JM FINANCIAL

June 9, 2020

BSE Limited
Department of Corporate Services
1st Floor, New Trading Ring
Rotunda Building, P J Towers
Dalal Street, Fort
Mumbai 400001

Security Code: **523405**

National Stock Exchange of India Limited
Exchange Plaza
Plot No.C-1, G Block
Bandra-Kurla Complex
Bandra (East)
Mumbai – 400 051

Symbol: **JMFINANCIL**

Dear Sirs,

Sub: Audited standalone and consolidated financial statements

In furtherance to our intimation dated May 6, 2020 in relation to the announcement of the audited standalone and consolidated financial results for the fourth quarter and the financial year ended March 31, 2020 of the Company, please find enclosed the complete set of the audited standalone and consolidated financial statements for the financial year ended March 31, 2020 for your records, which is subject to the adoption by the members of the Company at the ensuing Annual General Meeting to be held on July 30, 2020.

We request you to take the above on record and the same be treated as compliance under the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Thank you.

Yours faithfully,
for JM Financial Limited

Prashant Choksi
Group Head – Compliance, Legal
& Company Secretary

Encl.**:** as above

Deloitte
Haskins & Sells LLP

Chartered Accountants
Indiabulls Finance Centre,
Tower 3, 27"-32" Floor,
Senapati Bapat Marg,
Elphinstone Road (West)
Mumbai - 400 013
Maharashtra, India
Tel:+ 91 22 6185 4000
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INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF JM FINANCIAL LIMITED

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **JM Financial Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2020, and 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 a summary of significant accounting policies and other explanatory information (the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020 and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditors' Responsibility for the Audit of the Standalone Financial Statements Section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone 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 standalone financial statements of the current period. These matters, were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

A. Revenue recognition (refer note 22 to the standalone financial statements)

Key Audit Matter Description

Revenue from operations comprises of revenue from investment banking services which mainly includes lead manager's fee, selling commission, underwriting commission, fees for mergers, acquisitions and advisory assignments and arranger's fees for mobilising debt funds. Revenue is recognised when the services for the transaction are determined to be completed or when specific obligation are determined to be fulfilled as set forth under the terms of the engagement. The variety and number of the obligations within the contracts can make it complex and requires significant involvement of management to determine completion of the performance condition associated with the revenue. Due to this complexity and significant level of judgement involved, this has been identified as a potential fraud risk and therefore a Key Audit Matter in respect of standalone financial statements.

How the Key Audit Matter Was Addressed in the Audit

The audit procedures performed included the following:

- Obtained a detailed understanding and verified the design and tested effectiveness of controls that the Company has established to determine the completion of the performance obligations for the purpose of revenue recognition including maintenance of the Revenue Mandate Register.
- For selected samples, evaluated fulfilment of the performance obligation as per the terms of contract with customers by verifying the supporting documents evidencing the completion of the performance conditions.
- Verified the reconciliation between the revenue mandate register prepared by the management and the financial ledger and journal entries posted to the revenue accounts.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, Management Discussions and Analysis and Corporate Governance 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 and will not express any form of assurance conclusion thereon.

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

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If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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 Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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:

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

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

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

1. As required by Section 143(3) of the Act, based on our audit, 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 relating to preparation of the standalone financial statements have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

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

   (e) On the basis of the written representations received from the directors of the Company and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   (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, 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.

   (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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. the Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements (Refer note 30 to the standalone financial statements);
      ii. the Company did not have any long-term contracts including derivative contracts, as at the year-end for which there were any material foreseeable losses;
      iii. there has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

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2. As required by the Companies (Auditor's Report) Order, 2016 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

G. K. Subramaniam
Partner
(Membership No. 109839)
UDIN 20109839AAAAFK9297

Mumbai, dated: May 6, 2020

Deloitte
Haskins & Sells LLP

Report on Internal Financial Controls Over Financial Reporting ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

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

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act.

We have audited the internal financial controls over financial reporting of JM Financial Limited (the "Company") as at March 31, 2020 in conjunction with our audit of the Ind AS standalone 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 (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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Haskins & Sells LLP

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 the 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

G. K. Subramaniam
Partner
(Membership No. 109839)

Mumbai, dated: May 6, 2020

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

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

(i) In respect of its fixed assets:
   (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
   (b) The fixed assets were physically verified during the year by the Management. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
   (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that the title deeds of buildings, which are freehold, are held in the name of the Company. The Company does not have any immovable properties taken on lease and disclosed as fixed assets in the financial statements.

(ii) The Company does not have any inventory and hence reporting under clause (ii) of the Order is not applicable.

(iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies covered in the register maintained under Section 189 of the Act, in respect of which:
   (a) The terms and conditions of the grant of such loans are, in our opinion, *prima facie,* not prejudicial to the Company's interest.
   (b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.
   (c) There is no overdue amount remaining outstanding as at the balance sheet date.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits, and hence reporting under clause (v) of paragraph 3 of the Order is not applicable to the Company.

(vi) To the best our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, in respect of the services rendered by the Company

(vii) According to the information and explanations given to us and the books and records examined by us, in respect of statutory dues:
   (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-Tax, Goods and Service Tax Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no arrears in respect of said statutory dues as at March 31, 2020 for a period of more than six months from the date they became payable.

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(b) There are no cases of non-deposit with the appropriate authorities of disputed dues of Customs Duty, Cess and other material statutory dues. Details of dues of Income Tax and Goods and Service Tax which have not been deposited as on March 31, 2020 on account of disputes are given below:

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount (Rs. in crore)
The Income Tax Act, 1961	Income Tax/Penalty	Commissioner of Income Tax (Appeal)	F.Y. 2009-10 to 2016-17	13.72
Finance Act, 1994	Service Tax	Customs Excise and Service Tax Appellate Tribunal	F.Y. 2012-13 to 2014-15	8.66

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions. Further, the Company has not taken loan from banks and Governments or has not issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of paragraph 3 of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 of the Order is not applicable.

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

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of paragraph 3 of the Order is not applicable to the Company.

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

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Haskins & Sells LLP

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

G. K. Subramaniam
Partner
(Membership No. 109839)

Mumbai, dated: May 6, 2020

JM FINANCIAL

JM FINANCIAL LIMITED

Standalone Financial Statements

Financial Year 2019 - 2020

JM FINANCIAL LIMITED
STANDALONE BALANCE SHEET AS AT MARCH 31, 2020

(₹ in Crore)

Particulars	Note No.	As at 31.03.2020	As at 31.03.2019
ASSETS			
Financial Assets			
Cash and cash equivalents	4	14.73	7.19
Bank balances other than cash and cash equivalents	5	7.20	8.10
Trade receivables	6	22.35	10.04
Loans	7	-	36.00
Investments	8	2,528.44	2,388.79
Other financial assets	9	20.97	13.54
Total Financial Assets		**2,593.69**	**2,463.66**
Non-Financial Assets			
Current tax assets (Net)	10	168.10	180.17
Property, plant and equipment	11	76.85	4.91
Other intangible assets	11	0.25	0.36
Other non-financial assets	12	4.25	8.01
Total Non-Financial Assets		**249.45**	**193.45**
Total Assets		**2,843.14**	**2,657.11**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Trade Payables	13		
i. Total outstanding dues of micro enterprises and small enterprises		0.03	-
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises		3.69	3.03
Borrowings (other than debt securities)	14	0.72	1.29
Other financial liabilities	15	103.35	30.56
Total Financial Liabilities		**107.79**	**34.88**
Non-Financial Liabilities			
Provisions	16	11.28	10.76
Deferred tax liabilities (net)	17	122.42	125.63
Other non-financial liabilities	18	28.37	3.89
Total Non-Financial Liabilities		**162.07**	**140.28**
EQUITY			
Equity share capital	19	84.12	83.99
Other equity	20	2,489.16	2,397.96
Total Equity		**2,573.28**	**2,481.95**
Total Liabilities and Equity		**2,843.14**	**2,657.11**
The accompanying notes form an integral part of the financial statements	1 to 47		

JM FINANCIAL

In terms of our report of even date attached
For and on behalf of
Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

G.K. Subramaniam
Partner
Membership No. 109839

Place: Mumbai
Date: May 06, 2020

For and on behalf of the Board of Directors

Nimesh Kampani	**Vishal Kampani**	**E A Kshirsagar**
Chairman	Managing Director	Director
DIN – 00009071	DIN – 00009079	DIN – 00121824
Prashant Choksi	**Manish Sheth**	
Company Secretary	Chief Financial Officer	

JM FINANCIAL

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Crore)

Particulars	Note No.	For the year ended 31.03.2020	For the year ended 31.03.2019
Income:			
Revenue from operations			
Interest income	21	15.95	22.68
Fees and commission income	22	219.45	120.38
Net gain on fair value changes	23	21.15	6.61
		256.55	**149.67**
Other income	24	46.52	120.84
Total Revenue		**303.07**	**270.51**
Expenses:			
Finance costs	25	7.81	19.56
Fees, sub brokerage and other direct expenses		30.63	28.91
Impairment on financial instruments	26	2.32	(1.32)
Employee benefits expense	27	66.83	74.12
Depreciation and amortisation expense	11	12.18	1.86
Other expenses	28	26.85	31.68
Total expenses		**146.62**	**154.81**
Profit before tax		**156.45**	**115.70**
Tax expense	29		
Current tax		32.16	6.66
Deferred tax		(3.11)	(2.59)
Tax adjustment of earlier years (net)		0.09	0.33
Total tax expense		**29.14**	**4.40**
Profit for the year		**127.31**	**111.30**
Other Comprehensive Income (OCI)			
(i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit obligations		(0.39)	(0.06)
(ii) Income tax on above		0.10	0.02
Total Other Comprehensive (loss) (net of tax)		**(0.29)**	**(0.04)**
Total Comprehensive Income		**127.02**	**111.26**
Earnings per equity share (EPS)	33		
(face value of ₹1/- each)			
Basic EPS (in ₹)		1.51	1.33
Diluted EPS (in ₹)		1.51	1.32
The accompanying notes form an integral part of the financial statements	1 to 47		

In terms of our report of even date attached
For and on behalf of
Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

G.K. Subramaniam
Partner
Membership No. 109839

Place: Mumbai
Date: May 06, 2020

For and on behalf of the Board of Directors

Nimesh Kampani
Chairman
DIN – 00009071

Vishal Kampani
Managing Director
DIN – 00009079

E A Kshirsagar
Director
DIN – 00121824

Prashant Choksi
Company Secretary

Manish Sheth
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Crore)

		For the year ended March 31, 2020	For the year ended March 31, 2019
A	**Cash flow from operating activities**		
	Profit before tax	156.45	115.70
	Adjustment for :		
	Depreciation and amortisation expense	12.18	1.86
	Impairment of financial instruments (net)	-	0.93
	Loss on forfeiture of shares (refer note 8.1)	10.00	-
	Amortisation of deferred employee compensation (ESOP)	2.62	6.35
	Finance cost on leased obligations	7.26	-
	Loss on sale of assets	0.08	0.15
	Net gain on fair value changes	(21.15)	(6.61)
	Interest income	(0.43)	(2.06)
	Dividend income	(39.33)	(114.03)
	Operating profit before working capital changes	**127.68**	**2.29**
	Adjustment for :		
	Decrease / (Increase) in Loans and Advances	36.00	(36.00)
	(Increase)/ Decrease in Trade Receivables	(12.31)	20.31
	(Increase)/ Decrease in Other Financial Assets	(2.53)	9.75
	(Increase) in Other Non-Financial Assets	(0.84)	(5.63)
	Increase / (Decrease) in Trade Payables	0.67	(5.90)
	Increase in Provisions	0.15	0.10
	(Decrease) in Other Financial Liabilities	(1.72)	(2.75)
	Increase / (Decrease) in Other Non-Financial Liabilities	24.48	(7.25)
	Cash generated / (used in) from operations	**171.58**	**(25.08)**
	Direct taxes (paid) (net)	(20.17)	(12.24)
	Net cash generated / (used in) from operating activities	**151.41**	**(37.32)**
B	**Cash flow from investing activities**		
	Purchase of investments in subsidiaries and associates	(183.46)	(1,023.38)
	Purchase of investments in other than subsidiaries and associates	(930.26)	(271.62)
	Proceeds from sale of investments	985.22	1,336.99
	Purchase of fixed assets	(0.14)	(2.34)
	Proceeds from sale of fixed assets	#	0.03
	Interest income	0.43	2.06
	Movement in bank balances other than cash and cash equivalents	0.90	(3.36)
	Dividend received from subsidiaries	35.53	110.37
	Dividend received from others	3.80	3.66
	Net cash (used in) / generated from investing activities	**(87.98)**	**152.41**
C	**Cash flow from financing activities**		
	Proceeds from Issue of shares on exercise of options	0.13	0.20
	(Repayment of) / Proceeds from Borrowings other than Debt Securities (net)	(0.49)	0.43
	(Repayment of) leased obligations	(12.17)	-
	Dividend paid (including tax on dividend)	(43.36)	(139.81)
	Net cash (used in) financing activities	**(55.89)**	**(139.18)**
	Net increase / (decrease) in cash and cash equivalents	**7.54**	**(24.09)**

Cash & cash equivalents at the beginning of the year	7.19	31.28
Cash & cash equivalents at the end of the year	14.73	7.19

Note: The cash flow statement has been prepared under the 'Indirect Method' set out in IND AS 7 - "Statement of Cash Flows" notified in Companies (Indian Accounting standards) Rules, 2015 (as amended).

# Denotes amount below ₹ 50,000/-

The accompanying notes form an integral part of the financial statements - 1 to 47

In terms of our report of even date attached

For and on behalf of
Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

G.K. Subramaniam
Partner
Membership No. 109839

Place: Mumbai
Date: May 06, 2020

For and on behalf of the Board of Directors

Nimesh Kampani
Chairman
DIN – 00009071

Vishal Kampani
Managing Director
DIN – 00009079

E A Kshirsagar
Director
DIN – 00121824

Prashant Choksi
Company Secretary

Manish Sheth
Chief Financial Officer

Statement of Changes in Equity for the year ended March 31, 2020

A. Equity share capital

(₹ in Crore)

Particulars	Balance as at April 01, 2018	Changes in equity share capital during the year	Balance as at March 31, 2019	Changes in equity share capital during the year	Balance as at March 31, 2020
Equity Share Capital	83.79	0.20	83.99	0.13	84.12

B. Other Equity

(₹ in Crore)

Particulars	Share application money pending allotment	Reserves and Surplus							
		Statutory reserve	Capital reserve	Securities premium reserve	General reserve	Capital redemption reserve	Stock option outstanding	Retained earnings	Total
Balance as at April 01, 2018	**#**	**59.44**	**4.16**	**1,232.03**	**201.83**	**12.89**	**26.27**	**870.62**	**2,407.24**
Addition/Reduction during the year									
Profit for the year	-	-	-	-	-	-	-	111.30	111.30
Other comprehensive income								(0.04)	(0.04)
	-	-	-	-	-	-	-	**111.26**	**111.26**
Employee Stock Options (Net)	(#)	-	-	11.22	-	-	8.05	-	19.27
Dividends	-	-	-	-	-	-	-	(134.25)	(134.25)
Tax on dividend	-	-	-	-	-	-	-	(5.56)	(5.56)
Balance as at March 31, 2019	**-**	**59.44**	**4.16**	**1,243.25**	**201.83**	**12.89**	**34.32**	**842.07**	**2,397.96**
Addition/Reduction during the year									
Profit for the year	-	-	-	-	-	-	-	127.31	127.31
Other comprehensive income	-	-	-	-	-	-	-	(0.29)	(0.29)
	-	-	-	-	-	-	-	**127.02**	**127.02**
Share application money received during the period	#	-	-	-	-	-	-	-	#
Employee Stock Options (Net)	-	-	-	9.96	-	-	(2.41)	-	7.55
Dividends	-	-	-	-	-	-	-	(42.00)	(42.00)
Tax on dividend	-	-	-	-	-	-	-	(1.37)	(1.37)
Balance as at March 31, 2020	**#**	**59.44**	**4.16**	**1,253.21**	**201.83**	**12.89**	**31.91**	**925.72**	**2,489.16**

# Denotes amount below ₹ 50,000/-

The accompanying notes form an integral part of the financial statements 1 to 47

In terms of our report of even date attached
For and on behalf of
Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

G.K. Subramaniam
Partner
Membership No. 109839

Place: Mumbai
Date: May 06, 2020

For and on behalf of the Board of Directors

Nimesh Kampani
Chairman
DIN – 00009071

Vishal Kampani
Managing Director
DIN – 00009079

E A Kshirsagar
Director
DIN - 00121824

Prashant Choksi
Company Secretary

Manish Sheth
Chief Financial Officer

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

1 Corporate Information

JM Financial Limited ("the Company") was incorporated as a Private Limited Company under the name of J.M. Share and Stock Brokers Private Limited on January 30, 1986 under the Companies Act, 1956. Subsequently, the Company became a deemed Public Limited Company (as per the then prevailing laws) upon its promoter, J. M. Financial & Investment Consultancy Services Private Limited becoming a deemed Public Limited Company on June 15, 1988, by virtue of the Companies (Amendment) Act, 1988 read with the Companies Act, 1956. On September 15, 2004, the name of the Company was changed to JM Financial Limited, Public Limited Company as per Companies Act, 1956, as amended.

The Company is engaged in the holding company activities, advisors in equity and debt capital markets, management of capital markets transactions, mergers & acquisitions, advisory, private equity syndication, corporate finance advisory business and administration & management of private equity funds.

2. Significant Accounting Policies

2.1 Basis of preparation and presentation of financial statements

Statement of Compliance

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

Historical Cost Convention

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

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36.

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

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

Presentation of financial statements

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

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

2.2 Business Combination

A common control business combination, involving entities or business in which all the combining entities or business are ultimately controlled by the same party or parties both before and after the business combination and where the controls is not transitory is accounted for using the pooling of interests method.

Other business combination, including entities or business are accounted for using acquisition method.

2.3 Investments in Subsidiaries and Associates

Subsidiaries:
Subsidiaries are all entities over which the company has control. The Company controls an entity when the company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

Associates:
An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Investments in Subsidiaries and Associates are accounted at cost net off impairment loss, if any.

2.4 Property, plant and equipment and Intangible assets

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

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

Assets	Useful Life
Property, Plant & Equipment	
Office premises	60 years
Leasehold improvements	10 years or lease period whichever is lower
Computers	3 years
Servers and Networks	6 years
Office Equipment	5 years
Furniture and Fixtures	10 years
Motor Vehicles	5 years
Intangible Assets	
Computer Software	5 years

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

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

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

Intangible assets

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

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

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

Impairment losses on non-financial assets

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

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

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

2.5 Financial Instruments

Recognition of Financial Instruments

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

Initial Measurement of Financial Instruments

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

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

- if fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in profit or loss on initial recognition (i.e. day 1 profit or loss);

- in all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

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

Subsequent Measurement of Financial Assets

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

Classification of Financial Assets

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

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

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

A financial asset is held for trading if:

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

Debt instruments at amortised cost or at FVTOCI

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

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

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

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

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

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

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

Equity Investments at FVTOCI

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

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

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

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

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

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

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

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

Reclassifications

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

Impairment of Financial Assets

The Company assesses at each reporting date whether there is any objective evidence that the financial assets is deemed to be impaired.

8

Company applies 'simplified approach' which requires expected lifetime losses to be recognized from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss. At each reporting date these historical default rates are reviewed.

Derecognition of Financial Assets

A financial assets is derecognised only when:

- The Company has transferred the right to receive cash flows from the financial assets or
- Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligations to pay the cash flows to one or more receipients.

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

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Write-off

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

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

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

Financial liabilities

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

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

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Financial liabilities at FVTPL

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

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

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

Financial liabilities subsequently measured at amortised cost

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

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

De-recognition of financial liabilities

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

2.6 Revenue recognition

Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection.

Revenue from Investment Banking business, which mainly includes the lead manager's fees, selling commission, underwriting commission, fees for mergers, acquisitions & advisory assignments and arrangers' fees for mobilising funds is recognised based on the milestone achieved as set forth under the terms of engagement.

Dividend income from investments is recognised when the right to receive the dividend is established.

Interest income on financial instruments at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate (EIR) applicable.

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

2.7 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Finance Lease

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

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

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

Operating Lease

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

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

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

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

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

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

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

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

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

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

Lease liability has been presented in Note 15 "Other Financial Liabilities" and right-to-use asset has been presented in Note 11 "Property, Plant and Equipment" and lease payments have been classified as financing cash flows.

The Company as a lessor

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

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

2.8 Foreign currency transactions

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

Exchange differences on monetary items are recognised in the Statement Profit and Loss in the period in which they arise.

