (Both Given and Taken). Listed investments have been valued at the market price at which the respective investments were quoting as on 31.03.2024. Unlisted investments have been valued on the basis of the valuation certificates issued by an approved valuer. Both deposits given and taken have been valued at the Net present value applying the EIR method as explained in 3.1



(₹ In '000)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Note - 4: Cash and Cash Equivalents</b>		
Cash in Hand	71	464
Balance with Banks		
- In Current Accounts	3,113	3,678
<b>Total</b>	<b>3,184</b>	<b>4,142</b>
<b>Note - 5: Bank balances other than cash and cash equivalents</b>		
<b>Other Bank Balances</b>		
- On Deposit Accounts		
With Less than 12 month's maturity	400	400
<b>Total</b>	<b>400</b>	<b>400</b>
<b>Note - 6: Loans</b>		
<b>(Good unless otherwise stated )</b>		
<b>Secured</b>		
Against hypothecation of automobiles.	2,921	4,902
Less - Impairment Loss allowance		
<b>Total A</b>	<b>2,921</b>	<b>4,902</b>
<b>Unsecured</b>		
<b>Others</b>		
Loans to Others (Unsecured, Considered good)	35,852	51,848
Loans to Others (Secured by Pledge of Securities)	-	10,000
<b>Related Parties :</b>		
- Unsecured, Considered good		
Loans to Related Party ( Rate of Interest 14%)	2,585	9,917
<b>Total B</b>	<b>38,437</b>	<b>71,765</b>
<b>Total A+ B</b>	<b>41,358</b>	<b>76,667</b>

## 36<sup>TH</sup> ANNUAL REPORT 2023 - 2024

(₹ In '000)

Particulars	Face Value Amount	As at 31.03.2024		As at 31.03.2023	
		Qty (Nos)	Fair Value	Qty (Nos)	Fair Value
<b>Note - 7: Investments</b>					
<b>(A) At Cost</b>					
<b>(i) Investment in Associates</b>					
KJMC Platinum Builders Private Limited	10	79,800	12,070	79,800	13,022
<b>(ii) Investment in Property</b>					
			42,847		-
			<b>54,917</b>		<b>13,022</b>
<b>(B) At fair value through Other Comprehensive Income</b>					
<b>(i) In equity instruments</b>					
Everest Industries Ltd	10	4,765	4,956	5,245	3,948
Garware HI-Tech Films Ltd	10	807	1,409	807	422
Gland Pharma Limited	1	1,740	3,205	2,900	3,679
Hotline Glass Ltd	-	37,549	-	37,549	-
ICICI Bank Ltd	2	2,010	2,203	2,010	1,763
ICICI Prudential Life Insurance Co Ltd	10	41,000	24,967	42,500	18,513
Jio Financial Services Limited	10	1,074	380	-	-
KDL Biotech Ltd.	-	10	-	10	-
Laxmi Organic Industries Ltd	2	11,500	2,707	11,500	2,562
Poly Medicure Ltd. *	5	644,625	1,024,180	650,611	620,097
Reliance Industries Ltd.	10	1,074	3,197	1,074	2,504
Shree Vindhya Paper Mills Ltd	-	1	-	1	-
State Bank of India	1	100	75	100	52
Suprajit Engineering Ltd *	1	750	309	750	259
Electrosteel Steels Limited		1,800	2	1,800	2
KSK Energy Venture Limited	10	25,000	15	25,000	15
N2N Technologies Limited	10	5,000	29	5,000	29
Shree Ram Urban Infrastructure Limited	10	4,701	5	4,701	5
			<b>1,067,639</b>		<b>653,850</b>
<b>(ii) In CCDs (Unquoted)</b>					
0.001% CCDs of Learnture Ventures Pvt Ltd		100,000	1,400	100,000	1,350
			<b>1,400</b>		<b>1,350</b>
<b>(iii) In CCPS (Unquoted)</b>					
0% CCDs of Piquor Technologies Private Ltd		409	2,228	409	2,857
			<b>2,228</b>		<b>2,857</b>
<b>(iv) Investment in Partnership Firm (through WOS)</b>					
KJMC Investment Company			240,569		152,376
			<b>1,311,836</b>		<b>810,433</b>
<b>(C) At fair value through profit &amp; Loss A/c</b>					
<b>(i) In Quoted equity instruments</b>					
Arman Financial Services Limited	10	217	398	312	415
Asian Energy Services Ltd	10	500	135	-	-
Asian Paints Ltd.	1	86	245	86	238
Astral Limited	1	172	342	172	230
Atul Ltd	10	-	-	30	209
Bajaj Finance Limited	2	39	282	39	219
Bajaj Finserv Ltd.	1	180	296	180	228
Balaji Amines Ltd.	2	1	2	1	2

(₹ In '000)