2.9 Borrowing costs

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

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

2.10 Employee benefits

Defined contribution obligation

Retirement benefits in the form of provident fund are a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

Defined benefit obligation

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

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

Short-term benefits

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

Other long-term employee benefits

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

2.11 Share-based payment arrangements

Equity-settled share-based payments to employees of the Company are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments to employees is recognised as deferred employee compensation and is expensed in the Statement of Profit and Loss over the vesting period with a corresponding increase in stock option outstanding in other equity.

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

2.12 Taxation

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

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

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

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

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

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

2.13 Goods and Services Input Tax Credit

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

2.14 Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

- an entity has a present obligation (legal or constructive) as a result of a past event; and
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation

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

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

Contingent liability is disclosed in case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- a present obligation arising from past events, when no reliable estimate is possible.

Contingent Assets:
Contingent assets are not recognised in the financial statements

2.15 Commitments

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

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

2.16 Statement of Cash Flows

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

i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;
ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and
iii. all other items for which the cash effects are investing or financing cash flows.

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

2.17 Cash and Cash Equivalents

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

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

2.18 Earnings Per Share

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

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

3 Critical accounting judgements and key sources of estimation uncertainties

The preparation of financial statements in conformity with Ind AS requires the company's management to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities recognised in the financial statements that are not readily apparent from other sources. The judgements, estimates and associated assumptions are based on historical experience and other factors including estimation of effects of uncertain future events that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates (accounted on a prospective basis) and recognized in the period in which the estimates is revised if the revision affects only that period, or in the period of the revision and future periods of the revision affects both current and future periods.

The followings are the critical judgements and estimations that have been made by the management in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements and / or key source of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustments to the carrying amounts of assets and liabilities within the next financial year.

Fair value measurement and valuation processes

Some of the Company's assets are measured at fair value for financial reporting purposes. The Management determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset, the company used market observable data to the extent it is available information about the valuation techniques and inputs used in determining the fair value of various assets are disclosed in note 39.

Revenue

Revenue from investment banking services (mainly includes lead manager's fee, selling commission, underwriting commission, fees for mergers, acquisitions and advisory assignments and arranger's fees for mobilising debt funds) is recognised when the services for the transaction are determined to be completed or when specific obligation are determined to be fulfilled as set forth under the terms of the engagement. The variety and number of the obligations within the contracts can make it complex and requires management judgements to determine completion of the performance condition associated with the revenue.

Taxation

Tax expense is calculated using applicable tax rate and laws that have been enacted or substantially enacted. In arriving at taxable profits and all tax bases of assets and liabilities the company determines the taxability based on tax enactments, relevant judicial pronouncements and tax expert opinions, and makes appropriate provisions which includes an estimation of the likely outcome of any open tax assessments / litigations. Any difference is recognized on closure of assessment or in the period in which they are agreed.

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

4 CASH AND CASH EQUIVALENTS

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Cash in hand	#	#
Balances with banks:		
In current accounts	14.73	2.34
In deposit accounts (refer note 4.1)	-	4.85
Total	14.73	7.19

\# Denotes amount below ₹ 50,000/-

4.1 Balances with banks in deposit accounts earns interest at fixed rates based on daily bank deposit rates for a period ranging from one day to 90 days.

5 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Balances with banks:		
In deposit accounts (refer note 5.1)	-	1.21
In earmarked accounts (refer note 5.1 and 5.2)	7.20	6.89
Total	7.20	8.10

5.1 Balances with banks in deposit accounts earns interest at fixed rate based on daily bank deposit rates for a period ranging from one day to 365 days.

5.2 Balances with banks in earmarked account pertains to unclaimed dividend and bank fixed deposits.

6 Trade Receivables

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Unsecured:		
Considered good	22.35	10.04
Considered doubtful	-	4.94
	22.35	14.98
Less: Impairment loss allowance (Refer note 39)	-	(4.94)
Total	22.35	10.04

6.1 No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

6.2 Trade receivables are generally on credit terms of 30 to 90 days and generally no interest is charged on overdue balances.

7 LOANS

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
At amortised cost		
Unsecured:		
Inter Corporate Deposits	5.00	5.00
Loans to related parties (refer note 7.1 and 37)	-	36.00
	5.00	**41.00**
Less: Impairment loss allowance	(5.00)	(5.00)
Total	-	36.00

7.1 The loans are given in India and to other than public sectors.

8

JM FINANCIAL

8 INVESTMENTS

(₹ in Crore)

		As at March 31, 2020			
		Quantity (Nos.)	At cost	FVTPL	Total
I	**TRADE INVESTMENTS**				
	Unquoted				
a)	**Investment in equity shares of ₹10/- each** (fully paid up unless stated)				
	In subsidiaries:				
	JM Financial Services Limited	5,00,00,000	107.50		107.50
	JM Financial Properties and Holdings Limited	30,00,000	3.00		3.00
	Infinite India Investment Management Limited	16,00,000	2.38		2.38
	JM Financial Products Limited	54,09,68,650	553.86		553.86
	JM Financial Credit Solutions Limited	13,19,431	529.40		529.40
	JM Financial Credit Solutions Limited (Partly paid up ₹ 2/- each)	19,837	10.00		10.00
	Less: forfeiture of shares (refer note 8.1)	(19,837)	(10.00)		(10.00)
		-	-		-
	JM Financial Asset Management Limited	3,17,52,500	134.07		134.07
	JM Financial Asset Reconstruction Company Limited	20,41,97,279	372.74		372.74
	CR Retail Malls (India) Limited	2,00,00,000	43.74		43.74
	JM Financial Overseas Holdings Private Limited, Mauritius of US$ 1 each	1,20,00,000	60.27		60.27
	In associate company:				
	JM Financial Trustee Company Private Limited	25,000	0.03		0.03
b)	**Investment in preference shares of ₹10/- each** (fully paid up)				
	In subsidiaries:				
	JM Financial Properties and Holdings Limited (10% Optionally Convertible Preference Shares)	9,50,50,000	95.05		95.05
	JM Financial Institutional Securities Limited (0.01% Optionally Convertible Preference Shares)	70,00,000	7.00		7.00
	JM Financial Services Limited (6% Compulsorily Convertible Preference Shares)	75,00,000	50.25		50.25
c)	**Investment in Debentures**				
	In subsidiaries:				
	JM Financial Asset Reconstruction Company Limited (12% Compulsorily Convertible Debentures of face value of ₹ 373/- each)	49,16,104	183.37		183.37
			2,142.66		**2,142.66**
II	**OTHER INVESTMENTS**				
a)	**Investment in equity shares** (fully paid up)				
	Quoted				
	NEL Holdings Limited (formerly knowns as Nitesh Estates Limited) of ₹10/- each	12,30,442		0.08	0.08
				0.08	**0.08**
	Unquoted				
	National Stock Exchange of India Ltd of ₹ 1/- each	21,26,674		176.93	176.93
	Bran Engineering Private Limited of ₹ 10/- each	1,80,000		#	#
	Teracom Limited of ₹ 10/- each	2,60,000		#	#
				176.93	**176.93**

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		As at March 31, 2020			
		Quantity (Nos.)	At cost	FVTPL	Total
b)	**Investments in preference shares**				
	Unquoted				
	VCK Forex Services Private Limited of ₹ 100/- each	5,00,000		#	#
	(6% Redeemable Non-Cumulative Preference Shares)				
c)	**Investment in venture capital fund/alternative investment fund units**				
	Unquoted:				
	Urban Infrastructure Opportunity Fund of face value of Rs 27,930/- each	983		0.11	0.11
	Paragon Partners Growth Fund I of face value of ₹ 100/- each	4,44,290		5.29	5.29
	VEC Strategic Growth Fund of face value of ₹ 1,000/- each	10,000		0.49	0.49
	JM Financial India Fund - Scheme A - Class D units of ₹ 100/- each	44,131		0.39	0.39
	JM Financial India Fund III - Scheme C - Class D units of ₹ 100/- each	36		0.15	0.15
	JM Financial India Fund - Scheme A - Class C units of ₹ 1/- each	3,07,434		0.03	0.03
	JM Financial India Fund - Scheme B - Class C units of ₹ 1/- each	2,64,806		0.03	0.03
	JM Financial India Fund III - Scheme C - Class C units of ₹ 1/- each	41,590		#	#
	JM Financial India Fund III - Scheme D - Class C units of ₹ 1/- each	33,107		#	#
	JM Financial India Fund (Settlor's contribution) of ₹ 1/- each	NA		#	#
	JM Financial India Fund III (Settlor's contribution) of ₹ 1/- each	NA		#	#
	JM Financial Property Fund I- Class C units of ₹ 10,000/- each (Partly paid up of ₹ 3,411.07)	75,000		8.83	8.83
	JM Financial Property Fund I - Class B units of ₹ 10,000/- each (Partly paid up of ₹ 9,833.96)	50		0.05	0.05
	JM Financial Property Fund II - Class B units of ₹ 10,000/- each	50		0.05	0.05
	JM Financial Property Fund (Settlor's contribution) of ₹ 10,000/- each	NA		#	#
	JM Financial India Fund II - Class D units of ₹ 1,00,000/- each	3,186		35.93	35.93
				51.35	**51.35**
d)	**Investments in Mutual Funds**				
	Unquoted:				
	JM Large Cap Fund - Dividend Option##	16,072		0.01	0.01
	JM Liquid Fund - (Direct) Growth Option	2,89,68,758		157.41	157.41
				157.42	**157.42**
	TOTAL		**2,142.66**	**385.78**	**2,528.44**
	(i) Investments outside India		60.27	-	60.27
	(ii) Investments in India		2,082.39	385.78	2,468.17
	TOTAL		**2,142.66**	**385.78**	**2,528.44**

8.1 The Company decided not to pay the balance amount in respect of the partly-paid up equity shares issued and allotted by JM Financial Credit Solutions Limited (a subsidiary of the Company) to it in September 2018, the due date of payment for which was March 31, 2020. These shares having the aggregate value of ₹ 10.00 Crore have been forfeited and hence the said amount has been charged off in the Statement of Profit and Loss.

8 INVESTMENTS

(₹ in Crore)

		As at March 31, 2019			
		Quantity (Nos.)	At cost	FVTPL	Total
I	**TRADE INVESTMENTS**				
	Unquoted				
a)	**Investment in equity shares of ₹10/- each** (fully paid up unless stated)				
	In subsidiaries:				
	JM Financial Services Limited	5,00,00,000	107.50		107.50
	JM Financial Properties and Holdings Limited	30,00,000	3.00		3.00
	Infinite India Investment Management Limited	16,00,000	2.38		2.38
	JM Financial Products Limited	54,09,39,050	553.77		553.77
	JM Financial Credit Solutions Limited	13,19,431	529.40		529.40
	JM Financial Credit Solutions Limited (Partly paid-up Rs.2/- each)	19,837	10.00		10.00
	JM Financial Asset Management Limited	3,17,52,500	134.07		134.07
	JM Financial Asset Reconstruction Company Limited	20,41,97,279	372.74		372.74
	CR Retail Malls (India) Limited	2,00,00,000	43.74		43.74
	JM Financial Overseas Holdings Private Limited, Mauritius of US$ 1 each	1,20,00,000	60.27		60.27
	In associate company:				
	JM Financial Trustee Company Private Limited	25,000	0.03		0.03
b)	**Investment in preference shares of ₹10/- each** (fully paid up)				
	In subsidiaries:				
	JM Financial Properties and Holdings Limited (10% Optionally Convertible Preference Shares)	9,50,50,000	95.05		95.05
	JM Financial Institutional Securities Limited (0.01% Optionally Convertible Preference Shares)	70,00,000	7.00		7.00
	JM Financial Services Limited (6% Compulsorily Convertible Preference Shares)	75,00,000	50.25		50.25
			1,969.20		**1,969.20**
II	**OTHER INVESTMENTS**				
a)	**Investment in equity shares** (fully paid up)				
	Quoted				
	HCL Technologies Limited of ₹ 2/- each	15,000		1.63	1.63
	NEL Holdings Limited (formerly knowns as Nitesh Estates Limited) of ₹10/- each	47,82,870		2.85	2.85
	Tata Motors Limited of ₹ 2/- each	2,17,500		3.79	3.79
				8.27	**8.27**
	Unquoted				
	National Stock Exchange of India Ltd of ₹ 1/- each	21,26,674		178.64	178.64
	Uttranchal Biodiesel Limited of ₹ 10/- each	1,000		#	#
	Bran Engineering Private Limited of ₹ 10/- each	1,80,000		#	#
	Teracom Limited of ₹ 10/- each	2,60,000		#	#
				178.64	**178.64**
b)	**Investments in preference shares**				
	Unquoted				

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		As at March 31, 2019			
		Quantity (Nos.)	At cost	FVTPL	Total
	VCK Forex Services Private Limited of ₹ 100/- each (6% Redeemable Non-Cumulative Preference Shares)	5,00,000		#	#
	Uttranchal Biodiesel Limited of ₹ 40/- each	1,99,000		#	#
				#	#
c)	**Investment in venture capital fund/alternative investment fund units**				
	Unquoted:				
	Urban Infrastructure Opportunity Fund of face value of ₹ 29,930/- each	983		0.31	0.31
	Paragon Partners Growth Fund I of face value of ₹ 100/- each	2,94,885		4.29	4.29
	VEC Strategic Growth Fund of face value of ₹ 1,000/- each	10,000		1.21	1.21
	JM Financial India Fund - Scheme A - Class D units of ₹ 100/- each	4,19,470		14.89	14.89
	JM Financial India Fund III - Scheme C - Class D units of ₹ 100/- each	3,52,729		12.03	12.03
	JM Financial India Fund - Scheme A - Class C units of ₹ 1/- each	3,07,434		0.03	0.03
	JM Financial India Fund - Scheme B - Class C units of ₹ 1/- each	2,64,806		0.03	0.03
	JM Financial India Fund III - Scheme C - Class C units of ₹ 1/- each	41,590		#	#
	JM Financial India Fund III - Scheme D - Class C units of ₹ 1/- each	33,107		#	#
	JM Financial India Fund (Settlor's contribution) of ₹ 1/- each	NA		#	#
	JM Financial India Fund III (Settlor's contribution) of ₹ 1/- each	NA		#	#
	JM Financial Property Fund I- Class C units of ₹ 10,000/- each (Partly paid up of ₹ 3,411.07)	75,000		17.27	17.27
	JM Financial Property Fund I - Class B units of ₹ 10,000/- each (Partly paid up ₹9,833.96)	50		0.05	0.05
	JM Financial Property Fund II - Class B units of ₹ 10,000/- each	50		0.05	0.05
	JM Financial Property Fund (Settlor's contribution) of ₹ 10,000/- each	NA		#	#
	JM Financial India Fund II - Class D units of ₹ 1,00,000/- each	4,000		40.00	40.00
				90.16	**90.16**
d)	**Investments in Mutual Funds**				
	Unquoted:				
	JM Large Cap Fund - Dividend Option##	16,072		0.01	0.01
	JM Liquid Fund - (Direct) Growth Option	2,68,91,936		137.66	137.66
	JM Low Duration Fund - (Direct) Growth Option	18,14,278		4.85	4.85
				142.52	**142.52**
	TOTAL		**1,969.20**	**419.59**	**2,388.79**
	(i) Investments outside India		60.27	-	60.27
	(ii) Investments in India		1,908.93	419.59	2,328.52
	TOTAL		**1,969.20**	**419.59**	**2,388.79**

# Denotes amount below ₹ 50,000/-

Represents initial contribution as a 'Sponsor' towards setting up of JM Financial Mutual Fund.

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9 OTHER FINANCIAL ASSETS

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Security deposits	6.28	5.69
Receivable in respect of stock option plan	2.92	6.42
Employees advances	0.03	0.01
Interest accrued	11.05	0.11
Other Receivables (refer note 9.1)	0.69	1.31
Total	**20.97**	**13.54**

9.1 Other receivable represents expenses recoverable.

10 CURRENT TAX ASSETS (NET)

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Advance Tax (Net of provisions)	168.10	180.17
Total	**168.10**	**180.17**

11 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

(₹ in Crore)

Particulars	Gross Carrying Amount				Accumulated Depreciation / Amortisation				Net Carrying Amount
	As at 01.04.2019	Additions	Deductions	As at 31.03.2020	As at 01.04.2019	Additions	Deductions	As at 31.03.2020	As at 31.03.2020
A) PROPERTY, PLANT AND EQUIPMENT									
Owned assets:									
Office Premises	0.65	-	-	0.65	0.04	0.02	-	0.06	0.59
Furniture and fixtures	0.11	-	0.08	0.03	0.08	#	0.07	0.01	0.02
Office equipment	0.15	0.02	#	0.17	0.04	0.03	#	0.07	0.10
Computers	2.00	0.06	-	2.06	1.13	0.44	-	1.57	0.49
Leasehold Improvements	0.77	-	0.22	0.55	0.14	0.07	0.15	0.06	0.49
Motor vehicles	2.48	-	-	2.48	1.03	0.56	-	1.59	0.89
Leased assets:									
Office premises (Right to use asset) - (refer note 35)	-	84.02	-	84.02	-	10.38	-	10.38	73.64
Motor vehicles (refer note 11.1)	2.01	-	0.17	1.84	0.80	0.50	0.09	1.21	0.63
TOTAL (A)	**8.17**	84.10	**0.47**	**91.80**	**3.26**	**12.00**	**0.31**	**14.95**	**76.85**
B) INTANGIBLE ASSETS									
Software	0.78	0.07	-	0.85	0.42	0.18	-	0.60	0.25
TOTAL (B)	**0.78**	**0.07**	-	**0.85**	**0.42**	**0.18**	-	**0.60**	**0.25**
TOTAL (A+B)	**8.95**	**84.17**	**0.47**	**92.65**	**3.68**	**12.18**	**0.31**	**15.55**	**77.10**

11.1 vendor has a lien over the assets taken on lease.

# Denotes amount below ₹ 50,000/-

11 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

(₹ in Crore)

Particulars	Gross Carrying Amount				Accumulated Depreciation / Amortisation				Net Carrying Amount
	As at 01.04.2018	Additions	Deductions	As at 31.03.2019	As at 01.04.2018	Additions	Deductions	As at 31.03.2019	As at 31.03.2019
A) PROPERTY, PLANT AND EQUIPMENT									
Owned assets:									
Office Premises	0.65	-	-	0.65	0.02	0.02	-	0.04	0.61
Furniture and fixtures	0.09	0.02	-	0.11	0.07	0.01	-	0.08	0.03
Office equipment	0.09	0.09	0.03	0.15	0.03	0.02	0.01	0.04	0.11
Computers	1.76	0.24	-	2.00	0.58	0.55	-	1.13	0.87
Leasehold Improvements	0.42	0.55	0.20	0.77	0.13	0.03	0.02	0.14	0.63
Motor vehicles	2.48	-	-	2.48	0.47	0.56	-	1.03	1.45
Leased assets:									
Motor vehicles (refer note 11.1)	1.17	0.84	-	2.01	0.35	0.45	-	0.80	1.21
TOTAL (A)	**6.66**	**1.74**	**0.23**	**8.17**	**1.65**	**1.64**	**0.03**	**3.26**	**4.91**
B) INTANGIBLE ASSETS									
Software	0.75	0.03	-	0.78	0.20	0.22	-	0.42	0.36
TOTAL (B)	**0.75**	**0.03**	**-**	**0.78**	**0.20**	**0.22**	**-**	**0.42**	**0.36**
TOTAL (A+B)	**7.41**	**1.77**	**0.23**	**8.95**	**1.85**	**1.86**	**0.03**	**3.68**	**5.27**

11.1 vendor has a lien over the assets taken on lease.

12 OTHER NON FINANCIAL ASSETS

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Capital advances	1.34	0.37
Prepaid expenses	0.50	5.10
Balances with Government authorities	2.41	2.54
Total	**4.25**	**8.01**

13 PAYABLES

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Total outstanding dues of micro and small enterprises (refer note 13.1)	0.03	-
Total outstanding dues of creditors other than micro and small enterprises	3.69	3.03
Total	**3.72**	**3.03**

13.1 Dues to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 are as under.

	As at 31.03.2020	As at 31.03.2019
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	0.03	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
Total	**0.03**	**-**

14 BORROWINGS (OTHER THAN DEBT SECURITIES)

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
At Amortised cost (Secured)		
Finance lease obligations (refer note 14.2 and 35)	0.72	1.29
Total	**0.72**	**1.29**

14.1 Borrowings are made within India

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

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15 OTHER FINANCIAL LIABILITIES

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Employee benefits payable	24.19	25.95
Directors' commission payable	1.24	1.24
Unclaimed dividend	2.41	2.45
Security Deposits	1.00	0.92
Leased obligations (refer note 35)	74.51	-
Total	**103.35**	**30.56**

16 PROVISIONS

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
For Employee benefits:		
- Gratuity (refer note 36)	5.03	4.41
- Compensated absence	1.64	1.74
For Clawback obligation	4.61	4.61
Total	**11.28**	**10.76**

17 DEFERRED TAX LIABILITIES (NET)

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Investments	112.92	115.43
Net fair value gain on financial assets measured at FVTPL	14.28	17.67
Fiscal allowance on fixed assets	(0.86)	(0.90)
Fiscal allowance on expenditure, etc.	(1.30)	(0.02)
Impairment loss allowance on financial assets measured at cost	-	(1.44)
Disallowances under section 43B of the Income Tax Act, 1961	(1.99)	(1.66)
Share issue expenses (Section 35D of the Income Tax Act, 1961)	(0.84)	(1.45)
Amalgamation expenses (Section 35DD of the Income Tax Act, 1961)	(0.04)	(0.08)
Donations (Section 80G of the Income Tax Act, 1961)	0.25	-
MAT credit entitlements	-	(1.92)
Total	**122.42**	**125.63**

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

For the year ended March 31, 2020 (₹ in Crore)

Deferred tax (asset) / liability	Opening balance	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	Recognised in Other Equity	Closing balance
Investments	115.43	(2.51)	-	-	112.92
Net fair value gain on financial assets measured at FVTPL	17.67	(3.39)	-	-	14.28
Fiscal allowance on fixed assets	(0.90)	0.04	-	-	(0.86)
Fiscal allowance on expenditure, etc.	(0.02)	(1.28)	-	-	(1.30)
Impairment loss allowance on financial assets measured at cost	(1.44)	1.44	-	-	-
Disallowances under section 43B of the Income Tax Act, 1961	(1.66)	(0.23)	(0.10)	-	(1.99)
Share issue expenses (Section 35D of the Income Tax Act, 1961)	(1.45)	0.61	-	-	(0.84)
Amalgamation expenses (Section 35DD of the Income Tax Act, 1961)	(0.08)	0.04	-	-	(0.04)
Donations (Section 80G of the Income Tax Act, 1961)	-	0.25	-	-	0.25
MAT credit entitlement	(1.92)	1.92	-	-	-
Total	**125.63**	**(3.11)**	**(0.10)**	**-**	**122.42**

For the year ended March 31, 2019 (₹ in Crore)

Deferred tax (asset) / liability	Opening balance	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	Recognised in Other Equity	Closing balance
Investments	115.43	-	-	-	115.43
Net fair value gain on financial assets measured at FVTPL	20.99	(3.32)	-	-	17.67
Fiscal allowance on fixed assets	(0.86)	(0.04)	-	-	(0.90)
Fiscal allowance on expenditure, etc.	(0.01)	(0.01)	-	-	(0.02)
Impairment loss allowance on financial assets measured at cost	(1.84)	0.40	-	-	(1.44)
Disallowances under section 43B of the Income Tax Act, 1961	(1.80)	0.16	(0.02)	-	(1.66)
Share issue expenses (Section 35D of the Income Tax Act, 1961)	(1.93)	0.48	-	-	(1.45)
Amalgamation expenses (Section 35DD of the Income Tax Act, 1961)	(0.11)	0.03	-	-	(0.08)
MAT credit entitlement	(1.63)	(0.29)	-	-	(1.92)
Total	**128.24**	**(2.59)**	**(0.02)**	**-**	**125.63**

17.2 Tax Losses for which no deferred tax asset has been recognised :

(₹ in Crore)

Particulars	Year ended March 31, 2020	Expiry date	Year ended March 31, 2019	Expiry date
Brought forward losses (allowed to be carried forward for specified period)	21.28	March 31, 2022	27.62	March 31, 2022
Brought forward losses (allowed to be carried forward for specified period)	3.85	March 31, 2026	3.85	March 31, 2026
Total	**25.13**		**31.47**	

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18 OTHER NON FINANCIAL LIABILITIES

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Money received in advance	22.05	-
Statutory dues	5.82	3.55
Others	0.50	0.34
Total	**28.37**	**3.89**

19 EQUITY SHARE CAPITAL

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Authorised:		
152,02,00,000 (Previous year 152,02,00,000) equity shares of ₹ 1/- each	152.02	152.02
4,38,00,000 (Previous year 4,38,00,000) preference shares of ₹ 10/- each	43.80	43.80
	195.82	195.82
Issued, Subscribed and Paid up Capital:		
84,12,24,647 (Previous year 83,99,31,463) equity shares of ₹1/- each fully paid-up.	84.12	83.99
TOTAL	**84.12**	**83.99**

19.1 Reconciliation of the number of equity shares outstanding:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number	Amount (₹ in Crore)	Number	Amount (₹ in Crore)
Shares outstanding at the beginning of the year	83,99,31,463	83.99	83,78,80,258	83.79
Shares allotted upon exercise of stock options	12,93,184	0.13	20,51,205	0.20
Shares outstanding at the end of the year	**84,12,24,647**	**84.12**	**83,99,31,463**	**83.99**

19.2 Terms and rights attached to equity shares:

The Company has only one class of equity shares. The shareholders are entitled to one vote per share, dividend, as and when declared by the Board of directors and shareholders and residual assets, if any, after payment of all liabilities, in the event of liquidation of the Company.

19.3 Details of shareholders holding more than 5 percent shares:

Name of Shareholders	As at March 31, 2020		As at March 31, 2019	
	No. of Shares held	% of total holding	No. of Shares held	% of total holding
J. M. Financial & Investment Consultancy Services Private Limited	21,65,34,100	25.74%	20,34,06,600	24.22%
Nimesh Kampani*	12,57,50,000	14.95%	13,53,57,500	16.12%
J. M. Assets Management Private Limited	10,30,42,908	12.25%	10,30,42,908	12.27%

* includes 12,50,000 equity shares held by Nimesh Kampani HUF.

20 Other Equity

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Share application money pending allotment	#	-
Capital reserve	4.16	4.16
Securities premium reserve	1,253.21	1,243.25
General reserve	201.83	201.83
Statutory reserve	59.44	59.44
Capital redemption reserve	12.89	12.89
Stock option outstanding	33.78	38.87
Deferred employee compensation	(1.87)	(4.55)
Stock option outstanding	**31.91**	**34.32**
Retained earnings	925.72	842.07
Total	**2,489.16**	**2,397.96**

Movement in Other Equity

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Share application money pending allotment		
Opening balance	-	#
Add: stock options exercised but pending allotment	#	-
Less: Shares allotted during the year	-	(#)
Closing balance	#	-
Capital reserve	**4.16**	**4.16**
Securities premium reserve		
Opening balance	1,243.25	1,232.03
Add: On shares allotted upon exercise of stock options by the Employees	9.96	11.22
Closing balance	**1,253.21**	**1,243.25**
General reserve	**201.83**	**201.83**
Statutory reserve (under section 45-IC of The Reserve Bank of India Act, 1934)	**59.44**	**59.44**
Capital redemption reserve	**12.89**	**12.89**
Stock option outstanding		
Opening balance	38.87	31.23
Add: Additions on account of fresh grants during the year	5.66	24.00
Less: Transferred to securities premium upon exercise of stock options	(9.96)	(11.22)
Less: Reduction on account of options lapsed during the year	(0.79)	(5.14)
	33.78	38.87
Less: Deferred employee compensation	(1.87)	(4.55)
Closing balance	**31.91**	**34.32**
Retained earnings:		
Opening balance	**842.07**	**870.62**
Add: Profit for the year	127.31	111.30
Add/(less): Other Comprehensive Income	(0.29)	(0.04)
Less: Dividends paid including tax on dividend		
Interim Dividend	-	(41.99)

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Final dividend	(42.00)	(92.26)
Tax on dividend	(1.37)	(5.56)
Closing balance	**925.72**	**842.07**
TOTAL	**2,489.16**	**2,397.96**

20.1 Share application money pending allotment represents equity shares to be issued pursuant to Employee Stock Option Scheme.

20.2 Capital reserve and capital redemption reserves represents reserves created pursuant to the business combination up to year end.

20.3 Securities premium reserve represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 for specified purposes.

20.4 General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend payout, bonus issue, etc.

20.5 Statutory reserve is the reserve created by transferring the sum not less than 20% of its net profit after tax in terms of Section 45-IC of The Reserve Bank of India Act, 1934.

20.6 Stock option outstanding relates to the stock options granted by the Company to employees under an Employee Stock options Plan (refer note 31)

20.7 Retained earnings represents profits that the company earned till date, less any transfers to General Reserve, Statutory Reserves, Dividends and other distributions paid to the shareholders.

21 INTEREST INCOME

(₹ in Crore)

	For the year ended 31.03.2020	For the year ended 31.03.2019
At Amortised Cost		
Interest on Loans	2.91	22.68
Interest on investments	13.04	-
Total	**15.95**	**22.68**

22 FEES AND COMMISSION INCOME

(₹ in Crore)

	For the year Ended 31.03.2020	For the year ended 31.03.2019
Management and other fees	219.45	120.38
Total	**219.45**	**120.38**

23 NET GAIN ON FAIR VALUE CHANGES

(₹ in Crore)

	For the year Ended 31.03.2020	For the year ended 31.03.2019
Net gain on financial instruments designated at FVTPL	21.15	6.61
Total	**21.15**	**6.61**

23.1 Net gain/(loss) on fair value changes:		
-Realised	28.66	20.90
-Unrealised	(7.51)	(14.29)
Total	**21.15**	**6.61**

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24 OTHER INCOME

(₹ in Crore)

	For the year Ended 31.03.2020	For the year ended 31.03.2019
Dividend from investments in subsidiaries	35.53	110.37
Dividend from other investments	3.80	3.66
Interest income – on fixed deposits and others (refer note 24.1)	0.43	2.06
Finance income on rent deposit	0.45	0.23
Group Support Service Fees	3.96	3.96
Lease rent	0.27	0.27
Miscellaneous income	2.08	0.29
Total	**46.52**	**120.84**

24.1 Interest income is earned on financial assets carried at amortised cost.

25 FINANCE COSTS

(₹ in Crore)

	For the year Ended 31.03.2020	For the year ended 31.03.2019
On financial liabilities (at Amortised Cost):		
- Debt securities	-	19.15
- Borrowing (other than debt securities)	0.55	0.41
- Leased obligations (refer note 35)	7.26	-
Total	**7.81**	**19.56**

26 IMPAIRMENT ON FINANCIAL INSTRUMENTS

(₹ in Crore)

	For the year Ended 31.03.2020	For the year ended 31.03.2019
On Financial instruments (at Amortised Cost):		
- Trade receivables	2.32	(1.32)
Total	**2.32**	**(1.32)**

26.1 Impairment on financial instrument is net of provision for doubtful debts written back of ₹ 4.94 Crore (previous year ₹ 2.30 Crore).

27 EMPLOYEE BENEFITS EXPENSE

(₹ in Crore)

	For the year Ended 31.03.2020	For the year ended 31.03.2019
Salaries, bonus and allowances (refer note 31)	63.22	70.42
Contribution to provident and other funds	2.39	2.32
Gratuity (refer note 36)	0.64	0.61
Staff welfare expenses	0.58	0.77
Total	**66.83**	**74.12**

28 OTHER EXPENSES

(₹ in Crore)

	For the year Ended 31.03.2020	For the year ended 31.03.2019
Space and other related costs	-	11.74
Loss on forfeiture of shares (refer note 8.1)	10.00	-
Support service fees	2.50	2.50
Travelling and conveyance expenses	1.76	1.88
Legal and professional fees	1.65	1.96
Donation	1.33	1.22
Directors' commission	1.24	1.24
Subscription and membership	0.97	1.36
Repairs and maintenance	0.85	0.63
Rates and taxes	0.83	2.60
Motor car expenses	0.63	0.61
Insurance expenses	0.61	0.60
Directors' sitting fees	0.58	0.56
Electricity expenses	0.57	0.57
Advertisement and other related expenses	0.39	0.60
Printing and stationery expenses	0.39	0.40
Communication expenses	0.38	0.41
Information technology expenses	0.35	0.38
Auditors' remuneration (refer note 34)	0.27	0.26
Loss on sale of assets	0.08	0.15
Miscellaneous expenses	1.47	2.01
Total	**26.85**	**31.68**

29 Tax expense

(₹ in Crore)

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Current tax	32.16	6.66
Deferred tax	(3.11)	(2.59)
Tax adjustment of earlier years (net)	0.09	0.33
Total income tax expenses recognised in Statement of Profit and Loss	**29.14**	**4.40**
Income Tax expense recognised in OCI	0.10	0.02

Reconciliation of total tax charge

(₹ in Crore)

	For the year ended 31.03.2020	For the year ended 31.03.2019
Income tax expense for the year reconciled to the accounting profit:		
Profit before tax	156.45	115.70
Income tax rate	25.168%	29.120%
Income tax expense	39.38	33.69
Tax Effect of:		
Effect of income that is exempt from tax	(3.71)	(33.21)
Effect of expenses that are not deductible in determining taxable profits	0.22	2.48
Loss/ (Income) taxable at differential rate (net)	(1.97)	1.13
Utilization of temporary differences pertaining to earlier years on which no deferred tax was created	(4.77)	-
Adjustment in respect of earlier years (net)	0.09	0.33
Utilization of brought forward losses	(1.60)	-
Net impact on adoption of new tax rate (net) (Refer note below)	1.49	-
Others	0.01	(0.02)
Total	**(10.24)**	**(29.29)**
Income tax expense recognised in Statement of Profit and Loss	**29.14**	**4.40**

Note:
The Government of India has inserted section 115BAA in the Income Tax Act, 1961, which provides domestic companies an option to pay corporate tax at reduced rate effective from April 1, 2019, subject to certain conditions. The Company has availed the option of reduced rate which has resulted in deferred tax charge of ₹ 1.49 crore on account of reversal of opening balance of deferred tax assets and write off of unutilized MAT credit balance.

30 Contingent Liabilities and Commitments:

30.1 Contingent liabilities* :

(₹ in Crore)

Particulars	As at 31.03.2020	As at 31.03.2019
(i) <u>Income Tax Matters under dispute:</u>		
Primarily relates to demands received from income tax authorities for various assessment years, on account of disallowances of expenses u/s 14A of the Income Tax Act, 1961, etc.	34.81	29.38
(ii) <u>Service Tax Matters under dispute:</u>		
Relates to demand received from central excise and service tax authorities in respect of Service Tax on FII Brokerage received in provision of Stock Broking Services, etc.	9.00	9.98

*In respect of above disputed demand, the Company is hopeful of succeeding in appeals and as such does not expect any significant liability to materialize.

30.2 Commitments:

(₹ in Crore)

Particulars	As at 31.03.2020	As at 31.03.2019
a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	0.35	1.32
b) Uncalled liability on account of commitment to subscribe to investment and other partly paid investments	60.12	101.62

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31 **EMPLOYEE STOCK OPTION SCHEME (ESOS)**

The Employee Stock Option Scheme ('the Scheme') provides for grant of stock options to the eligible employees and/or directors ("the Employees") of the Company and/or its subsidiaries. The Stock Options are granted at an exercise price, which is either equal to the fair market price or at a premium, or at a discount to market price as may be determined by the Nomination and Remuneration Committee of the Board of the Company.

During the financial year 2019-20, the Nomination and Remuneration Committee has granted 6,62,130 options under Series 12 (previous year 18,48,018 options-Series 11) at an exercise price of ₹ 1/- per option to the Employees, that will vest in a graded manner and which can be exercised within a specified period.

The details of options are as under:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Outstanding at the beginning of the year	43,55,624	49,99,654
Add: Granted during the year	6,62,130	18,48,018
Less: Exercised and shares allotted during the year	12,93,184	20,17,448
Less: Exercised but pending allotment	5,000	Nil
Less: Forfeited/cancelled during the year	Nil	5,085
Less: Lapsed during the year	74,338	4,69,515
Outstanding at end of year	36,45,232	43,55,624
Exercisable at end of year	13,35,616	10,87,302

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

Details of options granted during the current and previous financial year (i.e. series 12 and 11 respectively) based on the graded vesting and fair value of the options are as under:

Tranches	% of Options to be vested	No. of options granted		Vesting date		Fair value per option (₹)	
		Current year	Previous year	Current Year	Previous year	Current Year	Previous year
Tranche-1	33.33%	2,20,710	6,16,006	April 18, 2020	April 12, 2019	86.14	131.10
Tranche-2	33.33%	2,20,710	6,16,006	April 18, 2021	April 12, 2020	85.47	129.86
Tranche-3	33.33%	2,20,710	6,16,006	April 18, 2022	April 12, 2021	84.79	128.62
		6,62,130	**18,48,018**				

The following table summarizes the assumptions used in calculating the grant date fair value:

Tranches	Life of the Option (in years)		Risk-free interest rate		Volatility		Dividend Yield	
	Current Year (Series 12)	Previous Year (Series 11)	Current Year (Series 12)	Previous Year (Series 11)	Current Year (Series 12)	Previous Year (Series 11)	Current Year (Series 12)	Previous Year (Series 11)
Tranche-1	3.00	3.00	7.09%	7.28%	0.4518	0.4474	1.11%	1.31%
Tranche-2	3.75	3.75	7.26%	7.42%	0.4483	0.4462	1.11%	1.31%
Tranche-3	4.50	4.50	7.39%	7.52%	0.4438	0.4630	1.11%	1.31%

Details of options granted under various series are as under:

	Series 6	Series 7	Series 8	Series 9	Series 10	Series 11	Series 12
Grant date	06/05/2013	01/04/2014	16/04/2015	12/05/2016	20/04/2017	12/04/2018	18/04/2019
Options granted	36,45,774	44,85,267	14,44,440	12,55,515	23,19,636	18,48,018	6,62,130
Options exercised till March 31, 2020	30,91,695	38,37,541	12,21,726	10,18,785	10,14,417	3,45,325	N.A.
Options forfeited/cancelled till March 31, 2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Options lapsed till March 31, 2020	3,76,054	3,57,193	96,294	40,799	3,38,642	2,48,751	28,326
Outstanding at end of year	1,78,025	2,90,533	1,26,420	1,95,931	9,66,577	12,53,942	6,33,804
Exercisable at end of year	1,78,025	2,90,533	1,26,420	1,95,931	3,49,149	1,95,558	N.A.
Vesting of options	1/3rd Options each on completion of first, second and third year from the date of grant of options	1/3rd Options each on completion of first, second and third year from the date of grant of options	1/3rd Options each on completion of first, second and third year from the date of grant of options	1/3rd Options each on completion of first, second and third year from the date of grant of options	1/3rd Options each on completion of first, second and third year from the date of grant of options	1/3rd Options each on completion of first, second and third year from the date of grant of options	1/3rd Options each on completion of first, second and third year from the date of grant of options
Exercise period	Within 7 years from the date of grant	Within 7 years from the date of grant	Within 7 years from the date of grant	Within 7 years from the date of grant	Within 7 years from the date of grant	Within 7 years from the date of grant	Within 7 years from the date of grant
Exercise price(refer note[i] below)	₹ 1.00	₹ 1.00	₹ 1.00	₹ 1.00	₹ 1.00	₹ 1.00	₹ 1.00
Pricing formula	As was determined by the Compensation Committee at its meeting held on May 6, 2013	As was determined by the Compensation Committee at its meeting held on March 25, 2014	As was determined by the Nomination and Remuneration Committee at its meeting held on April 16, 2015	As was determined by the Nomination and Remuneration Committee at its meeting held on May 12, 2016	As was determined by the Nomination and Remuneration Committee at its meeting held on April 20, 2017	As was determined by the Nomination and Remuneration Committee at its meeting held on April 12, 2018	As was determined by the Nomination and Remuneration Committee at its meeting held on April 18, 2019

Notes: [i] Additionally, an aggregate amount of ₹ 8.41 Crore (Previous year ₹ 11.64 Crore) being the difference between the exercise price and fair value of options has been reimbursed by the subsidiary companies with which the Employees are/were employed/associated.

[ii] As no options were outstanding in respect of Series 1, 2, 3,4 and 5 as on March 31, 2020, the details of options granted has not been included above.

[iii] Esop cost recognised in Statement of Profit and Loss ₹ 2.62 Crore (Previous year ₹ 6.35 Crore)

32 Pursuant to Securities and Exchange Board of India (share based employee benefits) Regulations, 2014, the details of receipt from subsidiaries are as under:

(₹ in Crore)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
JM Financial Institutional Securities Limited	1.75	2.57
JM Financial Services Limited	2.96	3.63
JM Financial Products Limited	1.85	2.83
JM Financial Credit Solutions Limited	0.67	0.68
JM Financial Asset Management Limited	0.40	0.92
Infinite India Investment Management Limited	0.03	0.09
JM Financial Asset Reconstruction Company Limited	0.33	0.74
JM Financial Capital Limited	0.07	0.05
JM Financial Home Loans Limited	0.35	0.13
TOTAL	**8.41**	**11.64**

33 **EARNINGS PER EQUITY SHARE (EPS)**

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

Particulars		For the year ended March 31, 2020	For the year ended March 31, 2019
Profit for the year (₹ in Crore)	A	127.31	111.30
Weighted average number of equity shares outstanding during the year for calculating basic earnings per share (Nos.)	B	84,08,64,766	83,94,64,985
Basic earnings per share (in ₹)	A/B	1.51	1.33
Weighted average number of equity shares outstanding during the year for calculating basic earnings per share (Nos.)	B	84,08,64,766	83,94,64,985
Add: Weighted average number of potential equity shares on account of employee stock options	C	34,25,560	38,27,455
Weighted average number of equity shares outstanding during the year for calculating diluted earnings per share (Nos.)	D=B+C	84,42,90,326	84,32,92,440
Diluted earnings per share (in ₹)	A/D	1.51	1.32

34 **Payment to Auditors (Excluding Goods and Service tax)**

(₹ in Crore)

	For the year ended 31.03.2020	For the year ended 31.03.2019
Audit fees	0.19	0.19
Certification and other matters	0.07	0.06
Reimbursement of Expenses	0.01	0.01
TOTAL	**0.27**	**0.26**

35 Lease Transactions

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using modified retrospective method. The Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use assets at an amount equal to the lease liability discounted at the incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for the year ended March 31, 2019.