Particulars	Face Value Amount	As at 31.03.2024		As at 31.03.2023	
		Qty (Nos)	Fair Value	Qty (Nos)	Fair Value
Brookfield India Real Estate Trust	-	1,201	306	-	-
C.E. Info Systems Ltd	2	-	-	1,573	1,559
Cello World Limited	5	25	19	-	-
Chennai Super Kings Ltd	-	-	-	3,400	731
Cholamandalam Investment	2	245	283	-	-
Cms Info Systems Ltd	10	714	279	-	-
Dabur India Ltd.	1	700	366	700	382
Digidrive Distributors Limited	-	144	6	-	-
Dishman Carbogen Amcis Ltd	2	5,500	1,296	-	-
DSJ Keep Learning Ltd	1	258,000	968	258,000	782
Equitas Small Finance Bank Ltd.	10	10,639	985	11,624	780
Everest Industries Ltd	10	-	-	632	476
Fivestar Business Finance Ltd	1	466	335	466	252
FSN Ecommerce Ventures Ltd	1	1,330	215	1,330	165
Gabriel India Ltd.	1	-	-	333	45
Grindwell Norton Ltd.	5	140	266	140	262
Happy Forgings Limited	2	500	444	-	-
HCL Technologies Ltd	2	-	-	217	235
HDFC Bank Ltd.	1	182	264	182	293
HDFC Life Insurance Company Ltd	10	1,010	639	1,010	504
Hindustan Unilever Ltd.	1	115	261	115	294
ICICI Prudential Life Insurance Co Ltd	10	2,588	1,576	2,588	1,127
IIFL Finance Ltd	2	-	-	298	145
India Pesticides Limited	1	-	-	2,500	518
ITD Cementation India Ltd	1	-	-	10,000	1,047
J B Chemicals And Pharmaceuticals Ltd	1	-	-	400	788
Jio Financial Services Limited	10	1,726	611	-	-
Lumax Industries Ltd	10	-	-	100	177
Maharashtra Scooters Ltd.	10	115	825	124	525
Marico Ltd.	1	-	-	566	272
Mold-Tek Packaging Limited	5	-	-	350	316
Multi Commodity Exchange Of India Ltd.	10	234	784	330	500
Narayana Hrudayalaya Ltd	10	447	574	412	319
Navin Fluorine International Limited	2	-	-	71	303
Nesco Ltd	2	548	455	548	284
Nestle India Ltd.	1	-	-	15	295
Nuvoco Vistas Corporation Ltd	10	2,529	775	-	-
Oil And Natural Gas Corp Ltd	5	3,850	1,031	-	-
P. I. Industries Ltd	1	-	-	112	339
Pidilite Industries Ltd.	1	107	323	107	252
Poly Medicare Ltd.	5	-	-	1,150	1,096
Punjab National Bank	2	8,000	995	-	-
Rainbow Children'S Medicare Ltd	10	-	-	144	105
Reliance Industries Limited	10	2,226	6,626	1,650	3,846
Sapphire Foods India Limited	10	-	-	1,427	1,738
Saregama India Ltd	1	721	250	690	228

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(₹ In '000)

Particulars	Face Value Amount	As at 31.03.2024		As at 31.03.2023	
		Qty (Nos)	Fair Value	Qty (Nos)	Fair Value
Shree Cement Ltd	10	11	283	11	288
State Bank Of India	1	3,000	2,258	1,500	786
Sterling And Wilson Renewable Energy Ltd	1	-	-	1,500	439
Suprajit Engineering Ltd	1	2,500	1,030	-	-
Swiss Military Consumer Goods Ltd	2	10,000	265	-	-
Syrma SGS Technology Limited	10	10,025	4,659	-	-
Tata Motors Ltd.	2	1	1	-	-
Tata Steel Ltd	1	5,500	857	-	-
TCNS Clothing Co. Ltd	2	-	-	319	134
Ujjivan Small Finance Bank Limited	10	951	453	-	177
Ujjivan Financial Services Limited	10	-	-	690	-
United Spirits Ltd.	2	50	57	-	-
Virat Industries Ltd.	10	-	-	24,400	5,367
			<b>33,320</b>		<b>29,712</b>
<b>(ii) In Quoted equity instruments</b>					
Saksham Gram Credit Private Ltd	10	226,771	9,298	178,571	5,000
<b>(ii) In Government Securities</b>					
GOI LOAN 6.69% 2024	100	75,000	7,604	75,000	7,604
<b>(iii) In Liquid Bees</b>					
Nippon India ETF Liquid B	1,000	5,675	5,672	5,046	5,048
<b>(iv) In CCPS (Unquoted)</b>					
Knorish Frameworks Pvt. Ltd.	10	496	460	496	550
			<b>56,354</b>		<b>47,914</b>
<b>Grand Total (A+B+C)</b>			<b>1,423,107</b>		<b>871,369</b>
<b>Out of the above</b>					
In India			1,423,107		871,369
Outside India			-		-
			<b>1,423,107</b>		<b>871,369</b>

\* 175200 shares of Polymedicure are pledged as security for loan from Non-Banking Finance Co.

\* These Investment are pledged as Security for Loan from Non-Banking Finance Company

(₹ In '000)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Note -8 : Other Financial Assets</b>		
<b>Advances recoverable in cash or kind or for value to be received</b>		
Unsecured, considered good	10,010	5,604
<b>Security Deposits</b>		
Unsecured, considered good	429	529
Interest accrued and impact of EIR	-	-
<b>Total</b>	<b>10,439</b>	<b>6,133</b>
<b>Note -9 : Current Tax Assets</b>		
Advance Income Tax	3,767	5,992
Less: Provision for Taxation	(1,509)	(3,133)
<b>Total</b>	<b>2,258</b>	<b>2,859</b>

(₹ In '000)

**Note -10 : Property , Plant , Equipment , and Intangible Assets  
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 2024**

Description	Gross Block			As on 31.03.2024	Impairment/ Reversal during the year	As on 31.03.2024	Depreciation		Net Block		
	As on 1.04.2023	Additions/ Adjustments during the year	Sale/ Adjustments during the year				As on 1.04.2023	Provided during the year	Deductions/ Adjustments during the year	As on 31.03.2024	As on 31.03.2023
Building	10,849	-	-	10,849	-	10,182	122	-	10,304	545	667
Computers	831	217	-	1,048	-	752	85	-	837	211	79
Furniture & Fixtures	8,417	-	-	8,417	-	6,763	584	-	7,347	1,070	1,654
Office Equipments	2,654	83	-	2,737	-	2,441	130	-	2,571	166	213
Vehicles	10,549	-	-	10,549	-	3,970	1,532	-	5,502	5,047	6,579
<b>Total (A)</b>	<b>33,300</b>	<b>300</b>	<b>-</b>	<b>33,600</b>	<b>-</b>	<b>24,108</b>	<b>2,453</b>	<b>-</b>	<b>26,561</b>	<b>7,039</b>	<b>9,192</b>

**Fixed Assets - Intangible**

Description	Gross Block			As on 31.03.2024	Impairment/ Reversal during the year	As on 1.04.2023	Depreciation		Net Block		
	As on 1.04.2023	Additions/ Adjustments during the year	Sale/ Adjustments during the year				As on 1.04.2023	Provided during the year	Deductions/ Adjustments during the year	As on 31.03.2024	As on 31.03.2023
Computer Software	80	-	-	80	-	80	-	-	80	-	-
<b>Total (B)</b>	<b>80</b>	<b>-</b>	<b>-</b>	<b>80</b>	<b>-</b>	<b>80</b>	<b>-</b>	<b>-</b>	<b>80</b>	<b>-</b>	<b>-</b>
<b>Total (A+B)</b>	<b>33,380</b>	<b>300</b>	<b>-</b>	<b>33,680</b>	<b>-</b>	<b>24,188</b>	<b>2,453</b>	<b>-</b>	<b>26,641</b>	<b>7,039</b>	<b>9,192</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 2023**