On the date of initial application i.e. April 1, 2019, the adoption of the new standard resulted in recognition of "Right to Use' asset of ₹ 84.02 Crore and a lease liability of ₹ 79.42 Crore. The weighted average of discount rate applied to lease liabilities as at April 1, 2019 is 9.40%. The Company has recognized depreciation expense on Right to Use asset aggregating ₹ 10.38 Crore and interest expenses on lease liabilities of ₹ 7.26 Crore in the Statement of Profit and Loss for the year ended March 31, 2020. Lease payments during the year have been disclosed under financial activities in the cash flow statements.

The following is the summary of practical expedients elected on initial application:

a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
b) Applied the exemption not to recognise right to use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
c) Excluded the initial direct costs from the measurement of the right to use asset at the date of initial application.
d) Applied only to contracts that were previously identified as leases under Ind AS 17.

The difference between the lease obligation recorded as March 31, 2019 under Ind AS 17 disclosed under note 38 of annual standalone financial statements forming part of 2019 annual report and the value of lease liability as of April 1, 2019 is primarily on account of discounting the lease liabilities to the present value under Ind AS 116.

Following are the changes in the carrying value of the right of use assets for the year ended March 31, 2020:

(₹ in Crore)

Category of Right to use asset	Gross Block				Accumulated depreciation				Net Block
	As at 01-04-2019	Addition	Deletion	As at 31-03-2020	As at 01-04-2019	Addition	Deletion	As at 31-03-2020	
Office premises	-	84.02	-	84.02	-	10.38	-	10.38	73.64
Total	**-**	**84.02**	**-**	**84.02**	**-**	**10.38**	**-**	**10.38**	**73.64**

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

Table showing contractual maturities of lease liabilities on an undiscounted basis:

(₹ in Crore)

Particulars	Office premises	
	As at 31.03.2020	As at 31.03.2019
Less than One year	12.38	12.17
One to Five years	46.11	46.33
More than Five years	53.86	66.02
Total	**112.35**	**124.52**

4

(₹ in Crore)

Particulars	Motor vehicles	
	Minimum lease Payments	
	As at 31.03.2020	As at 31.03.2019
Not later than one year	0.44	0.65
Later than one year and not later than five years	0.43	0.96
Later than five years	-	-
Total	**0.87**	**1.61**

Reconciliation of opening lease liability on April 1, 2019

(₹ in Crore)

Total operating lease commitments disclosed at March 31,2019 (non-cancellable)	115.90
Operating lease commitments of cancellable lease	8.62
Operating lease commitments (on an undiscounted basis)	**124.52**
Less: future finance costs	(45.10)
Operating lease liabilities recognised under Ind AS 116 at April 1, 2019	**79.42**

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

36 Employee Benefits

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

The Company's contribution to Provident Fund aggregating ₹ 2.39 crore (Previous year ₹ 2.32 crore) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

Defined benefit obligation

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

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

Interest Rate Risk:

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

Longevity Risks:

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

Salary Risks:

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

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

Particulars	As at March 31, 2020	As at March 31, 2019
Discount rate	6.80%	7.55%
Expected rate of salary increase	7% per annum	7% per annum
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult table	Indian Assured Lives Mortality (2012-14) Ult table

b) Amount recognised in the Statement of Profit and Loss in respect of these defined benefit obligation

(₹ in Crore)

Particulars	As at March 31, 2020	As at March 31, 2019
Current service cost	0.33	0.30
Net interest cost	0.31	0.31
Total amount recognised in the Statement of Profit and Loss.	**0.64**	**0.61**
Remeasurements on the net defined benefit liability :		
- Actuarial (gain)/loss from change in demographic assumptions	-	(#)
- Actuarial (gain)/loss from change in financial assumptions	0.30	0.10
- Actuarial (gain)/loss from change in experience adjustments	0.09	(0.04)
Total amount recognised in other comprehensive income	**0.39**	**0.06**

amount below ₹ 50,000

The current service cost and the net interest expense for the year are included in the 'Employee benefit expense' line item in the Statement of Profit and Loss.

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

(₹ in Crore)

Particulars	As at March 31, 2020	As at March 31, 2019
Opening defined benefit obligation	4.41	4.35
Current service cost	0.33	0.30
Interest cost	0.31	0.31
Remeasurements (gains)/losses:		
Actuarial (gain)/loss from change in demographic assumptions	-	(#)
Actuarial (gain)/loss from change in financial assumptions	0.30	0.10
Actuarial (gain)/loss from change in experience adjustments	0.09	(0.04)
Benefits paid	(0.31)	(0.41)
Laibilities assumed/settled	(0.10)	(0.20)
Closing defined benefit obligation	**5.03**	**4.41**

 # amount below ₹ 50,000

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

(₹ in Crore)

Particulars	31st March 2020	31st March 2019
Defined benefit obligation (base)	5.03	4.41

Particulars	As at 31.03.2020		As at 31.03.2019	
	Discount rate	Salary Escalation rate	Discount rate	Salary Escalation rate
Defined benefit obligation on increase in 50 bps	4.83	5.25	4.24	4.51
Impact of increase in 50 bps on DBO	(4.04%)	4.33%	(3.93%)	2.00%
Defined benefit obligation on decrease in 50 bps	5.25	4.83	4.60	4.32
Impact of decrease in 50 bps on DBO	4.36%	(4.06%)	4.23%	(2.03%)

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

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

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

e) **Projected benefits payable:**

(₹ in Crore)

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Expected benefits for year 1	0.81	0.57
Expected benefits for year 2	0.22	0.55
Expected benefits for year 3	0.25	0.22
Expected benefits for year 4	0.83	0.24
Expected benefits for year 5	0.22	0.77
Expected benefits for year 6	0.54	0.20
Expected benefits for year 7	0.58	0.49
Expected benefits for year 8	0.54	0.55
Expected benefits for year 9	0.61	0.50
Expected benefits for year 10 and above	5.78	5.77

The weighted average duration of the defined benefit obligation is 8.52 years (previous year 8.16 years)

37 Disclosure in respect of related parties pursuant to Ind AS 24 on 'Related Party Disclosures':
List of related parties

I) Parties where control exists:

a) Subsidiaries

JM Financial Institutional Securities Limited (IED)
JM Financial Services Limited (Financial Services)
JM Financial Properties and Holdings Limited (Properties)
Infinite India Investment Management Limited (Infinite)
JM Financial Commtrade Limited (Commtrade)
CR Retail Malls (India) Limited (CRRM)
JM Financial Capital Limited (Capital)
JM Financial Products Limited (Products)
JM Financial Credit Solutions Limited (Credit Solutions)
JM Financial Home Loans Limited (Home Loans)
JM Financial Asset Management Limited (AMC)
JM Financial Asset Reconstruction Company Limited and its subsidiaries (ARC)
JM Financial Overseas Holdings Private Limited (Overseas)
JM Financial Singapore Pte Ltd (Singapore)
JM Financial Securities, Inc. (USA)

b) Partnership Firm

Astute Investments (Astute)

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

a) Associate

JM Financial Trustee Company Private Limited (Trustee)

b) Key management personnel

Mr. Vishal Kampani (VNK)

c) Non-Executive / Independent Directors

Mr. Nimesh Kampani (NNK)

Independent Directors:
Mr. E A Kshirsagar (EAK)
Mr. Darius E Udwadia (DEU)
Mr. Paul Zuckerman (PSZ)
Mr. Vijay Kelkar (VLK)
Mr. Keki Dadiseth (KBD)
Ms. Jagi Mangat Panda (JMP)

d) Close Members of the Family (Relatives) of Key management personnel

Mr. Nimesh Kampani (NNK)
Ms. Aruna N Kampani (ARNK)
Ms. Amishi Gambhir (AG)
Ms. Madhu Kampani (MVK)

e) Individual exercising control or significant influence in reporting enterprise and close members of the family (relatives) of any such person

Mr. Nimesh Kampani (NNK)

Close Members of the Family (Relatives):
Ms. Aruna N Kampani (ARNK)
Mr. Vishal Kampani (VNK)
Ms. Amishi Gambhir (AG)

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

J.M. Financial & Investment Consultancy Services Private Limited (JMFICS)
J. M. Assets Management Private Limited (J.M.Assets)
JM Financial Trustee Company Private Limited (Trustee)
JSB Securities Limited (JSB)
Kampani Consultants Limited (KCL)
Persepolis Investment Company Private Limited (PICPL)
SNK Investments Private Limited (SNK)
Kampani Properties and Holdings Limited (KPHL)
Capital Market Publishers India Private Limited (CMPL)

Related Party Disclosures:

	Subsidiaries*		Associate		Non-Executive / Independent Directors		Key Management Personnel		Individual exercising control or significant influence in reporting enterprise and close members of the family of any such person / Close Members of the Family (Relatives) of Key management personnel		Enterprise over which close member of family of key management personnel are able to exercise significant influence		Total (₹ in Crore)	
	2019-20	**2018-19**	**2019-20**	**2018-19**	**2019-20**	**2018-19**	**2019-20**	**2018-19**	**2019-20**	**2018-19**	**2019-20**	**2018-19**	**2019-20**	**2018-19**
Investments made in debentures														
ARC	183.37	-	-	-	-	-	-	-	-	-	-	-	183.37	-
Investments made in preference shares														
Financial Services	-	50.25	-	-	-	-	-	-	-	-	-	-	-	50.25
Investments made in equity shares														
Credit Solutions	-	185.00	-	-	-	-	-	-	-	-	-	-	-	185.00
Sale of Fixed assets to														
Financial Services	-	0.02	-	-	-	-	-	-	-	-	-	-	-	0.02
Employee related liabilities transfers to														
Properties	0.01	-	-	-	-	-	-	-	-	-	-	-	0.01	-
Products	0.10	0.07	-	-	-	-	-	-	-	-	-	-	0.10	0.07
Credit Solutions	-	0.15	-	-	-	-	-	-	-	-	-	-	-	0.15
JMFICS	-	-	-	-	-	-	-	-	-	-	-	0.03	-	0.03

	Subsidiaries*		Associate		Non-Executive / Independent Directors		Key Management Personnel		Individual exercising control or significant influence in reporting enterprise and close members of the family of any such person / Close Members of the Family (Relatives) of Key management personnel		Enterprise over which close member of family of key management personnel are able to exercise significant influence		Total (₹ in Crore)	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Employee related liabilities transfers from														
IED	-	0.06	-	-	-	-	-	-	-	-	-	-	-	0.06
ICDs placed														
ARC	40.00	-	-	-	-	-	-	-	-	-	-	-	40.00	-
Properties	50.00	-	-	-	-	-	-	-	-	-	-	-	50.00	-
Infinite	-	100.00	-	-	-	-	-	-	-	-	-	-	-	100.00
CRRM	-	36.00	-	-	-	-	-	-	-	-	-	-	-	36.00
Credit Solutions	-	100.00	-	-	-	-	-	-	-	-	-	-	-	100.00
Financial Services	20.00	-	-	-	-	-	-	-	-	-	-	-	20.00	-
Capital	50.00	-	-	-	-	-	-	-	-	-	-	-	50.00	-
ICDs repaid by														
Credit Solutions	-	100.00	-	-	-	-	-	-	-	-	-	-	-	100.00
ARC	40.00	-	-	-	-	-	-	-	-	-	-	-	40.00	-
Properties	50.00	-	-	-	-	-	-	-	-	-	-	-	50.00	-
Infinite	-	100.00	-	-	-	-	-	-	-	-	-	-	-	100.00
CRRM	36.00	-	-	-	-	-	-	-	-	-	-	-	36.00	-
Financial Services	20.00	-	-	-	-	-	-	-	-	-	-	-	20.00	-
Capital	50.00	-	-	-	-	-	-	-	-	-	-	-	50.00	-
Loan given														
Astute	27.72	565.61	-	-	-	-	-	-	-	-	-	-	27.72	565.61
Loan repaid														
Astute	27.72	565.61	-	-	-	-	-	-	-	-	-	-	27.72	565.61

	Subsidiaries*		Associate		Non-Executive / Independent Directors		Key Management Personnel		Individual exercising control or significant influence in reporting enterprise and close members of the family of any such person / Close Members of the Family (Relatives) of Key management personnel		Enterprise over which close member of family of key management personnel are able to exercise significant influence		Total (₹ in Crore)	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Dividend received from														
Products	10.82	91.96	-	-	-	-	-	-	-	-	-	-	10.82	91.96
AMC	-	11.11	-	-	-	-	-	-	-	-	-	-	-	11.11
CRRM	-	7.30	-	-	-	-	-	-	-	-	-	-	-	7.30
Overseas	24.57	-	-	-	-	-	-	-	-	-	-	-	24.57	-
Credit Solutions	0.13	-	-	-	-	-	-	-	-	-	-	-	0.13	-
IED	#	-	-	-	-	-	-	-	-	-	-	-	#	-
Fees Sharing, Sub brokerage Paid to														
Financial Services	1.84	9.18	-	-	-	-	-	-	-	-	-	-	1.84	9.18
IED	28.07	19.54	-	-	-	-	-	-	-	-	-	-	28.07	19.54
Secondary brokerage Paid to														
Financial Services	0.05	0.03	-	-	-	-	-	-	-	-	-	-	0.05	0.03
Dividend paid to														
JMFICS	-	-	-	-	-	-	-	-	-	-	10.80	32.55	10.80	32.55
J.M.Assets	-	-	-	-	-	-	-	-	-	-	5.15	16.49	5.15	16.49
JSB	-	-	-	-	-	-	-	-	-	-	0.33	1.04	0.33	1.04
KCL	-	-	-	-	-	-	-	-	-	-	0.03	0.11	0.03	0.11
SNK	-	-	-	-	-	-	-	-	-	-	0.59	1.88	0.59	1.88
NNK	-	-	-	-	-	-	-	-	6.29	21.66	-	-	6.29	21.66
ARNK	-	-	-	-	-	-	-	-	1.77	6.15	-	-	1.77	6.15
VNK	-	-	-	-	-	-	0.57	1.72	-	-	-	-	0.57	1.72

	Subsidiaries*		Associate		Non-Executive / Independent Directors		Key Management Personnel		Individual exercising control or significant influence in reporting enterprise and close members of the family of any such person / Close Members of the Family (Relatives) of Key management personnel		Enterprise over which close member of family of key management personnel are able to exercise significant influence		Total (₹ in Crore)	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
AG	-	-	-	-	-	-	-	-	0.40	1.28	-	-	0.40	1.28
PICPL	-	-	-	-	-	-	-	-	-	-	0.08	0.26	0.08	0.26
Trustee	-	-	0.06	0.18	-	-	-	-	-	-	-	-	0.06	0.18
Group support fees received from														
Credit Solutions	1.98	1.98	-	-	-	-	-	-	-	-	-	-	1.98	1.98
ARC	1.98	1.98	-	-	-	-	-	-	-	-	-	-	1.98	1.98
Lead managers fees received from														
Credit Solutions	-	0.16	-	-	-	-	-	-	-	-	-	-	-	0.16
Products	0.30	-	-	-	-	-	-	-	-	-	-	-	0.30	-
Support Service Charges Paid to														
JMFICS	-	-	-	-	-	-	-	-	-	-	2.50	2.50	2.50	2.50
Rating support fees received from														
Credit Solutions	5.93	9.30	-	-	-	-	-	-	-	-	-	-	5.93	9.30
ARC	2.98	2.99	-	-	-	-	-	-	-	-	-	-	2.98	2.99
Rent received from														
Financial Services	0.27	0.27	-	-	-	-	-	-	-	-	-	-	0.27	0.27
Interest received from														

	Subsidiaries*		Associate		Non-Executive / Independent Directors		Key Management Personnel		Individual exercising control or significant influence in reporting enterprise and close members of the family of any such person / Close Members of the Family (Relatives) of Key management personnel		Enterprise over which close member of family of key management personnel are able to exercise significant influence		Total (₹ in Crore)	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Credit Solutions	-	0.05	-	-	-	-	-	-	-	-	-	-	-	0.05
ARC	12.32	-	-	-	-	-	-	-	-	-	-	-	12.32	-
Astute	0.13	18.45	-	-	-	-	-	-	-	-	-	-	0.13	18.45
Properties	1.09	-	-	-	-	-	-	-	-	-	-	-	1.09	-
Infinite	-	3.72	-	-	-	-	-	-	-	-	-	-	-	3.72
CRRM	1.27	0.47	-	-	-	-	-	-	-	-	-	-	1.27	0.47
Financial Services	0.01	-	-	-	-	-	-	-	-	-	-	-	0.01	-
Capital	0.32	-	-	-	-	-	-	-	-	-	-	-	0.32	-
Rent paid to														
Properties	9.08	8.65	-	-	-	-	-	-	-	-	-	-	9.08	8.65
JMFICS	-	-	-	-	-	-	-	-	-	-	0.95	0.95	0.95	0.95
J.M.Assets	-	-	-	-	-	-	-	-	-	-	1.68	0.84	1.68	0.84
JSB	-	-	-	-	-	-	-	-	-	-	-	0.60	-	0.60
Subscription for online data paid to														
CMPL	-	-	-	-	-	-	-	-	-	-	0.02	0.02	0.02	0.02
Remuneration paid to (refer note iii)														
VNK	-	-	-	-	-	-	2.01	1.72	-	-	-	-	2.01	1.72
Directors Sitting fees														
NNK	-	-	-	-	-	-	-	-	0.07	0.08	-	-	0.07	0.08

	Subsidiaries*		Associate		Non-Executive / Independent Directors		Key Management Personnel		Individual exercising control or significant influence in reporting enterprise and close members of the family of any such person / Close Members of the Family (Relatives) of Key management personnel		Enterprise over which close member of family of key management personnel are able to exercise significant influence		Total (₹ in Crore)	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
EAK	-	-	-	-	0.09	0.09	-	-	-	-	-	-	0.09	0.09
DEU	-	-	-	-	0.07	0.10	-	-	-	-	-	-	0.07	0.10
PSZ	-	-	-	-	0.09	0.09	-	-	-	-	-	-	0.09	0.09
VLK	-	-	-	-	0.10	0.10	-	-	-	-	-	-	0.10	0.10
KBD	-	-	-	-	0.09	0.05	-	-	-	-	-	-	0.09	0.05
JMP	-	-	-	-	0.07	0.05	-	-	-	-	-	-	0.07	0.05
Directors Commission														
EAK	-	-	-	-	0.22	0.22	-	-	-	-	-	-	0.22	0.22
DEU	-	-	-	-	0.20	0.20	-	-	-	-	-	-	0.20	0.20
PSZ	-	-	-	-	0.20	0.20	-	-	-	-	-	-	0.20	0.20
VLK	-	-	-	-	0.22	0.22	-	-	-	-	-	-	0.22	0.22
KBD	-	-	-	-	0.20	0.20	-	-	-	-	-	-	0.20	0.20
JMP	-	-	-	-	0.20	0.20	-	-	-	-	-	-	0.20	0.20
Expenses reimbursed to														
Properties	1.75	1.39	-	-	-	-	-	-	-	-	-	-	1.75	1.39
JMFICS	-	-	-	-	-	-	-	-	-	-	0.08	0.08	0.08	0.08
J.M.Assets	-	-	-	-	-	-	-	-	-	-	-	0.01	-	0.01
Infinite	-	#	-	-	-	-	-	-	-	-	-	-	-	#
Products	0.01	-	-	-	-	-	-	-	-	-	-	-	0.01	-
IED	0.55	0.16	-	-	-	-	-	-	-	-	-	-	0.55	0.16
ARC	0.11	-	-	-	-	-	-	-	-	-	-	-	0.11	-
Expenses recovered from														
IED	0.34	0.25	-	-	-	-	-	-	-	-	-	-	0.34	0.25
Infinite	#	#	-	-	-	-	-	-	-	-	-	-	#	#

	Subsidiaries*		Associate		Non-Executive / Independent Directors		Key Management Personnel		Individual exercising control or significant influence in reporting enterprise and close members of the family of any such person / Close Members of the Family (Relatives) of Key management personnel		Enterprise over which close member of family of key management personnel are able to exercise significant influence		Total (₹ in Crore)	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Credit Solutions	0.03	0.04	-	-	-	-	-	-	-	-	-	-	0.03	0.04
Home Loans	#	0.01	-	-	-	-	-	-	-	-	-	-	#	0.01
ARC	0.03	0.12	-	-	-	-	-	-	-	-	-	-	0.03	0.12
Properties	#	0.01	-	-	-	-	-	-	-	-	-	-	#	0.01
Products	0.02	0.02	-	-	-	-	-	-	-	-	-	-	0.02	0.02
CRRM	#	-	-	-	-	-	-	-	-	-	-	-	#	-
JMFICS	-	-	-	-	-	-	-	-	-	-	#	#	#	#
Security deposits returned from:														
JSB	-	-	-	-	-	-	-	-	-	-	-	0.60	-	0.60
Security deposits paid														
Properties	-	7.21	-	-	-	-	-	-	-	-	-	-	-	7.21
J.M.Assets	-	-	-	-	-	-	-	-	-	-	-	0.84	-	0.84
Outstanding Balances:														
Investments	2,142.63	1,969.17	0.03	0.03	-	-	-	-	-	-	-	-	2,142.66	1,969.20
Security deposits received from														
Financial Services	1.00	1.00	-	-	-	-	-	-	-	-	-	-	1.00	1.00
Security deposits paid to														
Properties	7.21	7.21	-	-	-	-	-	-	-	-	-	-	7.21	7.21

	Subsidiaries*		Associate		Non-Executive / Independent Directors		Key Management Personnel		Individual exercising control or significant influence in reporting enterprise and close members of the family of any such person / Close Members of the Family (Relatives) of Key management personnel		Enterprise over which close member of family of key management personnel are able to exercise significant influence		Total (₹ in Crore)	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
JMFICS	-	-	-	-	-	-	-	-	-	-	0.54	0.54	0.54	0.54
J.M.Assets	-	-	-	-	-	-	-	-	-	-	0.84	0.84	0.84	0.84
ICDs receivable														
CRRM	-	36.00	-	-	-	-	-	-	-	-	-	-	-	36.00
Interest receivable														
ARC	11.01	-	-	-	-	-	-	-	-	-	-	-	11.01	-
Receivable from														
ARC	0.68	-	-	-	-	-	-	-	-	-	-	-	0.68	-
Amount payable to														
IED	0.34	0.36	-	-	-	-	-	-	-	-	-	-	0.34	0.36
Financial Services	1.21	1.29	-	-	-	-	-	-	-	-	-	-	1.21	1.29
JMFICS	-	-	-	-	-	-	-	-	-	-	0.67	-	0.67	-
EAK	-	-	-	-	0.22	0.22	-	-	-	-	-	-	0.22	0.22
DEU	-	-	-	-	0.20	0.20	-	-	-	-	-	-	0.20	0.20
PSZ	-	-	-	-	0.21	0.20	-	-	-	-	-	-	0.21	0.20
VLK	-	-	-	-	0.22	0.22	-	-	-	-	-	-	0.22	0.22
KBD	-	-	-	-	0.20	0.20	-	-	-	-	-	-	0.20	0.20
JMP	-	-	-	-	0.20	0.20	-	-	-	-	-	-	0.20	0.20

Notes:- (i) * Subsidiaries include a partnership firm namely Astute Investments

(ii) There are no provisions for doubtful debts or amount written off or written back during the year/period in respect of debts due from/ due to related parties.

(iii) The remuneration excludes provision for gratuity as the incremental liability has been accounted for the Company as a whole.

(iv) The transactions disclosed above are exclusive of GST and Service tax , as applicable.

(v) Refer note. 8.1

38 **Maturity Analysis of Assets and Liabilities**

(₹ in Crore)

		As at 31.03.2020			As at 31.03.2019		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	ASSETS						
1	**Financial Assets**						
A	Cash and cash equivalents	14.73	-	14.73	7.19	-	7.19
B	Bank balances other than cash and cash equivalents	7.20	-	7.20	8.10	-	8.10
C	Trade Receivables	22.35	-	22.35	10.04	-	10.04
D	Loans	-	-	-	36.00	-	36.00
E	Investments	218.45	2,309.99	2,528.44	142.51	2,246.28	2,388.79
F	Other Financial assets	15.08	5.89	20.97	10.49	3.05	13.54
		277.81	**2,315.88**	**2,593.69**	**214.33**	**2,249.33**	**2,463.66**
2	**Non-financial Assets**						
A	Current tax Assets (Net)	-	168.10	168.10	-	180.17	180.17
B	Property, Plant and Equipment	-	76.85	76.85	-	4.91	4.91
C	Other Intangible assets	-	0.25	0.25	-	0.36	0.36
D	Other non-financial assets	4.21	0.04	4.25	3.53	4.48	8.01
		4.21	**245.24**	**249.45**	**3.53**	**189.92**	**193.45**
	Total Assets	**282.02**	**2,561.12**	**2,843.14**	**217.86**	**2,439.25**	**2,657.11**

(₹ in Crore)

		As at 31.03.2020			As at 31.03.2019		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	LIABILITIES						
1	**Financial Liabilities**						
A	Trade Payables						
	(i) total outstanding dues of micro enterprises and small enterprises	0.03	-	0.03	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	3.69	-	3.69	3.03	-	3.03
B	Borrowings (Other than Debt Securities)	0.35	0.37	0.72	0.47	0.82	1.29
C	Other financial liabilities	34.47	68.88	103.35	30.56	-	30.56
		38.54	**69.25**	**107.79**	**34.06**	**0.82**	**34.88**
2	**Non-Financial Liabilities**						
A	Provisions	2.45	8.83	11.28	2.30	8.46	10.76
B	Deferred tax liabilities (net)	-	122.42	122.42	-	125.63	125.63
C	Other non-financial liabilities	28.37	-	28.37	3.89	-	3.89
		30.82	**131.25**	**162.07**	**6.19**	**134.09**	**140.28**
	Total Liabilities	**69.36**	**200.50**	**269.86**	**40.25**	**134.91**	**175.16**

Note:

Information on maturity pattern is based on the reasonable assumptions made by the management.

39 Financial Instruments

a) Capital Management

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves attributable to the equity shareholders of the Company. The primary objective of the company, when managing capital, is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure, so as to maximize shareholders' value. As at March 31, 2020, the Company has only one class of equity shares and has low debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or reinvestments into business based on its long term financial plans.

The Company monitors capital structure on the basis of total debt to equity and maturity profile of overall debt portfolio of the Company.

(₹ in Crore)

Borrowings	As at March 31, 2020	As at March 31, 2019
Gross debt	-	-
Total equity	2,573.28	2,481.95
Adjusted net debt to equity ratio	-	-

b) Categories of financial instruments

(₹ in Crore)

As at March 31, 2020	FVTPL	FVTOCI	Amortised Cost	Total
Financial assets				
Cash and cash equivalents	-	-	14.73	14.73
Bank balances other than cash and cash equivalents	-	-	7.20	7.20
Trade receivables	-	-	22.35	22.35
Investments in subsidiaries and associates	-	-	2,142.66	2,142.66
Investments other than those in subsidiaries and associates	385.78	-	-	385.78
Other Financial assets	-	-	20.97	20.97
Total	**385.78**	**-**	**2,207.91**	**2,593.69**
Financial liabilities				
Trade payables	-	-	3.72	3.72
Borrowings (other than debt securities)	-	-	0.72	0.72
Other Financial Liabilities	-	-	103.35	103.35
Total	**-**	**-**	**107.79**	**107.79**

(₹ in Crore)

As at March 31, 2019	FVTPL	FVTOCI	Amortised Cost	Total
Financial assets				
Cash and cash equivalents	-	-	7.19	7.19
Bank balances other than cash and cash equivalents	-	-	8.10	8.10
Trade receivables	-	-	10.04	10.04
Loans	-	-	36.00	36.00
Investments in subsidiaries and associates	-	-	1,969.20	1,969.20
Investments other than those in subsidiaries and associates	419.59	-	-	419.59
Other Financial assets	-	-	13.54	13.54
Total	**419.59**	**-**	**2,044.07**	**2,463.66**
Financial liabilities				
Trade payables	-	-	3.03	3.03
Borrowings (other than debt securities)	-	-	1.29	1.29
Other Financial Liabilities	-	-	30.56	30.56
Total	**-**	**-**	**34.88**	**34.88**

c) Fair value measurement:
This note provides information about how the Company determines fair value of various financial assets and financial liabilities.

(i) Financial instruments measured at Fair Value:

(₹ in Crore)

As at March 31, 2020	Fair Value	Level 1	Level 2	Level 3	Total
Financial assets					
Measured at FVTPL					
Investments in Mutual Fund	157.42	157.42	-	-	157.42
Investments in VCF	51.35	-	6.21	45.14	51.35
Investments in Equity Instruments	177.01	0.08	-	176.93	177.01
Total	**385.78**	**157.50**	**6.21**	**222.07**	**385.78**

As at March 31, 2019	Fair Value	Level 1	Level 2	Level 3	Total
Financial assets					
Measured at FVTPL					
Investments in Mutual Fund	142.52	142.52	-	-	142.52
Investments in VCF	90.16	-	90.16	-	90.16
Investments in Equity Instruments	186.91	8.27	178.64	-	186.91
Total	**419.59**	**150.79**	**268.80**	**-**	**419.59**

Notes:
Level 1: Fair Value measurements are based on quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of equity are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: These includes instruments which does not have an active market hence the fair value is determined using observable market data such as latest declared NAV/ recent market deals.

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

Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the year ended March 31, 2020.

(₹ in Crore)

	Equity Shares	VCF Units
As at March 31, 2019	-	-
Reclassification from level 2 to level 3	184.82	53.52
Net (Loss)/Gain on fair value changes	(7.89)	(8.38)
As at March 31, 2020	**176.93**	**45.14**

Sensitivity for instruments:

(₹ in Crore)

Nature of the instrument	Fair Value As at March 31, 2020	Significant unobservable inputs	Increase / Decrease in the unobservable input	Sensitivity Impact for the year ended March 31, 2020	
				FV Increase	FV Decrease
Investment in Equity Shares	176.93	Impact estimated by the management considering current market conditions	5%	1.45	(1.45)
Investment in VCF Units	45.14	Impact estimated by the management considering current market conditions	5%	0.43	(0.43)

Impact of COVID-19:
Impact of Covid-19 pandemic has been considered on the observable and unobservable inputs used for the purpose of valuation of investment in certain Equity shares and VCF units. Consequently, these investments have been reclassified from level 2 to level 3 during the year. Further, the Company has made necessary adjustments to the timing of cash flows and values to be realized for the purpose of determination of the fair values of these investments carried at FVTPL.

(ii) Financial instruments measured at amortised cost:

The carrying amount of financial assets and liabilities measured at amortised cost are reasonable approximation of their fair values. Since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

d) Financial risk management

The Company has exposure to the following risks arising from financial instruments:
- Credit risk;
- Liquidity risk ; and
- Market risk (including currency risk and interest rate risk)

Risk management framework

Risk management forms an integral part of the business. As a lending institution, the Company is exposed to several risks including market risk, credit risk and liquidity risk. The Company has established a risk management and audit framework to identify, assess, monitor and manage these risks. This framework is driven by the Board through the Audit Committee, Risk Management Committee and the Asset Liability Management Committee. Risk Management Committee inter alia is responsible for identifying, reviewing, monitoring and taking measures for risk profile and for risk measurement system of the Company.

i) Credit risk

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

The Company has adopted a Policy of dealing with counter parties that have sufficiently high credit rating. The Company's exposure and credit ratings of its counter parties are continuously monitored.

Credit risk arising from trade receivables are reviewed periodically and based on past experience and history. Management is confident of recovering all the dues. Credit risk arises from Investments and other balances with banks is limited and there is no collateral held against these became the counter parties are bank and recognised financial institutions with high credit ratings assigned by the credit rating agencies.

The ageing of trade receivables:

(₹ in Crore)

	As at March 31, 2020	**As at March 31, 2019**
Past due 0–180 days	22.35	8.27
More than 180 days	-	6.71
Total	**22.35**	**14.98**

Movement of Provision for Impairment: **(₹ in Crore)**

	As at 31.03.2020	**As at 31.03.2019**
Opening balance	4.94	6.32
Provisions made	-	0.92
Provisions written back	(4.94)	(2.30)
Closing Balance	**-**	**4.94**

ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity may be affected due to severe liquidity crunch in the market or due to market disruptions where the Company is unable to access public funds. The Company's exposure to liquidity risk arises primarily from mismatch of maturities of financial assets and liabilities.

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

The Company attempts to minimize this risk through a mix of strategies such as short-term funding. The Company also monitors liquidity risk through adequate bank sanction limits at the beginning of each fiscal. Monitoring liquidity risk involves categorizing all assets and liabilities into different maturity profiles and evaluating them for any mismatches in any particular maturities, particularly in the short-term.

Exposure to liquidity risk

The table below summaries the maturity profile remaining contractual maturity period at the balance sheet date for its financial liabilities based on undiscounted cash flows.

(₹ in Crore)

March 31, 2020	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade Payables	3.72	3.72	-	-	-
Borrowings (other than debt securities)	0.72	0.35	0.37	-	-
Other financial liabilities	103.35	34.47	10.38	13.91	44.59
Total	**107.79**	**38.54**	**10.75**	**13.91**	**44.59**
Financial Assets					
Cash and Cash Equivalents	14.73	14.73	-	-	-
Bank balances other than cash and cash equivalents	7.20	7.20	-	-	-
Trade Receivables	22.35	22.35	-	-	-
Financial Assets at Amortised Cost	20.97	15.08	0.76	0.01	5.12
Investments (other than investment in subsidiaries and associates)	385.78	218.45	-	-	167.33
Total	**451.03**	**277.81**	**0.76**	**0.01**	**172.45**

(₹ in Crore)

March 31, 2019	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade Payables	3.03	3.03	-	-	-
Borrowings (other than debt securities)	1.29	0.47	0.82	-	-
Other financial liabilities	30.56	30.56	-	-	-
Total	**34.88**	**34.06**	**0.82**	**-**	**-**
Financial Assets					
Cash and Cash Equivalents	7.19	7.19	-	-	-
Bank balances other than cash and cash equivalents	8.10	8.10	-	-	-
Trade Receivables	10.04	10.04	-	-	-
Loans	36.00	36.00	-	-	-
Financial Assets at Amortised Cost	13.54	10.49	-	-	3.05
Investments (other than investment in subsidiaries and associates)	419.59	142.51	-	-	277.08
Total	**494.46**	**214.33**	**-**	**-**	**280.13**

iii) Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and equity price risk as explained below:

a) Foreign currency risk:

The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. The Company is exposed to currency risk significantly on account of its trade payables and trade receivables denominated in foreign currency. The functional currency of the Company is Indian Rupee. The Company wherever required hedges its foreign currency risk by using Derivative Instruments (Forward Contracts).

The carrying amounts of the Company's foreign currency denominated monitory assets and liabilities at the end of the reporting period are as follow:

i) Foreign currency exposures not hedged by a derivative instrument or otherwise are given below:

Particulars	Currency type	As at March 31, 2020		As at March 31, 2019	
		Amount in Foreign Currency	₹ in Crore	Amount in Foreign Currency	₹ in Crore
Trade Payable	GBP	-	-	3,861.56	0.04
Trade Receivable	GBP	3,71,149.00	3.45	-	-
	Euro	7,63,806.00	6.34	-	-
	USD	-	-	62,881.00	0.43

Foreign currency sensitivity analysis:
The Group is mainly exposed to USD, EURO and GBP. The following table analyses the Company's Sensitivity to a 5% increase and a 5% decrease in the exchange rates of these currencies against Indian Rupees.

(₹ in Crore)

Effect in INR	% Change	Profit or Loss	
		March 31, 2020	March 31, 2019
GBP	5% Increase	(0.17)	(#)
	5% Decrease	0.17	#
EURO	5% Increase	(0.32)	-
	5% Decrease	0.32	-
USD	5% Increase	-	(0.02)
	5% Decrease	-	0.02

# denotes amount below Rs.50,000/-

b) Equity Price Risk:
Equity price risk is related to the change in market reference price of the instruments in quoted and unquoted securities. The fair value of some of the Company's investments exposes to company to equity price risks. In general, these securities are not held for trading purposes.

Equity Price Sensitivity analysis:

The fair value of equity instruments other than investment in subsidiaries and associates as at March 31, 2020, and March 31, 2019 was Rs.0.08 Crore and Rs. 186.91 Crore respectively. A 5% change in price of equity instruments held as at March 31, 2020 and March 31, 2019 would result in

(₹ in Crore)

% Change	Profit or Loss	
	March 31, 2020	March 31, 2019
5% Increase	#	9.35
5% Decrease	(#)	(9.35)

# Denotes amount below ₹ 50,000/-

40 EARNINGS IN FOREIGN CURRENCY

(₹ in Crore)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Income from investment banking services	19.67	2.85
Income from dividend	24.57	-
Total	**44.24**	**2.85**

41 EXPENDITURE IN FOREIGN CURRENCY

(₹ in Crore)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Directors commission and fees	0.20	0.20
Travelling expenses	0.33	0.42
Legal and professional fees	0.01	0.32
Others	0.20	0.96
Total	**0.74**	**1.90**

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

(₹ in Crore)

		For the year ended March 31, 2020	For the year ended March 31, 2019
a)	Gross amount required to be spent by the Company during the year.	0.33	0.21
b)	Amount spent during the year:		
	In cash	0.33	0.22
	Yet to be paid in cash	-	-
	Total	**0.33**	**0.22**
(i)	Construction/acquisition of any asset	-	-
(ii)	On purposes other than (i) above	0.33	0.22

43 **DIVIDEND PAYABLE TO NON-RESIDENT SHAREHOLDERS:**

The Company has not remitted any amount in foreign currencies on account of dividends during the year and does not have information as to the extent to which remittances, if any, in foreign currencies on account of dividends have been made by/on behalf of non-resident shareholders. The particulars of dividends payable to non-resident shareholders (including Foreign Institutional Investors) are as under:

		2019-20 (Final Dividend)	2018-19 (Interim Dividend)	2018-19 (Final Dividend)
a)	Number of non-resident shareholders	1,297	1,291	1,266
b)	Number of equity shares held by them	13,45,09,655	16,35,87,345	15,13,91,567
c)	(i) Amount of dividend paid (Gross) (₹ in Crore)	6.73	8.18	16.65
	(ii) Tax deducted at source (₹ in Crore)	-	-	-
	(iii) year to which dividend relates	2018-19	2018-19	2017-18

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

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

(₹ in Crore)

Name of the company	Relationship	Maximum Balance	Closing Balance
JM Financial Asset Reconstruction Company Limited	Subsidiary	40.00 (-)	- (-)
JM Financial Services Limited	Subsidiary	20.00 (-)	- (-)
JM Financial Capital Limited	Subsidiary	50.00 (-)	- (-)
JM Financial Properties and Holdings Limited	Subsidiary	50.00 (-)	- (-)
JM Financial Credit Solutions Limited	Subsidiary	- (100.00)	- (-)
Infinite India Investment Management Ltd	Subsidiary	- (100.00)	- (-)
CR Retail Malls (India) Limited	Subsidiary	36.00 (36.00)	- (36.00)
Astute Investments	Partnership Firm	27.72 (490.61)	- (-)

All the above loans and advances have been given for business purposes.
Figures in brackets are for the previous year.

45. The Board of Directors of the Company has recommended a dividend of ₹ 0.20 per equity share of the face value of ₹1/- each for the year ended March 31, 2020 (Previous Year: final dividend was ₹ 0.50 per equity share and interim dividend was ₹ 0.50 per equity share). The said dividend will be paid, if approved by the shareholders at the Thirty Fifth Annual General Meeting

46. The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. The extent to which the COVID-19 pandemic will impact the Company's future results will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic. Based on the current indicators of future economic conditions, the Company expects to recover the carrying amount of its financial assets. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions, which will be given effect to in the respective future period.