Description	Gross Block			As on 31.03.2023	Impairment/ Reversal during the year	As on 1.04.2022	Depreciation		Net Block		
	As on 1.04.2022	Additions/ Adjustments during the year	Sale/ Adjustments during the year				As on 1.04.2022	Provided during the year	Deductions/ Adjustments during the year	As on 31.03.2023	As on 31.03.2022
Building	10,849	-	-	10,849	-	10,033	149	-	10,182	667	816
Computers	698	133	-	831	-	658	94	-	752	79	40
Furniture & Fixtures	6,646	1,771	-	8,417	-	6,575	188	-	6,763	1,654	71
Office Equipments	2,426	228	-	2,654	-	2,322	119	-	2,441	213	104
Vehicles	9,964	585	-	10,549	-	2,506	1,464	-	3,970	6,579	7,458
<b>Total (A)</b>	<b>30,563</b>	<b>2,717</b>	<b>-</b>	<b>33,300</b>	<b>-</b>	<b>22,094</b>	<b>2,014</b>	<b>-</b>	<b>24,108</b>	<b>9,192</b>	<b>8,489</b>

**Fixed Assets - Intangible**

Description	Gross Block			As on 31.03.2023	Impairment/ Reversal during the year	As on 1.04.2022	Depreciation		Net Block		
	As on 1.04.2022	Additions/ Adjustments during the year	Sale/ Adjustments during the year				As on 1.04.2022	Provided during the year	Deductions/ Adjustments during the year	As on 31.03.2023	As on 31.03.2022
Computer Software	80	-	-	80	-	79	1	-	80	-	1
<b>Total (B)</b>	<b>80</b>	<b>-</b>	<b>-</b>	<b>80</b>	<b>-</b>	<b>79</b>	<b>1</b>	<b>-</b>	<b>80</b>	<b>-</b>	<b>1</b>
<b>Total (A+B)</b>	<b>30,663</b>	<b>2,717</b>	<b>-</b>	<b>33,380</b>	<b>-</b>	<b>22,173</b>	<b>2,015</b>	<b>-</b>	<b>24,188</b>	<b>9,192</b>	<b>8,490</b>

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(₹ In '000)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Note -11 : Other Non Financial Assets</b>		
Other	1,091	955
<b>Total</b>	<b>1,091</b>	<b>955</b>
<b>Note - 12 Payables</b>		
(I) Trade Payables		
(A) Micro & Small Enterprises	-	-
(B) Others	-	-
(I) Other Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	307	937
<b>Total</b>	<b>307</b>	<b>937</b>

Particulars	< 1 Year	1 to 2 years	2 to 3 years	>3 years	Total
<b>As at 31st March, 2024</b>					
<b>MSME</b>					
Trade Payable	-	-	-	-	-
Other Payable	252		55	-	307
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Unbilled Dues	-	-	-	-	-
<b>Total</b>	<b>252</b>	<b>-</b>	<b>55</b>	<b>-</b>	<b>307</b>
<b>As at 31st March, 2023</b>					
<b>MSME</b>					
Trade Payable	-	-	-	-	-
Other Payable	847	11	55	24	937
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Unbilled Dues	-	-	-	-	-
<b>Total</b>	<b>847</b>	<b>11</b>	<b>55</b>	<b>24</b>	<b>937</b>

(₹ In '000)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Note -13 : Borrowings</b>		
<b>(A) In India</b>		
<b>At amortised Cost</b>		
Vehicle Loans (Term Value) : (Secured against hypothecation of Vehicle)	4,908	5,685
<b>Loan from NBFC (Secured)</b> (Loans secured against pledge of shares bearing interest rate @ 9.85%, repayable on demand.)	56,500	69,618
Loan from Group Company (Unsecured) bearing interest rate @ 14.00% Puja Trades & Investments Pvt Ltd - 1 Year	7,600	-
Loan from Group Company (Unsecured) bearing interest rate @ 12.00% KJMC Realty Pvt Ltd	-	5,955
<b>Total</b>	<b>69,008</b>	<b>81,258</b>
<b>(B) Outside India</b>	-	-
<b>Total</b>	<b>69,008</b>	<b>81,258</b>
<b>Out of Above</b>		
(A) Secured (Against hypothecation of Fixed Deposit and Vehicles, Equitable mortgage of properties, Pledge of Shares)	61,408	75,303
(B) Unsecured	7,600	5,955
<b>Total</b>	<b>69,008</b>	<b>81,258</b>
<b>Note -14 : Deposits</b>		
<b>At amortised cost</b>		
<b>Security Deposits</b>		
Interest free deposit from related party payable <b>from Related Parties :</b>	2,964	2,350
Interest accrued and impact of EIR	324	540
<b>Total</b>	<b>3,288</b>	<b>2,890</b>
<b>Note -15 : Other Financial Liabilities</b>		
Employee Dues	537	609
Provision for Expenses	283	337
Other	19	22
<b>Total</b>	<b>839</b>	<b>968</b>
<b>Note - 16 : Provision</b>		
Provision for Gratuity	998	868
Provision against Standard Asset & Sub Standard as per RBI & ECL	2,875	4,078
<b>Total</b>	<b>3,873</b>	<b>4,946</b>
<b>Note - 17 : Other Non Financial Liabilities</b>		
Statutory Dues	508	782
Other	18	21
<b>Total</b>	<b>526</b>	<b>803</b>
<b>Note -18 : Deferred Tax Liability (Net)</b>		
<b>Deferred Tax Assets</b>		
Business Loss	12,558	15,889
Unabsorbed Depreciation	-	377
Fixed Assets ( Diff in W.D.V)	617	398
Disallowance u/s 43B of the Income Tax, 1961	251	219
	<b>13,426</b>	<b>16,883</b>
<b>Deferred Tax Liability</b>		
Deferred Tax Liability	105,705	61,602
<b>Deferred tax Liability Net</b>	<b>92,279</b>	<b>44,719</b>

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(₹ In '000)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Note -19 : Share Capital</b>		
<b>Authorised:</b>		
4,71,50,000 (Previous Year: 4,71,50,000 ) Equity Shares of Rs 10/- each	471,500	471,500
85,000 (Previous Year: 85,000) Redeemable Preference shares of Rs 100/- each	8,500	8,500
1,15,000 (Previous Year: 1,15,000) 0% Compulsorily Convertible Preference Shares of Rs 100/- each	11,500	11,500
13,00,000 (Previous Year: 13,00,000) Preference Shares of Rs 100/- each	130,000	130,000
	621,500	621,500
<b>Issued,Subscribed and Paid up:</b>		
47,85,740 (Previous Year: 47,85,740) Equity Shares of Rs 10/- each fully paid up	47,857	47,857
	<b>47,857</b>	<b>47,857</b>

**Additional Information:**

**a ) Reconciliation of Shares outstanding at the beginning and at the end of the year**

Rs in '000'

Particulars	Nos	Amount
<b>As at 1st April 2022</b>		
Equity Share Capital issued Subscribed and fully paid up	47,857	47,857
Additions during the year	-	-
	<b>47,857</b>	<b>47,857</b>
<b>As at 31st March 2023</b>		
<b>As at 1st April 2023</b>		
Equity Share Capital issued Subscribed and fully paid up	47,857	47,857
Additions during the year	-	-
	<b>47,857</b>	<b>47,857</b>
<b>As at 31st March 2024</b>		

**(b) Terms and Rights attached to Equity Shares:**

The Company has only one class of equity shares having par value of Rs 10 per share. Each shareholder of equity share is entitled to one vote per share.

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.

**(c) Details of Shareholders holding more than 5% shares in the Company:**

Equity Shares of ₹ 10 each	As at 31.03.2024		As at 31.03.2023	
	No. of Shares held	%age of Holding	No. of Shares held	%age of Holding
Chand Devi Jain	1,870,076	39.08%	1,860,576	38.88%
RAJNESH JAIN	605,168	12.65%	595,668	12.45%
GIRISH JAIN	605,168	12.65%	595,668	12.45%
I. C. Jain HUF	267,065	5.58%	267,065	5.58%

d) Shares reserved for Issue under Employee Stock option plan is NIL.



(₹ In '000)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Note -20 : Other Equity</b>		
<b>Securities Premium</b>		
As per last balance sheet	14,410	14,410
Add : Received during the year	-	-
Less: Deduction during the year	-	-
<b>Closing Balance</b>	<b>14,410</b>	<b>14,410</b>
<b>General Reserve :</b>		
As per last balance sheet	2,786	2,786
Add : Addition during the year	-	-
Less: Deduction during the year	-	-
<b>Closing Balance</b>	<b>2,786</b>	<b>2,786</b>
<b>Capital Redemption Reserve :</b>		
As per last balance sheet	49,900	49,900
Add : Addition during the year	-	-
Less: Deduction during the year	-	-
<b>Closing Balance</b>	<b>49,900</b>	<b>49,900</b>
<b>Other Comprehensive Income<sup>1</sup></b>	738,957	743,718
Employee Benefit	28	71
Share in Partnership Firm	93,394	696
Increase/(Loss) in Fair Value of Investment	416,043	(15,971)
Loss on Sale of Investments, Futures & Options (Net)	9,760	8,797
Tax	(44,283)	1,646
	<b>1,213,899</b>	<b>738,957</b>
<b>Special Reserve</b>		
As per last balance sheet	10,424	10,424
Add : Addition during the year	1,807	-
Less : Deduction during the year	-	-
<b>Closing Balance</b>	<b>12,231</b>	<b>10,424</b>
<b>Surplus/(Deficit) in the statement of profit and loss</b>		
Balance brought forward from last year	(29,138)	(19,922)
Add:		
Profit for the Year	8,618	(9,216)
<b>Amount available for appropriation</b>	<b>(20,520)</b>	<b>(29,138)</b>
Less : Appropriations		
a) Special Reserve *	1,807	-
Balance carried forward	<b>(22,327)</b>	<b>(29,138)</b>
<b>Total</b>	<b>1,270,899</b>	<b>787,339</b>

\* 20% of the Net Profit After Tax is transferred to Special Reserve as required u/s 451C of RBI Guidelines, 1934.

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(₹ In '000)

Particulars	For the Year ended 31.03.2024	For the Year ended 31.03.2023
<b>Note -21 : Revenue from Operations</b>		
Interest Income	9,511	11,287
Income from Shares & Securities Trading	34,252	15,123
Dividend Income	2,497	2,120
Processing & Documention Fees	46	320
<b>Total</b>	<b>46,306</b>	<b>28,850</b>
<b>Note -22 : Other Income</b>		
Compensation for Use of Office & Common Facilities	506	543
Miscellaneous Income	120	252
Interest Income_Others	-	1,230
Share in Partnership Firm	799	316
<b>Total</b>	<b>1,425</b>	<b>2,341</b>
<b>Note -23 : Finance Costs</b>		
Interest to other/NBFC	6,904	5,450
Interest to Bank	-	2,055
Bank Charges	5	94
<b>Total</b>	<b>6,909</b>	<b>7,599</b>
<b>Note -24 : Employee Benefit Expenses</b>		
Salaries and wages	10,973	11,512
Contribution / provisions to provident, Gratuity and other provisions.	459	452
Staff welfare expenses	329	261
<b>Total</b>	<b>11,761</b>	<b>12,225</b>
<b>Note -25 : Other Expenses</b>		
Advertisement	60	53
Auditors Remuneration (for break up refer below)	159	203
Business Promotion Expenses	310	311
Electricity Expenses	42	78
Contractual Services	-	-
Infrastructural Support service Expenses	238	238
Insurance Expenses	102	56
Computer Software Expenses	45	53
Listing Fees	325	300
Miscellaneous Expenses	1,442	931
Impairment Loss	570	-
Motor Car Expenses	916	727
Office Maintenance & Utility Expenses	303	240
Postage & Telegram	27	5
Printing & Stationery	52	46
Professional & Consul. Fees Exp	4,718	8,275
Rent	237	2,524
Repairs & Maintainence (Others)	478	245
Subscription & Membership	243	75
Travelling Expenses	2,955	1,161
Provision for ECL Provision	(1,230)	325
Loan Written off	352	57
<b>Total</b>	<b>12,344</b>	<b>15,903</b>
As Statutory Auditor		
As Audit Fees	76	105
For Taxation matters	-	24
For Limited Review	83	74
	<b>159</b>	<b>203</b>