47. The Financial Statements are approved for issue by the Board of Directors at its meeting held on May 06, 2020.

For and on behalf of the Board of Directors

Nimesh Kampani Chairman DIN – 00009071	**Vishal Kampani** Managing Director DIN – 00009079	**E A Kshirsagar** Director DIN – 00121824
Prashant Choksi Company Secretary	**Manish Sheth** Chief Financial Officer	

Place: Mumbai
Date: May 06, 2020

Deloitte
Haskins & Sells LLP

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INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF JM FINANCIAL LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **JM Financial Limited** ("the Parent Company") and its subsidiaries, (the Parent Company and its subsidiaries together referred to as "the Group") which includes the Group's share of profit in its associate, comprising of the Consolidated Balance Sheet as at March 31, 2020, and the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020 and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 50 to the consolidated financial statements, which describes that the potential impact of the COVID-19 Pandemic on the results of certain subsidiaries and consequently the Group's results are dependent on future developments, which are highly uncertain.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters, were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

A. Impairment of loans measured at amortized cost (refer note 8 to the consolidated financial statements)

Key Audit Matter Description

As at the year end, the Group has reported financial assets carried at amortised cost in form of loans granted by subsidiaries aggregating Rs.11,900.13 crore net of provision for expected credit loss of Rs.340.29 crore. Management estimates impairment provision using collective/ individual model based approach for the loan exposure. The auditors of certain subsidiaries have reported this as a key audit matter because measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are:

- Timely identification and classification of the impaired loans which also include considering the impact of recent RBI's COVID-19 regulatory circulars.
- Determining the probability of defaults based on comparative external ratings and estimation of loss given defaults based on the value of collaterals and relevant factors.
- Inputs and Judgements used in determination of management overlay at various asset stages considering the current uncertain economic environment with the range of possible effects unknown to the country arising out of the COVID 19 Pandemic.
- The disclosures made in the consolidated financial statements for ECL especially in relation to judgements and estimates by the Management in determination of the ECL. Refer note 48 to the consolidated financial statements.

How the Key Audit Matter Was Addressed in the Audit

The audit procedures performed by auditors of certain subsidiaries included the following:

- Tested the design and effectiveness of internal controls implemented by the management for following:
  - Identification and classification of loans which have impaired in correct buckets.
  - Validation of the Model used for impairment provision.
  - Management's judgement applied for the key assumptions used for the purpose of determination of impairment provision.
  - Completeness and accuracy of the data inputs used.
- Tested the completeness and accuracy of data from underlying systems used in the models including the bucketing of loans into delinquency bands. The auditors critically assessed and tested the key underlying assumptions and significant judgements used by management.
- For loans identified by management as potentially impaired, examined these on a sample basis, checked the calculation of the impairment, critically assessed the underlying assumptions and corroborated these to supporting evidence.
- Examined a sample of loans which had not been identified by management as potentially impaired (Stage 1 and 2 assets) and tested their judgement by reviewing information such as the counterparty's payment history and other documentary evidence and representations.
- Performed an overall assessment of the ECL provision levels at each stage including management's assessment on Covid-19 impact to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment.
- Assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 in relation to ECL especially in relation to judgements used in estimation of ECL provision.

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B. Investments and other financial assets carried at fair value (refer note 9 and 10 to the consolidated financial statements)

Key Audit Matter Description

The Group has following financial instruments carried at fair value:

- Investments made by one of the subsidiary company in the security receipts in Trusts formed under distressed credit business aggregating Rs.1,155.39 crore as at March 31, 2020.
- Financial assets under distressed credit business by the Trusts consolidated as subsidiaries aggregating Rs.1,965.16 crore as at March 31, 2020.

The valuation of these financial instruments are based on a recovery range provided by the External Rating Agency and other unobservable inputs. These assets classified as level 3 in valuation hierarchy are not actively traded and their values can only be estimated using a combination of the recovery range provided by the External Rating Agency, estimated cash flows, collateral values, discount rate used and other assumptions. Further, the Group has applied judgements in estimating the cash flows considering the current uncertain economic environment with the range of possible effects unknown to the Group arising out of the COVID 19 Pandemic. In view of the complexities and significant judgements involved we have considered the valuation of these investments as a key audit matter.

How the Key Audit Matter Was Addressed in the Audit

The audit procedures performed and reported by the auditors of the subsidiary company in respect these financial instruments included following:

- Tested the design and effectiveness of internal controls implemented by the management in respect of valuation of the investments including those relating to assessment of recovery plan by Asset Acquisition Committee for determination of appropriate recovery rate based on the range provided by the External Rating Agency, independent verification of the valuation inputs viz. estimated cash flows, collateral values etc.
- Analyzed reasonableness of the determination of the appropriate recovery rate and estimated cash flows.
- Compared the management's assumption of discount rate with the supporting evidence.
- Compared the historical estimates of the cash flows with the actual recoveries and obtain explanations for the variations, if any.
- Assessed the reasonableness of the judgements in estimating the cash flows in response to Covid-19 related economic uncertainty and corroborated the assumptions based on the information used by the Group.

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 Director's Report and Corporate Governance Report (but does not include the financial statements and our auditors' report thereon) which we obtained prior to the date of this auditor's report and the Management Discussion and Analysis, which is expected to be made available to us after that date.

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

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

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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 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 (including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements.

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

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

Auditors' Responsibility 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 skepticism throughout the audit. We also:

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

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 Group to cease to continue as a going concern.

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

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

We communicate with those charged with governance of the Parent 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 consolidated 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 Matter

We did not audit the financial statements of ten subsidiaries whose financial statements reflect total assets of Rs.7,832.63 crore as at March 31, 2020, total revenues of Rs.1,452.44 crore and net cash inflows amounting to Rs.156.41 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and other financial information of subsidiaries and associate, referred in the Other Matter paragraph above, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

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(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

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

(e) On the basis of the written representations received from the directors of the Parent Company and taken on record by the Board of Directors of the Parent Company and the reports of the statutory auditors of its subsidiaries companies and associate company incorporated in India, none of the directors of the Group companies and its associate company incorporated in India is disqualified as on March 31, 2020 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on auditors' reports of the Parent Company, subsidiary companies and associate company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

(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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
   i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate (Refer note 35 to the consolidated financial statements);
   ii. the Group and its associate company did not have any material foreseeable losses on long-term contracts including derivative contracts, as at the year-end;
   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company and its subsidiary companies and associate company incorporated in India.

FOR DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

G. K. Subramaniam
Partner
(Membership No. 109839)
UDIN 20109839AAAAFL7463

Mumbai, dated: May 6, 2020

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ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of JM Financial Limited (hereinafter referred to as "the Parent Company") and its subsidiary companies, and its associate company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent Company, its subsidiary companies and its associate company, which are companies incorporated in India and where such reporting under Section 143(3) of the Act is applicable, 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies and associate company, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent Company, its subsidiary companies and its associate company, which are companies incorporated in India and where such reporting under Section 143(3) of the Act is applicable.

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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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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 to the best of our information and according to the explanations given to us and based on the consideration of the other auditors referred to in the Other Matters paragraph below, the Parent Company, its subsidiary companies and its associate company, which are companies incorporated in India and where such reporting under Section 143(3) is applicable, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note.

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 seven subsidiary companies, which are companies incorporated in India and where such reporting under Section 143(3) of the Act is applicable, is based solely on the corresponding reports of the auditors of such companies.

Our opinion is not modified in respect of the above matter.

FOR DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

(G. K. Subramaniam)
Partner
(Membership No. 109839)

Mumbai, dated: May 6, 2020

JM FINANCIAL

JM FINANCIAL LIMITED

Consolidated Financial Statements

Financial Year 2019 - 2020

JM FINANCIAL LIMITED

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020

(₹ in Crore)

	Note No.	As at 31.03.2020	As at 31.03.2019
ASSETS			
Financial Assets			
Cash and cash equivalents	4	809.90	751.77
Bank balances other than cash and cash equivalents	5	519.50	530.47
Derivative financial instruments	6	1.26	-
Trade receivables	7	324.25	685.05
Loans	8	11,900.13	14,336.93
Investments	9	4,014.45	2,933.34
Other financial assets	10	2,382.32	2,686.53
Total Financial Assets		**19,951.81**	**21,924.09**
Non-financial Assets			
Current tax assets (Net)	11	295.89	255.63
Property, plant and equipment	12	387.40	359.12
Capital work-in-progress	12	0.69	1.35
Other Intangible assets	12	10.14	11.99
Goodwill on consolidation		52.44	52.44
Other non-financial assets	13	47.15	35.47
Total Non-Financial Assets		**793.71**	**716.00**
Total Assets		**20,745.52**	**22,640.09**
LIABILITIES AND EQUITY			
Liabilities			
Financial Liabilities			
Derivative financial instruments	6	1.22	-
Trade payables	14		
(i) total outstanding dues of micro enterprises and small enterprises		0.98	0.28
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		438.87	416.82
Debt securities	15	8,235.26	9,722.83
Borrowings (other than debt securities)	16	3,520.41	4,268.28
Other financial liabilities	17	271.55	345.80
Total Financial Liabilities		**12,468.29**	**14,754.01**

97

	Note No.	As at 31.03.2020	As at 31.03.2019
Non-Financial Liabilities			
Provisions	18	47.88	42.20
Deferred tax liabilities (net)	19	27.21	43.76
Other non-financial liabilities	20	67.71	33.98
Total Non-Financial Liabilities		**142.80**	**119.94**
Equity			
Equity share capital	21	84.12	83.99
Other equity	22	5,554.65	5,047.70
Equity attributable to owners of the Company		**5,638.77**	**5,131.69**
Non-controlling interests		2,406.89	2,150.40
Non-controlling interests of Security receipts holders under Distressed Credit Business		88.77	484.05
Total Equity		**8,134.43**	**7,766.14**
Total Liabilities and Equity		**20,745.52**	**22,640.09**

The accompanying notes form an integral part of the consolidated financial statements 1 to 51

In terms of our report of even date attached

For and on behalf of
Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

G.K. Subramaniam
Partner
Membership No. 109839

Place: Mumbai
Date: May 06, 2020

For and on behalf of the Board of Directors

Vishal

Nimesh Kampani
Chairman
DIN – 00009071

Vishal Kampani
Managing Director
DIN – 00009079

E A Kshirsagar
Director
DIN - 00121824

Prashant Choksi
Company Secretary

Manish Sheth
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Crore)

	Note No.	For the year ended 31.03.2020	For the year ended 31.03.2019
Income:			
Revenue from Operations			
Interest Income	23	2,281.27	2,364.94
Fees and commission Income	24	646.26	576.83
Brokerage Income	25	202.70	190.21
Net gain on fair value changes	26	175.53	223.25
Net gain on derecognition of financial instruments carried at amortised cost	27	18.02	1.79
Other Operating Income	28	108.25	122.13
		3,432.03	**3,479.15**
Other Income	29	21.52	20.34
Total Revenue		**3,453.55**	**3,499.49**
Expenses:			
Finance costs	30	1,385.86	1,446.21
Impairment on financial instruments	31	233.72	35.12
Employee benefits expense	32	395.41	421.61
Depreciation and amortisation expense	12	41.04	27.11
Other expenses	33	304.00	286.65
Total Expenses		**2,360.03**	**2,216.70**
Profit before tax		**1,093.52**	**1,282.79**
Tax expense:	34		
Current tax		328.52	489.23
Deferred tax		(15.92)	(42.49)
Tax adjustment of earlier years(net)		3.38	(0.43)
Total tax expense		**315.98**	**446.31**
Profit for the year		**777.54**	**836.48**
Add : Share in profit of associate		0.41	0.57
Profit after tax and share in profit of associate		**777.95**	**837.05**
Other Comprehensive Income (OCI)			
(i) Items that will be reclassified to profit or loss			
-Exchange differences on translation of foreign operations		9.87	8.37
(ii) Items that will not be reclassified to profit or loss			
-Remeasurement of defined benefit obligations		(1.60)	(0.79)
-Share in Other Comprehensive Income of Associate		#	#
-Income tax on above		0.41	0.24
Total Other Comprehensive Income (Net of tax)		**8.68**	**7.82**
Total Comprehensive Income		**786.63**	**844.87**

87

	Note No.	For the year ended 31.03.2020	For the year ended 31.03.2019
Net Profit Attributable to:			
Owners of the Company		544.98	572.18
Non-controlling interests		232.97	264.87
Other Comprehensive Income Attributable to:			
Owners of the Company		8.78	7.93
Non-controlling interests		(0.10)	(0.11)
Total Comprehensive Income Attributable to:			
Owners of the Company		553.76	580.11
Non-Controlling Interest		232.87	264.76
Earnings per equity share (EPS)	36		
(face value of ₹ 1/- each)			
(Basic EPS (in ₹)		6.48	6.82
(Diluted EPS (in ₹)		6.45	6.79
The accompanying notes form an integral part of the consolidated financial statements	1 - 51		

# Denotes amount below ₹ 50,000/-

In terms of our report of even date attached

For and on behalf of
Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

G.K. Subramaniam
Partner
Membership No. 109839

Place: Mumbai
Date: May 06, 2020

For and on behalf of the Board of Directors

Nimesh Kampani
Chairman
DIN – 00009071

Vishal Kampani
Managing Director
DIN – 00009079

E A Kshirsagar
Director
DIN - 00121824

Prashant Choksi
Company Secretary

Manish Sheth
Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Crore)

	Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
A	**Cash flow from operating activities**		
	Profit before tax	1,093.52	1,282.79
	Adjustment for:		
	Depreciation and amortisation expense	41.04	27.11
	Amortisation of deferred employee compensation (ESOP)	11.03	17.99
	Impairment on financial instruments	233.72	35.12
	Assets written-off	25.47	1.82
	Loss on sale of fixed assets	0.01	0.20
	Net gain on fair value changes	(175.53)	(223.25)
	Dividend income	(4.41)	(3.67)
	Interest income	(77.87)	(84.68)
	Finance cost on lease obligations	5.88	1.15
	Operating profit before working capital changes	**1,152.86**	**1,054.58**
	Adjustment for:		
	Decrease in trade receivables	351.09	166.68
	(Increase) in derivative financial instruments (net)	(0.23)	-
	Decrease in loans	2,214.75	574.99
	(Increase) in other financial assets	(123.41)	(690.24)
	(Increase) in other non-financial assets	(10.62)	(11.08)
	Increase in trade payables	31.69	71.82
	(Decrease)/Increase in other financial liabilities	(117.65)	132.09
	Increase in provisions	4.08	4.27
	Increase/(decrease) in other non-financial liabilities	33.73	(26.74)
	Cash generated from operations	**3,536.29**	**1,276.37**
	Direct taxes paid (net)	(372.16)	(503.10)
	Net cash generated from operating activities	**3,164.13**	**773.27**
B	**Cash flow from investing activities**		
	Purchase of investments	(1,635.64)	(815.51)
	Proceeds from sale of investments	650.83	249.41
	Purchase of fixed assets	(9.96)	(18.16)
	Proceeds from sale of fixed assets	0.11	0.10
	Decrease in other bank balances	10.97	347.40
	Interest received	77.87	84.68
	Dividend received	4.41	3.67
	Net cash (used in) investing activities	**(901.41)**	**(148.41)**

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	Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
C	**Cash flow from financing activities**		
	Proceeds from issue of shares on exercise of options	0.13	0.20
	Proceeds from issue of securities / security receipts to non-controlling interest shareholders - net of share issue expenses	97.17	650.38
	(Repayment of) Debt Securities (net)	(1,487.57)	(768.24)
	(Repayment of) Borrowings other than Debt Securities (net)	(747.25)	(229.97)
	(Repayment of) lease obligations (including interest)	(21.10)	(2.27)
	Dividend paid on equity shares (including dividend distribution tax)	(45.91)	(172.27)
	Net cash (used in) financing activities	**(2,204.53)**	**(522.17)**
	Net increase in cash and cash equivalents before consolidation effect	**58.19**	**102.69**
	Less: opening cash and cash equivalent of a subsidiary trust on loss of control during the year	(0.06)	-
	Net increase in cash and cash equivalents after consolidation effect	**58.13**	**102.69**
	Cash and cash equivalents at the beginning of the year	**751.77**	**649.08**
	Cash and cash equivalents at the end of the year	**809.90**	**751.77**
	The accompanying notes form an integral part of the consolidated financial statements	1 – 51	

In terms of our report of even date attached

For and on behalf of
Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

G.K. Subramaniam
Partner
Membership No.109839

Place: Mumbai
Date: May 06, 2020

For and on behalf of the Board of Directors

Nimesh Kampani
Chairman
DIN – 00009071

Vishal Kampani
Managing Director
DIN – 00009079

E A Kshirsagar
Director
DIN - 00121824

Prashant Choksi
Company Secretary

Manish Sheth
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

A. Equity share capital

(₹ in Crore)

	Balance as at April 1, 2018	Changes in equity share capital during the year	Balance as at March 31, 2019	Changes in equity share capital during the year	Balance as at March 31, 2020
Equity Share Capital	83.79	0.20	83.99	0.13	84.12

B. Other Equity

(₹ in Crore)

Particulars	1	R&S												OCI		16	17	Total
		2	3	4	5	6	7	8	9	10	11	12	13	14	15			
Balance as at April 01, 2018	#	514.99	-	21.85	(7.85)	1,231.66	27.77	21.14	182.68	-	205.25	#	2,271.69	1.67	#	4,470.85	1,917.76	6,388.61
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	572.18	-	-	572.18	264.87	837.05
OCI	-	-	-	-	-	-	-	-	-	-	-	-	(0.44)	8.37	#	7.93	(0.11)	7.82
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	571.74	8.37	#	580.11	264.76	844.87
Share Issue Expenses	-	-	-	-	-	(0.28)	-	-	-	-	-	-	-	-	-	(0.28)	(0.27)	(0.55)
Employee Stock Options (Net)	(#)	-	-	-	-	11.22	-	6.77	-	-	-	-	-	-	-	17.99	-	17.99
Transfer to Other Reserves	-	126.53	-	-	-	-	-	-		33.76			(160.29)	-	-	-	-	-
On acquisition of equity shares from NCI shareholders in subsidiary companies	-	-	-	-	(8.10)	-	-	-	-	-	-	-	-	-	-	(8.10)	(28.26)	(36.36)
On account of infusion by NCI shareholders in subsidiary companies	-	-	-	-	153.40	-	-	-	-	-	-	-	-	-	-	153.40	497.80	651.20
On gain of control by the subsidiary	-	-	-	-	-	-	-	-	-	-	-	#	-	-	-	#	#	#

Particulars	1	R&S												OCI		16	17	Total
		2	3	4	5	6	7	8	9	10	11	12	13	14	15			
company in its subsidiary trusts																		
On loss of control by the subsidiary company in its subsidiary trusts	-	-	-	-	-	-	-	-	(8.04)	-	-	-	4.27	-	-	**(3.77)**	(2.85)	**(6.62)**
On redemption of security receipts in subsidiary trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4.65)	**(4.65)**
Dividend	-	-	-	-	-	-	-	-	-	-	-	-	(134.25)	-	-	**(134.25)**	(8.16)	**(142.41)**
Dividend Distribution tax	-	-	-	-	-	-	-	-	-	-	-	-	(28.25)	-	-	**(28.25)**	(1.68)	**(29.93)**
Balance at March 31, 2019	**-**	**641.52**	**-**	**21.85**	**137.45**	**1,242.60**	**27.77**	**27.91**	**174.64**	**33.76**	**205.25**	**#**	**2,524.91**	**10.04**	**#**	**5,047.70**	**2,634.45**	**7,682.15**
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	544.98	-	-	**544.98**	232.97	**777.95**
OCI	-	-	-	-	-	-	-	-	-	-	-	-	(1.09)	9.87	#	**8.78**	(0.10)	**8.68**
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	**543.89**	**9.87**	**#**	**553.76**	**232.87**	**786.63**
Employee Stock Options (Net)	#	-	-	-	-	9.96	-	1.07	-	-	-	-	-	-	-	**11.03**	-	**11.03**
Transfer to Other Reserves	-	112.47	1.48	-	-	-	-	-	-	-	-	-	(113.95)	-	-	-	-	-
Transfer from Other Reserve	-	-	-	-	-	-	-	-	-	(33.76)	-	-	33.76	-	-	-	-	-
On acquisition of equity shares from NCI shareholders in subsidiary companies	-	-	-	-	#	-	-	-	-	-	-	-	-	-	-	#	(0.09)	(0.09)
On account of infusion by NCI shareholders in subsidiary companies / trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	97.17	97.17
On loss of control by the subsidiary company in its subsidiary trusts (Refer note 45.2)	-	-	-	-	-	-	-	-	-	-	-	#	-	-	-	#	(480.70)	(480.70)

Particulars	1	R&S												OCI		16	17	Total
		2	3	4	5	6	7	8	9	10	11	12	13	14	15			
On account of forfeiture of partly paid-up equity shares in subsidiary company	-	-	-	-	(12.23)	-	-	-	-	-	-	-	-	-	-	**(12.23)**	12.23	-
Dividend	-	-	-	-	-	-	-	-	-	-	-	-	(42.00)	-	-	**(42.00)**	(0.22)	**(42.22)**
Dividend Distribution tax	-	-	-	-	-	-	-	-	-	-	-	-	(3.61)	-	-	**(3.61)**	(0.05)	**(3.66)**
Balance at March 31, 2020	**#**	**753.99**	**1.48**	**21.85**	**125.22**	**1,252.56**	**27.77**	**28.98**	**174.64**	**-**	**205.25**	**#**	**2,943.00**	**19.91**	**#**	**5,554.65**	**2,495.66**	**8,050.31**

The accompanying notes form an integral part of the consolidated financial statements 1 to 51

R&S – Reserves and Surplus
OCI – Other Comprehensive Income
1 - Share application money pending allotment
2 - Statutory Reserve – I
3 - Statutory Reserve - II
4 - Capital Reserve
5 - Reserve on acquisition / dilution in subsidiary companies
6 - Securities Premium Reserve
7 - Capital Redemption Reserve
8 - Stock Option Outstanding
9 - Capital Reserve on Consolidation
10 - Debenture redemption reserve
11 - General Reserve
12 - Initial Corpus
13 - Retained earnings
14 - Foreign Currency Translation Reserve
15 - Share of OCI of Associate
16 - Other equity attributable to the owners of the Company
17 - Non-Controlling Interest (NCI) Including non-controlling interests of security receipts holders under distressed credit business

# Denotes amount below ₹ 50,000/-

In terms of our report of even date attached
For and on behalf of
Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

G.K. Subramaniam
Partner
Membership No.109839

Place: Mumbai
Date: May 06, 2020

For and on behalf of the Board of Directors

Nimesh Kampani
Chairman
DIN – 00009071

Vishal Kampani
Managing Director
DIN – 00009079

E A Kshirsagar
Director
DIN - 00121824

Prashant Choksi
Company Secretary

Manish Sheth
Chief Financial Officer

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

JM Financial Limited ("the Company") along with its subsidiaries (collectively referred to as "the Group") and an associate is an integrated and diversified financial services group. The Group's primary businesses include (a) Investment banking, wealth management and securities business (IWS) which includes fee and fund based activities for its clients, (b) Mortgage Lending which includes both wholesale mortgage lending and retail mortgage lending (home loans and education institutions lending), (c) Distressed credit which includes the Asset Reconstruction business and (d) Asset Management includes the mutual fund business.