**26. Contingent Liabilities:**

Claims against the Company for the Financial Year 2023-24 is NIL ( PY 2022-23 is NIL)

**27.** Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) Rs. NIL (Previous Year Rs. NIL)

**28.** Earnings per Share:

(₹ In '000)

Particulars	31.03.2024	31.03.2023
Net Profit / (Loss) for the year (Rs in '000)	4,83,560	(13,978)
Less : Other Comprehensive Income	4,74,942	(4762)
Net Profit/(Loss) for calculation of EPS (Rs in '000 )	8,618	(9,216)
The weighted average Number of Equity Share (Nos.)- (Basic)	47,85,740	47,85,740
The weighted average Number of Equity Share (Nos.)- (Diluted)	47,85,740	47,85,740
Face value (Rs)	10	10
Earnings per Share (Basic)	1.80	(1.93)
Earnings per Share (Diluted)	1.80	(1.93)

**29. Earnings and Expenditure in Foreign Currency**

Earnings in Foreign Currency – C.Y Rs Nil ('000') (P.Y Rs Nil ('000')).

Expenditure in Foreign Currency – C.Y Rs 1171 ('000') (P.Y Rs Nil ('000')).

**30. Related party disclosures under Indian Accounting Standard - 24:**

**List of related parties:**

**1. Parties where control exists**

**Wholly owned subsidiary Companies**

KJMC Trading & Agency Limited.

**2. Other parties**

**a) Key Management Personnel and Directors**

Inderchand Jain – Director  
Rajnesh Jain – Whole Time Director  
Girish Jain- Director  
Sajjan Bawri – Chief Financial Officer.  
Behla Tambawala - Company Secretary  
Nitin Kulkarni – Independent Director  
Anil Sampat – Independent Director  
Vijay Joshi – Independent Director  
S C Aythora - Independent Director

**b) Relatives of Whole Time Director.**

Inderchand Jain - Father of Whole time Director  
Chanddevi Jain - Mother of Whole time Director  
Girish Jain - Brother of Whole time Director  
Shraddha Rajnesh Jain - Wife of Whole time Director  
Pratham Jain - Son of Whole time Director  
Aayushi Jain - Daughter of Whole Time Director

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**c) Enterprises over which key management personnel/relatives are able to exercise significant influence:**

KJMC Corporate Advisors (India) Limited	Puja Trades & Investments Pvt Ltd
KJMC Shares and Securities Limited	KJMC Realty Private Limited
Prathamesh Enterprises Private Limited	Khandelwal Jain & Co
KJMC Investment Company	KJMC Capital Market Services Limited
AKIP Venture Private Limited	KJMC Credit Marketing Limited

**d) Associates**

KJMC Platinum Builders Private Limited

**Transactions during the year with related parties:**

(₹ In '000)

Sr. No.	Nature of Transactions with related parties	Associates		Key Management Personal & their Relatives		Enterprises over which key management personnel/relatives are able to exercise significant influence	
		31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
1	<b>Interest Income</b>						
	Prathmesh Enterprises Pvt Ltd	-	-		-	-	69
	Rajnesh Jain	-	-	999	1,372		-
	Puja Trades & Investments Private Limited	-	-		-	288	12
	KJMC Capital Market Services Limited	-	-		-	-	5
2	<b>Interest Paid</b>						
	Prathmesh Enterprises Private Limited	-	-	-	-	-	55
	Puja Trades & Investments Pvt Ltd	-	-	-	-	1,250	61
	KJMC Realty Private Limited	-	-	-	-	83	455
3	<b>Board Meeting Fees</b>						
	Inderchand Jain	-	-	20	20	-	-
	Shraddha Jain	-	-	16	16	-	-
	Girish Jain	-	-	18	17	-	-
4	<b>Salary and Perquisites</b>						
	Rajnesh Jain	-	-	3,302	8,130	-	-
5	<b>Rent Paid</b>						
	Rajnesh Jain	-	-	154	1,296	-	-
	Shraddha Jain	-	-	54	460	-	-
	Chanddevi Jain	-	-	6	46	-	-
6	<b>Professional Fees Paid</b>						
	Khandelwal Jain & Co	-	-	-	-	100	350
7	<b>Loan given to Borrower</b>						
	KJMC Capital Market Services Limited	-	-	-	-	-	5,000
	Prathmesh Enterprises Private Limited	-	-	-	-	-	1,200
	Puja Trades & Investments Pvt Ltd	-	-	-	-	-	3,300
	KJMC Platinum Builders Pvt Ltd	2500	-	-	-	-	-
8	<b>Security Deposit Received Back</b>						
	Puja Trades & Investments Pvt Ltd	-	-	-	-	-	19,000
9	<b>Asset Purchased</b>						
	Khandelwal Jain & Co	-	-	-	-	-	585
10	<b>Repayment of Loan by Borrower</b>						
	Prathmesh Enterprises Private Limited	-	-	-	-	-	1,200
	Puja Trades & Investments Pvt Ltd	-	-	-	-	-	3,300
	KJMC Capital Market Services Limited	-	-	-	-	-	5,000
	Rajnesh Jain	-	-	10,543	-	-	-

Sr. No.	Nature of Transactions with related parties	Associates		Key Management Personal & their Relatives		Enterprises over which key management personnel/relatives are able to exercise significant influence	
		31.03.2024	31.03.2024	31.03.2024	31.03.2023	31.03.2024	31.03.2023
11	<b>Loan Taken</b>						
	Prathmesh Enterprises Private Limited	-	-	-	-	-	8,500
	Puja Trades & Investments Pvt Ltd	-	-	-	-	10,500	12,219
12	<b>Security Deposit Paid</b>						
	Mr. Rajnesh Jain	-	-	72	144	-	-
	Mrs. Shraddha Jain	-	-	25	51	-	-
	Mrs.Chanddevi Jain	-	-	3	5	-	-
13	<b>Security Deposit received Back</b>						
	Mr. Rajnesh Jain	-	-	217	-	-	-
	Mrs. Shraddha Jain	-	-	77	-	-	-
	Mrs.Chanddevi Jain	-	-	7	-	-	-
14	<b>Security Deposit Repaid</b>						
	KJMC Capital market Services Limited	-	-	-	-	-	8,500
15	<b>Loan Repaid</b>						
	Prathmesh Enterprises Private Limited	-	-	-	-	-	8,500
	Puja Trades & Investments Pvt Ltd	-	-	-	-	2,900	12,219
	KJMC Realty Private Limited	-	-	-	-	6,030	-
16	<b>Rent Income</b>						
	KJMC Corporate Advisors (India) Ltd	-	-	-	-	30	30
	Rajnesh Jain	-	-	260	-	-	-
17	<b>Purchase of property</b>						
	Rajnesh Jain	-	-	40,000	-	-	-
18	<b>Infrastructural Support Services</b>						
	KJMC Capital Market Services Ltd	-	-	-	-	236	238
19	<b>Brokerage Charges</b>						
	KJMC Capital Market Services Ltd	-	-	-	-	275	38
20	<b>Depository Charges</b>						
	KJMC Capital Market Services Ltd	-	-	-	-	79	29
21	<b>Purchase of Shares</b>						
	KJMC Corporate Advisors (India) Limited	-	-	-	-	-	1,001
22	<b>Sale of Shares</b>						
	Puja Trades & investments Pvt Ltd	-	-	-	-	941	-
	KJMC Capital Market Services Limited	-	-	-	-	-	1,125
24	<b>Reimbursement of Expenses Paid</b>						
	KJMC Corporate Advisors (India) Ltd	-	-	-	-	16	17
25	<b>Net Receivables</b>						
	Rajnesh Jain	-	-	-	9,917	-	-
	KJMC Platinum Builders Pvt Ltd (Loan)	2,585	-	-	-	-	-
26	<b>Net Payables</b>						
	KJMC Capital Market Services Ltd (Security Deposit)	-	-	-	-	1,500	1,500
	KJMC Corporate Advisors (India) Ltd (Security Deposit)	-	-	-	-	1,500	1,500
	KJMC Realty Private Limited (Loan)	-	-	-	-	-	5,955
27	<b>Balances in Investment in Associates</b>						
	KJMC Platinum Builders Private Limited	12,635	12,635	-	-	-	-

Managerial Remuneration is calculated as per schedule V of the Companies Act, 2013

### 31 Obligations on long-term, non-cancellable operating leases

The lease rentals charged during the period and the obligations on long-term, non-cancellable operating leases payable as per the rentals stated in the respective agreements are as follows:

(₹ In '000)

Particulars	Year Ended	
	31.03.2024	31.03.2023
Lease rental recognized during the year	NIL	NIL
<b>Lease obligation Payable</b>		
Within one year of the balance sheet date	NIL	NIL
Due in a period between one year and five years	NIL	NIL

### 32. Financial risk management objective and policies

The Group's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Group's principal financial assets include investments, loans, trade receivables, and other receivables, and cash and cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's management oversees the management of these risks.

#### a) Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, other financial instruments.

##### 1) Interest rate risk:

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair value of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that future cash flows of floating interest bearing investments will vary because of fluctuations in interest rates.

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's short-term loan from banks. Redeemable preference shares carries fixed coupon rate and hence is not considered for calculation of interest rate sensitivity of the company.

(₹ In '000)

	As at 31st March'24	As at 31st March'23
Variable rate borrowings*	56,500	69,618

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact of change in interest rate of borrowings, as follows:

(₹ In '000)

	Increase/ decrease in basis points	Effect on Profit before tax
As on 31 March 2024	+ 50 / - 50	282.50
As on 31 March 2023	+ 50 / - 50	348.09

##### 2) Foreign currency risk:

The Group enters into transactions relating to expenses in currency other than its functional currency. The Group makes advance payment for buying of foreign currency to be used for expenses incurred and is therefore not exposed to foreign currency risk. As there are no outstanding assets or liabilities denominated in foreign currency at any point of time, there is no need to hedge the currency risk. Thus, exchange rate exposures are not hedged considering the insignificant impact and period involved on such exposure.

The Group does not have any foreign currency risk. Hence no sensitivity analysis is required.

##### 3) Credit Risk:

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, deposits and loans given, investments and balances at bank.

The Parent Company measures the expected credit loss of on loans given to customers/borrowers based on historical trend, industry practices and the business environment in which the entity operates. Expected Credit Loss (ECL) on loans is calculated based on past trends based on the historical data.

(₹ In '000)

	As at 31st March'24	As at 31st March'23
Movement in allowance for credit loss during the year was as follows :		
Opening Balance	4,078	3,753
Add :- Provided during the year	-	325
Less :- Reversal during the year	1,203	-
Balance as at 31 March	2,875	4,078
<b>Loans</b>	<b>41,358</b>	<b>76,667</b>

Credit risk on cash and cash equivalents is limited as the Group generally invest in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Investments primarily include investment in equity shares, Mutual Funds and Convertible Debentures.

## b) Liquidity Risk:

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The Group's principal source of liquidity are cash and cash equivalents and the cash flow i.e. generated from operations. The Group consistently generated strong cash flows from operations which together with the available cash and cash equivalents and investments provides adequate liquidity in short terms as well in the long term.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at:

(₹ In '000)

	Carrying Amount / fair value	31-Mar-24			
		Less than 1 year	2-5 years	More than 5 years	Total
<b>Financial Liabilities</b>					
Other payables	307	252	55	-	307
Borrowings	69,008	8,444	60,564	-	69,008
Other financial liabilities	839	839	-	-	839
Deposits	3,288	-	3,288	-	3,288
	<b>73,442</b>	<b>9535</b>	<b>63,907</b>	-	<b>73,442</b>

(₹ In '000)

	Carrying Amount / fair value	31-Mar-23			
		Less than 1 year	2-5 years	More than 5 years	Total
<b>Financial Liabilities</b>					
Other payables	937	847	90	-	937
Borrowings	81,258	6,796	74,462	-	81,258
Other financial liabilities	968	968	-	-	968
Deposits	2,890	-	2,890	-	2,890
	<b>86,053</b>	<b>8,611</b>	<b>77,442</b>	-	<b>86,053</b>

## ii) Capital Management

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

The Group monitors capital using gearing ratio, which is Net debt divided by total capital.