The Company's equity shares are listed on the BSE Limited and National Stock Exchange of India Limited in India.

2. Significant accounting policies

2.1 Basis of preparation and presentation of financial statements

Statement of Compliance:

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

Historical Cost Convention

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

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

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

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

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

Presentation of financial statements

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

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

2.2 Principles of consolidation

The consolidated financial statements incorporate the financial statements of the Group and entities (including structured entities) controlled by the Group and its subsidiaries. Control is achieved when the Group:
- has power over the investee
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:
- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

2.2.1 Subsidiaries

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Statement of Profit and Loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

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

2.2.2 Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in loss of control as transactions with equity owners of the Group. A change in the ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group losses control of a subsidiary, a gain or loss is recognised in the Consolidated Statement of Profit and Loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified /permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or joint venture.

2.3 Investments in Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Investments in associates are accounted for using the equity method of accounting, after initially being recognized at cost.

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognized as a reduction in the carrying amount of the investment.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

2.4 Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange of control of the acquiree. Acquisition related costs are generally recognised in Consolidated Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that

- Deferred tax assets or liabilities related to employee benefits arrangements are recognised and measured in accordance with Ind AS 12 Income taxes and Ind AS 19 Employee benefits respectively.
- Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payment at the acquisition date; and
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognising a gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing arid reviewing (as described above), directly in equity as capital reserve.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value of at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case maybe. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is re-measured at fair value at subsequent reporting dates with the corresponding gain or loss being recognised in Statement of Profit and Loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is re-measured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in Statement of Profit and Loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to Statement of Profit and Loss where such treatment would be appropriate if that interest were disposed of.

Common control transactions
Business combinations involving entities that are controlled by the Group are accounted for using the pooling of interests method as follows:

1) The assets and liabilities of the combining entities are reflected at their carrying amounts.
2) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
3) The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.
4) The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.
5) The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.
6) The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.

2.5 Goodwill

Goodwill arising on an acquisition of a business is carried at cost established at the date of acquisition of the business less accumulated impairment loss if any.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash generating units (CGU) that is expected to benefit from the synergies of the combination.

A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired, if the recoverable amount of the CGU is less than its

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carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the units pro-rata based on the carrying amount of each asset in the unit, any impairment loss or goodwill is not reversed in subsequent period.

On disposal of relevant CGU the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

2.6 Property, plant and equipment and Intangible assets

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

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

Assets	Useful life
Property, Plant & Equipment	
Office Premises	60 years
Leasehold building	60 years or lease period whichever is lower
Leasehold improvements	10 years or lease period whichever is lower
Computers	3 years
Servers and Networks	6 years
Office equipment	5 years
Furniture and fixtures	10 years
Motor Vehicles	5 years
Intangible Assets	
Computer Software	5 years

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

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

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

Intangible assets

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

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

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

Impairment losses on non-financial assets
At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

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

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

2.7 Financial Instruments

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

Initial Measurement of Financial Instruments
Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value through Profit or loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in Statement of Profit and Loss.

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

- if fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in Statement of Profit and Loss on initial recognition (i.e. day 1 profit or loss);

- in all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

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

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

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Classification of Financial Assets

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

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

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

A financial asset is held for trading if:

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

Debt instruments at amortised cost or at FVTOCI

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

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

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

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

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

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

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

Equity Investments at FVTOCI

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

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

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

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

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

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

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

Reclassifications

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

Impairment of financial assets

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

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

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contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

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

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

The Group measures ECL on an individual basis, or on a collective basis for loans that share similar economic risk characteristics. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR.

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

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

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

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

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

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

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

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

Derecognition of financial assets:

A financial asset is derecognised only when:

- The Group has transferred the rights to receive cash flows from the financial asset or

- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

Write-off

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

Financial liabilities and equity instruments

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

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

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

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

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

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

Financial liabilities at FVTPL

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

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

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

Financial liabilities subsequently measured at amortised cost

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

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

Derecognition of financial liabilities

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

2.8 Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with customer and excludes amounts collected on behalf of third parties.

Revenue from Investment Banking business, which mainly includes the lead manager's fees, selling commission, underwriting commission, fees for mergers, acquisitions & advisory assignments and arrangers' fees for mobilising funds is recognised based on the milestone achieved as set forth under the terms of engagement.

Management fee is recognised at specific rates agreed for the relevant schemes applied on the daily net assets of each scheme under the asset management segment.

Brokerage income for executing clients' transactions in the secondary market in 'Cash' and 'Futures and Options' segments are recognised on the trade date.

Fees earned from primary market operations, i.e., procuring subscription from investors for public offerings of companies are recorded on determination of the amount due, once the allotment of securities is completed. Fees earned for mobilising bonds, fixed deposits for companies and funds for mutual funds from investors is recorded on monthly, quarterly or annual basis as set forth in terms of the engagement.

Income from structured products including processing fees, income from depository participant business and income from portfolio management services are recognised when the services are determined to be completed.

Dividend income from investments is recognised when the right to receive the dividend is established.

Interest income on financial instruments at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate (EIR) applicable.

Management fees and incentive income under Distressed Credit business is recognised as per terms of the relevant trust deed/ offer documents.

2.9 Leases

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

As a lessee

Operating Lease
The Group assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves–
a) the use of an identified asset,
b) the right to obtain substantially all the economic benefits from use of the identified asset, and
c)the right to direct the use of the identified asset.

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

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

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

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

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

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

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

Lease liability has been presented in Note 17 "Other Financial Liabilities" and Right to Use asset has been presented in Note 12 "Property, Plant and Equipment" and lease payments have been classified as financing cash flows.

Finance Lease
Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

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

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

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

2.10 Foreign currency transactions

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

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity.

2.11 Borrowing costs

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

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

2.12 Employee benefits

Defined contribution obligation
Retirement benefits in the form of provident fund are a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

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

The Group recognises current service cost, past service cost, if any and interest cost in the statement of Profit and Loss. Remeasurement gains and losses arising from experience adjustment and changes in actuarial assumptions are recognized in the period in which they occur in the OCI.

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

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

2.13 Share-based payment arrangements

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments to employees is recognized as deferred employee compensation and is expensed in Statement of Profit and Loss over the vesting period with a corresponding increase in stock option outstanding in other equity.

At the end of each year, the Group revisits its estimate of the number of equity instruments expected to vest and recognises any impact in profit or loss, such that the cumulative expense reflects the revised estimate, with a corresponding adjustment in other equity.

2.14 Taxation

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

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

Deferred tax
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

2.15 Goods and Services Input Tax Credit

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

2.16 Segment Reporting

The Board of Directors of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, "Operating Segments". Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Group. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Income / costs which relate to the Group as a whole and are not allocable to segments on a reasonable basis have been included under Unallocated Income / Costs.

2.17 Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

i. an entity has a present obligation (legal or constructive) as a result of a past event; and
ii. it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
iii. a reliable estimate can be made of the amount of the obligation.

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

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

Contingent liability is disclosed in case of:

i. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
ii. a present obligation arising from past events, when no reliable estimate is possible.

Contingent Assets:
Contingent assets are not recognised in the financial statements.

2.18 Commitments

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

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

2.19 Statement of Cash Flows

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

i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;
ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and
iii. all other items for which the cash effects are investing or financing cash flows.

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

2.20 Cash and Cash Equivalents

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

For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash at banks and on hand, Cheques on hand and short term deposits.

2.21 Earnings Per Share

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

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

3 Critical accounting judgements and key sources of estimation uncertainties:

The preparation of financial statements in conformity with Ind AS requires the management to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities recognised in the financial statements that are not readily apparent from other sources. The judgements, estimates and associated assumptions are based on historical experience and other factors including estimation of effects of uncertain future events that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimations that have been made by the Management in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Consolidation of Entities where Group holds less than majority of voting rights:
An entity is consolidated as a subsidiary if the Company has control over the said entity based on the management evaluation of investments and related agreements/ deeds and determine that the Group has control over the said entity in terms of Ind AS 110 on Consolidated Financial Statements. Control shall include the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders' agreements or voting agreements or in any other manner.

Fair Valuation:
Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset and liability, the Group uses market observable data to the extent it is available. Where Level 1 inputs are not available, the Group has applied appropriate valuation techniques and inputs to the valuation model and has engaged third party external rating agencies to perform the valuations.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 46.

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Expected Credit Loss:
When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and credit assessment and including forward-looking information.

The inputs used and process followed by the Group in determining the increase in credit risk have been detailed in Note 48.

Taxation:
Tax expense is calculated using applicable tax rate and laws that have been enacted or substantially enacted. In arriving at taxable profits and all tax bases of assets and liabilities the company determines the taxability based on tax enactments, relevant judicial pronouncements and tax expert opinions, and makes appropriate provisions which includes an estimation of the likely outcome of any open tax assessments / litigations. Any difference is recognized on closure of assessment or in the period in which they are agreed.

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

NOTES TO FINANCIAL STATEMENTS

4 CASH AND CASH EQUIVALENTS

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Cash	0.07	0.05
Cheques on hand	1.73	14.58
Balances with banks:		
- In current accounts	511.17	389.56
- In deposit accounts	296.93	347.58
Total	**809.90**	**751.77**

5 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
In deposit accounts		
Under lien against which facilities are availed (refer note 5.1)	407.98	435.77
Under lien against which facilities are not availed (refer note 5.1)	103.06	84.95
Other bank balances (refer note 5.2)	8.46	9.75
Total	**519.50**	**530.47**
Notes:		
5.1 Balances with banks in deposit accounts to the extent held as margin money or security against the borrowings, guarantees and other commitments.	511.04	520.72
5.2 Includes earmarked bank balances	7.95	7.59

6 DERIVATIVE FINANCIAL INSTRUMENTS

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Embedded Derivatives (in Nifty Linked Debentures) (Refer Note 6.1)		
Fair value of asset	1.26	-
Total	**1.26**	**-**
Fair value of liability	1.22	-
Total	**1.22**	**-**

6.1 The Group has entered into derivative contracts (Options) to cover the exposure on issued Nifty linked debentures.

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7 TRADE RECEIVABLES

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Secured, considered good	84.66	375.86
Unsecured, considered good	252.27	314.79
Unsecured, considered doubtful	1.85	6.48
	338.78	697.13
Less: Impairment loss allowance	(14.53)	(12.08)
Total	324.25	685.05

8 LOANS

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
At amortised cost		
Term Loans	11,575.18	13,210.90
Demand Loans	425.14	1,075.60
Inter Corporate Deposits	30.00	-
Accrued Interest	210.10	184.29
	12,240.42	14,470.79
Less: Impairment loss allowance	(340.29)	(133.86)
	11,900.13	14,336.93
Break up of loans into secured and unsecured		
Secured by tangible assets (including real estate mortgages, shares, bonds, mutual funds, etc.)	12,219.92	14,462.62
Unsecured	20.50	8.17
	12,240.42	14,470.79
Less: Impairment loss allowance	(340.29)	(133.86)
Total	11,900.13	14,336.93

Note:

8.1 The loans are given in India to parties other than public sectors.

9 INVESTMENTS

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
(At amortised cost)		
Investment in Associate		
JM Financial Trustee Company Private Limited	0.03	0.03
Add : Share in post-acquisition profit	9.87	9.46
	9.90	9.49
Investments in Debt Instruments	-	201.92
Less: Impairment loss allowance	-	(1.13)
	-	200.79
	9.90	210.28

(At FVTPL)		
Equity Instruments	249.82	225.80
Preference Shares	6.55	7.28
Debt Instruments	18.20	81.35
Fixed Coupon Notes	-	9.76
Security Receipts	1,185.84	1,438.26
Convertible Warrants	-	0.50
Venture Capital Fund (VCF) Units	51.37	90.18
Alternative Investment Funds (AIF) Units	6.04	-
Real Estate Investment Trust (REIT) Units	1.35	-
Mutual Fund Units	2,485.37	869.92
Equity Oriented Mutual Fund Units (Refer Note 9.1)	0.01	0.01
	4,004.55	**2,723.06**
Total	**4,014.45**	**2,933.34**
Break-up of Investments:		
Investments in India	3,983.90	2,857.08
Investments outside India	30.55	77.39
	4,014.45	**2,934.47**
Less: Impairment loss allowance	-	(1.13)
Total	**4,014.45**	**2,933.34**

Note:

9.1 Includes investment in units of equity oriented mutual fund of ₹ 0.01 Crore which represents initial contribution as a 'Sponsor' towards setting up of JM Financial Mutual Fund.

10 OTHER FINANCIAL ASSETS

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
(At FVTPL)		
Financial Assets of Distressed Credit business	1,965.16	2,241.87
Assets held for Arbitrage activities	43.34	262.74
Debt securities held as stock in trade	160.69	49.18
Redemption proceeds receivable from Mutual fund	14.00	29.94
	2,183.19	**2,583.73**
(At Amortised Cost)		
Advances recoverable in cash	60.41	55.42
Other deposits	113.27	29.66
Security deposits	17.78	11.86
Accrued Interest on fixed deposits	7.31	5.36
Employees advances	0.36	0.32
Other receivables	-	0.18
	199.13	**102.80**
Total	**2,382.32**	**2,686.53**

11 CURRENT TAX ASSETS (NET)

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Advance tax (net of provisions)	295.89	255.63
Total	**295.89**	**255.63**

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12 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

(₹ in Crore)

Description	Gross carrying amount					Accumulated Depreciation / Amortisation					Net carrying amount
	As at 01.04.2019	Additions for the year	Deductions for the year	Currency Fluctuation	As at 31.03.2020	As at 01.04.2019	Additions for the year	Deductions for the year	Currency Fluctuation	As at 31.03.2020	As at 31.03.2020
A) PROPERTY, PLANT AND EQUIPMENT											
Owned assets:											
Land	0.44	-	-	-	0.44	-	-	-	-	-	0.44
Leasehold Building	54.90	-	-	-	54.90	2.08	1.04	-	-	3.12	51.78
Office premises	261.74	-	-	-	261.74	9.32	4.67	-	-	13.99	247.75
Leasehold improvements	16.30	1.01	1.61	-	15.70	7.27	2.53	1.54	-	8.26	7.44
Computers	19.89	4.72	0.08	0.01	24.54	8.09	5.46	0.08	0.01	13.48	11.06
Office equipment	6.93	0.64	0.28	-	7.29	3.61	1.33	0.26	-	4.68	2.61
Furniture and fixtures	31.02	0.60	0.95	0.01	30.68	8.22	4.29	0.92	#	11.59	19.09
Motor Vehicles	4.26	-	-	-	4.26	1.59	0.88	-	-	2.47	1.79
Leased assets :											
Office Premises (Right to use asset)	-	58.05	1.18	-	56.87	-	14.64	0.15	0.02	14.51	42.36
Motor Vehicles (Refer Note 12.1)	5.27	1.24	0.92	-	5.59	1.45	1.72	0.66	-	2.51	3.08
TOTAL – A	**400.75**	**66.26**	**5.02**	**0.02**	**462.01**	**41.63**	**36.56**	**3.61**	**0.03**	**74.61**	**387.40**
B) INTANGIBLE ASSETS											
Software	19.58	2.63	-	-	22.21	7.59	4.48	-	-	12.07	10.14
TOTAL – B	**19.58**	**2.63**	**-**	**-**	**22.21**	**7.59**	**4.48**	**-**	**-**	**12.07**	**10.14**
C. CAPITAL WORK-IN-PROGRESS											0.69
TOTAL (A + B + C)	**420.33**	**68.89**	**5.02**	**0.02**	**484.22**	**49.22**	**41.04**	**3.61**	**0.03**	**86.68**	**398.23**

# Denotes amount below ₹ 50,000/-

Description	Gross carrying amount					Accumulated Depreciation / Amortisation					Net carrying amount
	As at 01.04.2018	Additions for the year	Deductions for the year	Currency Fluctuation	As at 31.03.2019	As at 01.04.2018	Additions for the year	Deductions for the year	Currency Fluctuation	As at 31.03.2019	As at 31.03.2019
A) PROPERTY, PLANT AND EQUIPMENT											
Owned assets:											
Land	0.36	0.08	-	-	0.44	-	-	-	-	-	0.44
Leasehold Building	54.90	-	-	-	54.90	1.04	1.04	-	-	2.08	52.82
Office premises	261.74	-	-	-	261.74	4.66	4.66			9.32	252.42
Leasehold improvements	11.96	5.12	0.78	-	16.30	4.38	3.42	0.53	-	7.27	9.03
Computers	14.62	6.26	0.99	#	19.89	4.17	4.90	0.98	#	8.09	11.80
Office equipment	6.23	1.28	0.58	#	6.93	2.17	1.99	0.55	#	3.61	3.32
Furniture and fixtures	29.19	2.38	0.55	#	31.02	4.36	4.40	0.54	#	8.22	22.80
Motor Vehicles	4.26	-	-	-	4.26	0.47	1.12	-	-	1.59	2.67
Leased assets :											
Motor Vehicles (Refer Note 12.1)	3.85	2.86	1.44	-	5.27	1.60	1.29	1.44	-	1.45	3.82
TOTAL – A	**387.11**	**17.98**	**4.34**	**#**	**400.75**	**22.84**	**22.82**	**4.04**	**#**	**41.63**	**359.12**
B) INTANGIBLE ASSETS											
Software	13.83	5.91	0.16	-	19.58	3.46	4.29	0.16	-	7.59	11.99
TOTAL – B	**13.83**	**5.91**	**0.16**	**#**	**19.58**	**3.46**	**4.29**	**0.16**	**-**	**7.59**	**11.99**
C. CAPITAL WORK-IN-PROGRESS	-	-	-	-	-	-	-	-	-	-	1.35
TOTAL (A + B + C)	**400.94**	**23.89**	**4.50**	**#**	**420.33**	**26.30**	**27.11**	**4.20**	**#**	**49.22**	**372.46**

# Denotes amount below ₹ 50,000/-

Note: 12.1 Vendor has lien over the assets taken on lease

13 OTHER NON FINANCIAL ASSETS

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Capital advances	2.26	1.20
Commodities held as Stock-in-trade	14.99	-
Prepaid expenses	7.56	13.06
Balances with government authorities	21.30	16.21
Advances receivable in kind	0.95	4.98
Others	0.09	0.02
Total	**47.15**	**35.47**

14 TRADE PAYABLES

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Total outstanding dues of micro and small enterprises (Refer note 14.1)	0.98	0.28
Total outstanding dues of creditors other than micro and small enterprises	502.08	480.03
Less: Receivable from National Spot Exchange Limited (NSEL) on account of clients [Refer note 14.2]	(63.21)	(63.21)
	438.87	416.82
Total	**439.85**	**417.10**

Note:

14.1 Total outstanding dues of micro and small enterprises:

The amounts due to Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Group. Disclosures pertaining to Micro and Small Enterprises are as under:

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	0.98	0.28
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
Total	**0.98**	**0.28**

14.2 This amount is payable to the clients only if and to the extent the same is received from NSEL.

15 DEBT SECURITIES

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
(At amortised cost)		
Secured		
Non-convertible debentures (Refer Notes 15.1 & 15.3)	6,908.59	6,101.00
	6,908.59	6,101.00
Unsecured		
Non-convertible debentures (Refer Notes 15.1 & 15.3)	-	55.00
Commercial papers (Refer Note 15.4)	726.70	3,221.70
Less: Unamortised discount on commercial papers	(14.18)	(110.37)
	712.52	3,166.33
Interest Accrued	614.15	455.50
Total	8,235.26	9,722.83
Debt securities in India	8,235.26	9,722.83
Debt securities outside India	-	-
Total	8,235.26	9,722.83