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(₹ In '000)

	As at 31-Mar-24	As at 31-Mar-23
Gross debt (inclusive of long term and short term borrowing)	69,008	81,258
Less: Cash and cash equivalents	3,584	4,542
<b>Net debt</b>	<b>65,424</b>	<b>76,716</b>
Total equity	13,18,756	8,35,196
<b>Total capital</b>	<b>13,84,180</b>	<b>9,11,912</b>
<b>Gearing ratio</b>	<b>4.73%</b>	<b>8.41%</b>

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2024 and 31 March 2023

### iii) Categories of financial instruments and fair value thereof

(₹ In '000)

Particulars	As at 31 March 2024			As at 31 March 2023		
	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL	Amortised Cost
<b>A) Financial assets (other than investment in subsidiaries &amp; Associates)</b>						
Cash and cash equivalents	-	-	3,184	-	-	4,142
Bank Balance other than (a) above	-	-	400	-	-	400
Loans	-	-	41,358	-	-	76,667
Investments	13,11,834	56,356	54,917	8,10,433	47,914	13,022
Other financial assets	-	-	10,439	-	-	6,133
<b>total financial assets</b>	<b>13,11,834</b>	<b>56,356</b>	<b>1,10,298</b>	<b>8,10,433</b>	<b>47,914</b>	<b>1,00,364</b>
<b>B ) Financial liabilities</b>						
Other payables	-	-	307	-	-	937
Borrowings	-	-	69,008	-	-	81,258
Other financial liabilities	-	-	839	-	-	968
Deposits	-	3,288	-	-	2,890	-
<b>total financial liabilities</b>	<b>-</b>	<b>3,288</b>	<b>70,154</b>	<b>-</b>	<b>2,890</b>	<b>83,163</b>

The management assessed that cash and cash equivalents and bank balances, trade receivables, other financial assets, certain investments, trade payables and other current liabilities approximate their fair value largely due to the short-term maturities of these instruments. Difference between carrying amount and fair value of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the year presented.

### iv) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Disclosures of fair value measurement hierarchy for assets and liabilities as at 31 March 2024 & 31 March 2023.

(₹ In '000)

Financial assets	As at 31 March 2024				
	Carrying Value	Fair value	Level 1	Level 2	Level 3
<b>Financial assets measured at FVTOCI</b>					
Investments	13,11,834	13,11,834	13,08,206	-	3,628
<b>Financial assets measured at FVTPL</b>					
Investments	56,356	56,356	55,896	-	560
<b>Financial assets measured at amortised cost</b>					
Investments	12,070	12,070	-	12,070	-
Investment in property	42,847	42,847	-	42,847	-
<b>Total</b>	<b>14,23,107</b>	<b>14,23,107</b>	<b>13,64,102</b>	<b>54,917</b>	<b>4,188</b>



(₹ In '000)

Financial assets	As at 31 March 2023				
	Carrying Value	Fair value	Level 1	Level 2	Level 3
<b>Financial assets measured at FVTOCI</b>					
Investments	8,10,433	8,10,433	8,06,226	-	4,207
<b>Financial assets measured at FVTPL</b>					
Investments	47,914	47,914	47,914	-	-
<b>Financial assets measured at amortized cost</b>					
Investments	13,022	13,022	-	13,022	-
<b>Total</b>	<b>8,71,369</b>	<b>8,71,369</b>	<b>8,54,140</b>	<b>13,022</b>	<b>4,207</b>

**Fair Value Hierarchy:**

- Investments included in Level 1 of fair value hierarchy are based on prices quoted in stock exchange and/ or NAV declared by the funds.
- Investments included in Level 2 of fair value hierarchy have been valued based on inputs from banks and other recognised institutions such as FIMMDA/ FEDAI
- Investments included in Level 3 of fair value hierarchy have been valued using acceptable valuation techniques such as Net Asset Value and/ or Discounted Cash Flow Method.

Note : All financial instruments for which fair value is recognised or disclosed are categorised within the Fair Value Hierarchy described as above, based on the lowest level input that is significant to the fair value measurement as a whole.

**33. Employee Benefit Plans**
**Defined Benefit plans**
**A. Gratuity**

The Gratuity plan is governed by the payment of Gratuity Act, 1972. The Gratuity Act is not applicable to the company, however the company provides gratuity benefits to the whole time director of the company. The company has not created any fund for the payment of the gratuity liability but has created a provision for gratuity liability based on Actuary Valuer report.

Movement in defined benefits obligations

(₹ In '000)

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
<b>Present Value of Benefit Obligation at the Beginning of the Period</b>	868	789
Interest Cost	65	54
Current Service Cost	93	96
Past Service Cost	-	-
Liability Transferred In/ Acquisitions	-	-
(Liability Transferred Out/ Divestments)	-	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	-	-
(Benefit Paid From the Fund)	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	16	(32)
Actuarial (Gains)/Losses on Obligations - Due to Experience	(44)	(39)
<b>Present Value of Benefit Obligation at the End of the Period</b>	<b>998</b>	<b>868</b>

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### Reconciliation of net liability / asset

(₹ In '000)

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
<b>Opening Net Liability</b>	868	789
Expenses Recognized in Statement of Profit or Loss	158	150
Expenses Recognized in OCI	(28)	(71)
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	-	-
(Employer's Contribution)	-	-
<b>Net Liability/(Asset) Recognized in the Balance Sheet</b>	<b>998</b>	<b>868</b>

### Expenses charged to the statement of Profit and Loss

(₹ In '000)

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Current Service Cost	93	95
Net Interest Cost	65	55
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
<b>Expenses Recognized</b>	<b>158</b>	<b>150</b>

### Measurement (gains)/ Losses in other comprehensive income.

(₹ In '000)

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Actuarial (Gains)/Losses on Obligation For the Period	(28)	(71)
Return on Plan Assets, Excluding Interest Income	-	-
Change in Asset Ceiling	-	-
<b>Net (Income)/Expense For the Period Recognized in OCI</b>	<b>(28)</b>	<b>(71)</b>

### Amount recognized in Balance Sheet.

(₹ In '000)

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
(Present Value of Benefit Obligation at the end of the Period)	(998)	(868)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/ (Deficit))	(998)	(868)
<b>Net (Liability)/Asset Recognized in the Balance Sheet</b>	<b>(998)</b>	<b>(868)</b>

**Change in the Fair Value of Plan Assets**

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
<b>Fair Value of Plan Assets at the Beginning of the Period</b>	-	-
Interest Income	-	-
Contributions by the Employer	-	-
Expected Contributions by the Employees	-	-
Assets Transferred In/Acquisitions	-	-
(Assets Transferred Out/ Divestments)	-	-
(Benefit Paid from the Fund)	-	-
(Assets Distributed on Settlements)	-	-
(Expenses and Tax for managing the Benefit Obligations- paid from the fund)	-	-
Effects of Asset Ceiling	-	-
The Effect of Changes In Foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	-	-
<b>Fair Value of Plan Assets at the End of the Period</b>	-	-

**B. Defined Contribution Scheme**

The Employee's Provident Funds Scheme, 1952 is not applicable to the company. However, the company extends provident fund benefits to its whole time director. The employer contribution to the Provident Fund together with the employee deduction is deposited in the Recognized Provident Fund and is charged as an expense as and when accrued and incurred.

Other than the above, the company does not operate any superannuation, pension, ESOP or any other defined benefit or defined contribution scheme for the benefit of its employees.

34. The management has identified the Company's operations with a single business segment of non-banking financial operations in India. All the assets of the Company are located in India.

**35. Additional regulatory information required by Schedule III of the Act :**
**a) Title deeds of immovable properties not held in name of the Company.**

The title deeds of all the immovable (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in notes to the financial statements, are held in the name of the Company.

**b) Valuation of PP&E and Intangible Assets :**

The Company has not revalued its property, plant and equipment or intangible or both during the current or previous year.

**c) Loans or Advances in the nature of Loans granted to Promoters, Directors, Key Managerial Personnel and Related Parties.**

(₹ In '000)

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	NIL	NIL
Directors (Rs in '000')	NIL	NIL
KMPs	NIL	NIL
Related Parties	2,585	6.72%

**d) Capital-Work-in-Progress (CWIP).**
**(i) CWIP ageing Schedule**

Particulars	Amount of CWIP for a period of				Total
	Less than 1	1-2 Years	2-3 Years	More than 3	
Project in Progress	-	-	-	-	-

**e) Details of benami property held :**

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions.

**f) Borrowing secured against current assets :**

No borrowing has been secured against current assets.

**g) Wilful defaulter :**

The Company has not been declared a wilful defaulter by any bank, financial institution, government, or government authority.

**h) Relationship with struck**

There is no relationship or transaction with any struck off companies under Section 248 of the Companies Act, 2013, or Section 560 of the Companies Act, 1956.

**i) Registration of charges or satisfaction with Registrar of Companies :**

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

**j) Compliance with number of layers of Companies :**

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

**k) Financial ratios**

Ratios	Numerator	Denominator	Current	Previous	% Variance	Reason for Variance
Current ratio	Current Assets	Current Liabilities	29.30	17.58	66.66%	Current Asset has been Increased
Debt-equity ratio	Total Debt	Shareholder's Equity	5.2%	9.7%	-46.39%	Loan has been decreased during the year
Debt service coverage ratio	Earnings available debt service	Debt Service	24.94%	0.48%	5065.5%	Profit has been increased during the year
Return on equity ratio	Net Profits after taxes	Shareholder's Equity	0.73%	-1.10%	166.0%	Profit has been increased during the year
Net Capital turnover ratio	Net Sales	Average working Capital	65.03%	49.38%	32.65%	Revenue increased & Average Working Capital increased
Net profit ratio	Net Profit after tax	Net Sales	20.67%	-31.95%	164.7%	Profit has been increased during the year
Return on Capital employed	Earnings before interest and taxes	Capital Employed	1.25%	0.13%	861.54%	Profit has been increased during the year
Return on investment	Earnings before interest and tax	Average total assets	1.34%	0.11%	1118.18%	Return on Investment Increased

**Notes :**

1. Earning for debt service = Net profit after taxes + Non-Cash operating expenses like depreciation and other amortisations + Interest + other.
2. Working capital = Current assets minus Current liabilities.
3. Capital employed = Tangible net worth + Total debt + Deferred tax liability.

**m) Compliance with approved schemes (s) arrangements :**

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

**n) Utilisation of borrowed funds and share premium:**

- a) The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding 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) 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 on behalf of the Ultimate Beneficiaries.

n) **Undisclosed income:**

There has been no undisclosed income surrendered or disclosed during the current or previous year in the tax assessments under the Income Tax Act.

o) **Details of crypto currency or virtual currency:**

The Company has not engaged in any trading or investment activities related to crypto currency during the current or previous year.

36. Previous year figures have been regrouped or reclassified wherever necessary in order to make them comparable and shown in brackets.

As per our report of even date attached

**For Batliboi & Purohit**

Chartered Accountants

Registration No: 101048W

For and on behalf of the Board of Directors

**KJMC FINANCIAL SERVICES LIMITED**

**Rajesh Jain**  
**Whole time Director**  
DIN: 00151988

**Girish Jain**  
**Director**  
DIN: 00151673

**Gaurav Dhebar**  
Partner  
Membership No. 153493  
Place : Mumbai  
Date : 13th May 2024  
UDIN: 24153493BKCTNB4225

**Sajjan Bawri**  
**Chief Financial Officer**  
Place : Mumbai  
Date : 13th May 2024

**Khusbhu Bohra**  
Company Secretary





To,



*If Undelivered Please Return To:*

**KJMC FINANCIAL SERVICES LIMITED**

Registered Office: 162, 16th Floor, Atlanta,

Nariman Point, Mumbai – 400 021

Tel.No.: 022-4094 5500

Email : [investor.finance@kjmc.com](mailto:investor.finance@kjmc.com) CIN : L65100MH1988PLC047873