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

(₹ in Crore)

Particulars	As at 31.03.2020	As at 31.03.2019
Secured:		
Public issue - Face value of ₹ 1,000 each		
9.99% NCD redeemable in year 2030-31	2.37	-
10.00% NCD redeemable in year 2030-31	4.96	-
9.75% Tranche I -Option V redeemable in year 2028-29	214.82	214.82
9.34% Tranche I -Option VI redeemable in year 2028-29	11.94	11.94
10.25% Tranche II -Option V redeemable in year 2028-29	25.04	25.04
9.81% Tranche II -Option VI redeemable in year 2028-29	16.15	16.15
10.40% NCD redeemable in year 2026-27	8.29	-
9.90% NCD redeemable in year 2025-26	27.17	-
9.85% NCD redeemable in year 2024-25	15.38	-
10.04% NCD redeemable in year 2024-25	66.78	-
10.30% NCD redeemable in year 2024-25	29.50	-
10.50% NCD redeemable in year 2024-25	99.23	-
9.50% Tranche I -Option III redeemable in year 2023-24	365.30	365.30
9.11% Tranche I -Option IV redeemable in year 2023-24	17.03	17.03
9.70% NCD redeemable in year 2023-24	15.96	-
9.73% NCD redeemable in year 2023-24	12.52	-
10.10% Tranche II -Option III redeemable in year 2023-24	49.09	49.09
9.67% Tranche II -Option IV redeemable in year 2023-24	42.87	42.87
10.20% NCD redeemable in year 2022-23	215.46	-
10.00% Tranche II -Option I redeemable in year 2022-23	98.72	98.72
0 % Tranche II -Option II redeemable in year 2022-23*	31.73	31.73
9.25 % Tranche I -Option I redeemable in year 2021-22	116.52	116.52
0 % Tranche I -Option II redeemable in year 2021-22*	24.39	24.39
9.50% NCD redeemable in year 2021-22	61.82	-
9.90% NCD redeemable in year 2021-22	53.40	-
	1,626.44	**1,013.60**
Private Placement - Face value of ₹ 10,00,000 each		
9.75 % NCD redeemable in year 2029-30	100.00	-
9.75 % NCD redeemable in year 2028-29	100.00	-
9.50 % NCD redeemable in the year 2028-29	25.00	25.00
9.75 % NCD redeemable in year 2027-28	100.00	-
9.75 % NCD redeemable in year 2026-27	100.00	-
10.85 % NCD redeemable in year 2024-25	600.00	-
10.10% NCD redeemable in the year 2024-25	6.30	6.30
10.00% NCD redeemable in year 2022-23	50.00	-
10.48% Tranche XXIII redeemable in the year 2022-23*	50.00	50.00
0% NCD redeemable in year 2022-23*	110.00	110.00
9.20% NCD redeemable in year 2022-23	150.00	150.00
11.50% NCD redeemable in the year 2022-23	150.00	150.00
12.50% Tranche XXIX-Option C redeemable in the year 2022-23	150.00	-
9.25 % NCD redeemable in the year 2022-23	5.10	-
11.50% NCD redeemable in the year 2021-22	150.00	150.00
9.35% Tranche XIV Option B redeemable in the year 2021-22*	14.00	14.00
9.50% Tranche XVI redeemable in the year 2021-22*	21.00	21.00
9.75% Tranche XVII redeemable in the year 2021-22*	5.00	5.00
9.80% NCD redeemable in the year 2021-22*	47.00	47.00
10.25% NCD redeemable in the year 2021-22*	356.00	394.50

Particulars	As at 31.03.2020	As at 31.03.2019
10.20% Tranche XX Option B redeemable in the year 2021-22*	10.00	10.00
10.38% NCD redeemable in the year 2021-22*	30.00	30.00
12.40% Tranche XXIX-Option A redeemable in the year 2021-22	100.00	-
12.40% Tranche XXIX-Option B redeemable in the year 2021-22	250.00	-
10% Tranche XXX redeemable in the year 2021-22**	100.00	-
10.50 % NCD redeemable in year 2021-22	20.00	-
0 % NCD redeemable in year 2021-22*	30.00	-
0 % NCD redeemable in year 2021-22*	683.90	633.90
9.00 % NCD redeemable in year 2021-22	10.00	10.00
9.50 % NCD redeemable in year 2021-22	25.00	25.00
9.70 % NCD redeemable in year 2021-22	30.00	30.00
9.34% NCD redeemable in year 2021-22	109.80	109.80
10% NCD redeemable in the year 2021-22	25.00	25.00
Nifty Linked Debentures redeemable in the year 2020-21 (Refer note 6.1)	31.07	-
8.81% NCD redeemable in year 2020-21	260.00	260.00
8.80% NCD redeemable in year 2020-21	120.00	120.00
8.90% NCD redeemable in year 2020-21	150.00	150.00
10.29 % NCD redeemable in year 2020-21	50.00	-
10% Tranche XXVII redeemable in the year 2020-21**	50.00	-
10% Tranche XXVIII redeemable in the year 2020-21**	50.00	-
9.15 % NCD redeemable in year 2020-21*	14.70	14.70
9.15 % NCD redeemable in year 2020-21	67.90	67.90
9.3606 % NCD redeemable in year 2020-21	42.80	42.80
9.05 % NCD redeemable in year 2020-21	205.00	205.00
0% NCD redeemable in year 2020-21 *	224.60	249.60
NCD redeemable in year 2020-21**	88.40	108.40
9.50% Tranche V NCD redeemable in the year 2020-21*	139.00	150.00
9.31 % Tranche VII Option A NCD redeemable in year 2020-21	-	50.00
9.30% Tranche IX NCD redeemable in year 2020-21*	28.50	28.50
8.75% Tranche XV redeemable in the year 2020-21**	1.20	25.00
9.25% Tranche XIV Option A redeemable in the year 2020-21*	26.70	26.70
9.50% Tranche XXI Option A redeemable in the year 2020-21**	24.70	25.00
11.00% Tranche XXV redeemable in the year 2020-21**	25.00	25.00
9.20 % NCD redeemable in year 2019-20	-	70.00
9.3133 % NCD redeemable in year 2019-20	-	50.00
8.75 % NCD redeemable in year 2019-20	-	125.00
9.3037 % NCD redeemable in year 2019-20	-	125.00
10.5 % NCD redeemable in year 2019-20	-	50.00
9.7 % NCD redeemable in year 2019-20	-	100.00
9.25 % NCD redeemable in year 2019-20	-	50.00
9.69 % NCD redeemable in year 2019-20	-	100.00
9.7665 % NCD redeemable in year 2019-20	-	10.00
9.78 % NCD redeemable in year 2019-20	-	7.50
9.42% NCD redeemable in year 2019-20	-	75.00
0% NCD redeemable in year 2019-20*	-	407.80
NCD redeemable in year 2019-20**	-	114.70
9.10% Tranche XIII NCD redeemable in year 2019-20	-	75.00
9.25 %Tranche VII Option B NCD redeemable in year 2019-20	-	50.00
8.60% Tranche X NCD redeemable in year 2019-20**	-	35.00
8.75 %Tranche VIII NCD redeemable in year 2019-20**	-	15.00
	5,312.67	**5,005.10**

Particulars	As at 31.03.2020	As at 31.03.2019
Private Placement - Face value of ₹ 2,00,000 each		
NCD redeemable in year 2021-22**	50.00	120.00
	50.00	**120.00**
Unsecured:		
Private Placement - Face value of ₹ 10,00,000 each		
9.55% NCD redeemable in year 2019-20	-	55.00
	-	**55.00**
Total	**6,989.11**	**6,193.70**

* Redeemable at premium
** Market linked debentures (MLD)

15.2 Maturity profile above is disclosed at face value which excludes premium and impact of effective interest rate adjustment.

15.3 Secured Non-convertible debentures are secured by way of first charge on freehold land, hypothecation on certain identified loan fund balances and pledge of certain security receipts of the relevant subsidiary companies.

15.4 Commercial papers raised during the year have interest ranging from 7.00% to 13.00% (for FY 2018-19 - 7.00% to 11.00% p.a) and are repayable within a period upto 365 days from the date of disbursement.

16 BORROWINGS (OTHER THAN DEBT SECURITIES)

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
At amortised cost		
Secured		
Term loans		
(i) from banks (Refer notes 16.1 & 16.6)	2,699.49	3,461.03
(ii) from others (Refer notes 16.1 & 16.7)	356.87	225.00
Cash credit facilities (Refer note 16.2)	236.66	274.49
Overdraft accounts (Refer note 16.3)	9.60	2.84
Finance lease obligation (Refer note 16.4)	3.56	4.17
Total	**3,306.18**	**3,967.53**
Unsecured		
Borrowings under Securities lending and borrowings (SLB)	48.67	265.06
Inter corporate deposits	150.00	25.00
Total	**198.67**	**290.06**
Interest Accrued	15.56	10.69
Total	**3,520.41**	**4,268.28**
Borrowings in India	3,520.41	4,268.28
Borrowings outside India	-	-
Total	**3,520.41**	**4,268.28**

16.1 Term Loans from banks and others are secured by way of:
- floating first pari passu charge by way of hypothecation on certain identified loan fund balances,
- pledge of certain identified security receipts,
- first ranking exclusive charge on mortgage of property, movable fixed and current assets, of the relevant subsidiary companies
- mortgage of property and hypothecation of rent receivable, of the relevant subsidiary companies.

16.2 Secured by way of hypothecation on certain identified loan fund balances and pledge of certain identified security receipts of the relevant subsidiary companies.

16.3 Secured by way of first ranking pari passu charge over the receivables and collaterals/fixed deposits with banks, of the relevant subsidiary companies.

16.4 Secured by way of hypothecation of vehicles.

16.5 Term loan includes impact of Effective interest rate (EIR) adjustment.

16.6 Maturity profile and rate of interest of term loans from banks:

(₹ in Crore)

Residual Maturities	As at 31.03.2020		
	Up to one year (April 2020 to March 2021)	1-3 years (April 2021 to March 2023)	3 years & above (April 2023 onwards)
8.00 % to 9.00%	70.52	17.42	119.23
9.01 % to 10.00%	1,066.18	761.57	192.21
10.01% to 11.00%	341.92	110.00	30.00
Total	**1,478.62**	**888.99**	**341.44**

(₹ in Crore)

Residual Maturities	As at 31.03.2019		
	Up to one year (April 2019 to March 2020)	1-3 years (April 2020 to March 2022)	3 years & above (April 2022 onwards)
8.00 % to 9.00%	334.44	380.26	-
9.01 % to 10.00%	1,023.02	1,284.47	244.07
10.01% to 11.00%	40.00	160.00	-
Total	**1,397.46**	**1,824.73**	**244.07**

16.7 Maturity profile and rate of interest of Term loans from others:

(₹ in Crore)

Residual Maturities	As at 31.03.2020		
	Up to one year (April 2020 to March 2021)	1-3 years (April 2021 to March 2023)	3 years & above (April 2023 onwards)
8.00 % to 9.00%	25.00	-	-
9.01 % to 10.00%	100.99	10.55	96.19
10.01% to 11.00%	33.00	17.00	-
12.01% to 13.00%	-	75.00	-
Total	**158.99**	**102.55**	**96.19**

(₹ in Crore)

Residual Maturities	As at 31.03.2019		
	Up to one year (April 2019 to March 2020)	1-3 years (April 2020 to March 2022)	3 years & above (April 2022 onwards)
8.00 % to 9.00%	25.00	25.00	-
9.01 % to 10.00%	25.00	100.00	-
10.01% to 11.00%	-	50.00	-
Total	**50.00**	**175.00**	**-**

16.8 Maturity profiles above are disclosed at face value which excludes impact of EIR adjustment.

17 OTHER FINANCIAL LIABILITIES

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Employee benefit payable	116.00	153.89
Lease Obligations	43.43	-
Payables under repurchase obligation	-	143.05
Margin from clients / franchisees	72.73	18.21
Amount collected on behalf of trusts under Distressed Credit Business	17.49	13.77
Property deposit	2.83	2.52
Unclaimed dividend	2.41	2.45
Overdrawn bank balance	0.06	0.75
Other liabilities	16.60	11.16
Total	**271.55**	**345.80**

18 PROVISIONS

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
For employee benefits:		
Gratuity	30.15	25.48
Compensated absences	12.75	11.74
Others		
Clawback obligation	4.98	4.98
Total	**47.88**	**42.20**

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19 DEFERRED TAX LIABILITIES (NET)

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Fiscal allowance on property, plant and equipment (PPE)	4.99	5.80
Disallowances under section 43B of the Income Tax Act, 1961	(16.62)	(21.49)
Net fair value gain measured at FVTPL	16.00	33.94
Measurement of Financial Instruments at amortised cost	(10.70)	(28.87)
MAT credit entitlement	-	(1.92)
Impairment loss allowance on financial assets	(83.13)	(58.37)
Investments	112.92	115.43
Share Issue Expenses (Section 35D of the Income Tax Act, 1961)	1.03	(0.67)
Amalgamation Expenses (Section 35DD of the Income Tax Act, 1961)	(0.05)	(0.09)
Donations u/s 80G	2.77	-
Total	**27.21**	**43.76**

19.1 Table showing deferred tax recorded in the balance sheet and changes recorded in the tax expense:

For the year ended March 31, 2020

(₹ in Crore)

Deferred tax (asset) / liability	Opening balance	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Recognised in Other Equity	Closing Balance
Fiscal allowance on PPE	5.80	(0.81)	-	-	**4.99**
Disallowances under section 43B of the Income Tax Act, 1961	(21.49)	5.28	(0.41)	-	**(16.62)**
Net fair value gain / (loss) measured at FVTPL	33.94	(17.72)	-	(0.22)	**16.00**
Measurement of Financial Instruments at amortised cost	(28.87)	18.17	-	-	**(10.70)**
MAT credit entitlement	(1.92)	1.92	-	-	**-**
Impairment loss allowance on financial assets	(58.37)	(24.76)	-	-	**(83.13)**
Investments	115.43	(2.51)	-	-	**112.92**
Share Issue Expenses (Section 35D of the Income Tax Act, 1961)	(0.67)	1.70	-	-	**1.03**
Amalgamation Expenses (Section 35DD of the Income Tax Act, 1961)	(0.09)	0.04	-	-	**(0.05)**
Donations u/s 80G	-	2.77	-	-	**2.77**
Total	**43.76**	**(15.92)**	**(0.41)**	**(0.22)**	**27.21**

For the year ended March 31, 2019 (₹ in Crore)

Deferred tax (asset) / liability	Opening balance	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Recognised in Other Equity	Closing balance
Fiscal allowance on PPE	4.56	1.24	-	-	5.80
Disallowances under section 43B of the Income Tax Act, 1961	(17.73)	(3.52)	(0.24)	-	(21.49)
Net fair value gain / (loss) measured at FVTPL	81.28	(39.65)	-	(7.69)	33.94
Measurement of Financial Instruments at amortised cost	(28.48)	(0.39)	-	-	(28.87)
MAT credit entitlement	(1.63)	(0.29)	-	-	(1.92)
Impairment loss allowance on financial assets	(55.91)	(2.46)	-	-	(58.37)
Investments	115.43	-	-	-	115.43
Share Issue Expenses (Section 35D of the Income Tax Act, 1961)	(2.92)	2.55	-	(0.30)	(0.67)
Amalgamation Expenses (Section 35DD of the Income Tax Act, 1961)	(0.12)	0.03	-	-	(0.09)
Total	**94.48**	**(42.49)**	**(0.24)**	**(7.99)**	**43.76**

19.2 Tax Losses for which no deferred tax asset has been recognised : (₹ in Crore)

Particulars	Year ended March 31, 2020	Expiry date	Year ended March 31, 2019	Expiry date
Brought forward losses (allowed to be carried forward for specified period)	26.58	March 31, 2022	32.92	March 31, 2022
Brought forward losses (allowed to be carried forward for specified period)	3.85	March 31, 2026	4.94	March 31, 2026
Brought forward losses (allowed to be carried forward for specified period)	-	-	3.25	March 31, 2027
Unabsorbed Depreciation (allowed to be carried forward for infinite period)	-	-	1.20	-
Total	**30.43**		**42.31**	

20 OTHER NON-FINANCIAL LIABILITIES

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Statutory dues	38.47	26.22
Money received in advance	24.27	-
Income received in advance	4.00	4.16
Other liabilities	0.97	3.60
Total	**67.71**	**33.98**

21 EQUITY SHARE CAPITAL

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Authorised		
152,02,00,000 (as at 31.03.2019 - 152,02,00,000) equity shares of ₹ 1/ each	152.02	152.02
4,38,00,000 (as at 31.03.2019 - 4,38,00,000) preference shares of ₹ 10/- each	43.80	43.80
	195.82	**195.82**
Issued, Subscribed and Paid-up		
84,12,24,647 (as at 31.03.2019 - 83,99,31,463) equity shares of ₹ 1/- each fully paid-up	84.12	83.99
Total	**84.12**	**83.99**

21.1 Reconciliation of the number of equity shares outstanding:

(₹ in Crore)

	As at 31.03.2020		As at 31.03.2019	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	83,99,31,463	83.99	83,78,80,258	83.79
Shares allotted upon exercise of stock option	12,93,184	0.13	2,051,205	0.20
Shares outstanding at the end of the year	**84,12,24,647**	**84.12**	**83,99,31,463**	**83.99**

21.2 Terms and rights attached to equity shares:

The Company has only one class of equity shares. The shareholders are entitled to one vote per share, dividend, as and when declared by the Board of directors and shareholders and residual assets, if any, after payment of all liabilities, in the event of liquidation of the Company.

21.3 Details of shareholders holding more than 5 percent shares:

Name of Shareholders	As at March 31, 2020		As at March 31, 2019	
	No. of Shares held	% of total holding	No. of Shares held	% of total holding
J. M. Financial & Investment Consultancy Services Private Limited	21,65,34,100	25.74%	20,34,06,600	24.22%
Nimesh Kampani*	12,57,50,000	14.95%	13,53,57,500	16.12%
J. M. Assets Management Private Limited	10,30,42,908	12.25%	10,30,42,908	12.27%

* includes 12,50,000 equity shares held by Nimesh Kampani HUF.

22 OTHER EQUITY

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Share Application Money Pending Allotment	#	-
Statutory Reserve - I (under section 45-IC of the RBI Act, 1934)	753.99	641.52
Statutory Reserve – II (under section 29C of the NHB Act, 1987)	1.48	-
Capital Reserve	21.85	21.85
Reserve on acquisition / dilution in subsidiary companies	125.22	137.45
Securities Premium Reserve	1,252.56	1,242.60
Capital Redemption Reserve	27.77	27.77
Stock Option Outstanding	33.78	38.87
Less: Deferred Employee Compensation Expense	(4.80)	(10.96)
Stock Option Outstanding	**28.98**	**27.91**
Capital Reserve on Consolidation	174.64	174.64
Debenture Redemption Reserve	-	33.76
General Reserve	205.25	205.25
Initial Corpus	#	#
Retained Earnings	2,943.00	2,524.91
Foreign Currency Translation Reserve	19.91	10.04
Share in OCI of associate	#	#
Total	**5,554.65**	**5,047.70**

# Denotes amount below ₹ 50,000/-

Movement in Other Equity

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Share Application Money Pending Allotment		
Opening balance	-	#
Add: stock options exercised but pending allotment	#	-
Less: shares allotted during the year	-	#
Closing balance	#	-
Statutory Reserve – I (under section 45-IC of the RBI Act, 1934)		
Opening balance	641.52	514.99
Add: Transferred from retained earnings	112.47	126.53
Closing balance	753.99	641.52
Statutory Reserve – II (under section 29C of the NHB Act, 1987)		
Opening balance	-	-
Add: Transferred from retained earnings	1.48	-
Closing balance	1.48	-
Capital Reserve	21.85	21.85
Reserve on acquisition / dilution in subsidiary companies		
Opening balance	137.45	(7.85)
Less: On acquisition of equity shares from Non-controlling interest shareholders in subsidiary companies	#	(8.10)
Add: On account of infusion by Non-controlling interest shareholders in subsidiary companies	-	153.40
Less: On account of forfeiture of partly paid-up equity shares in subsidiary company	(12.23)	-
Closing balance	125.22	137.45
Securities Premium Reserve		
Opening balance	1,242.60	1,231.66
Add: On shares allotted upon exercise of stock options by the employees	9.96	11.22
Less: Share issue expenses (net of deferred tax)	-	(0.28)
Closing balance	1,252.56	1,242.60
Capital Redemption Reserve	27.77	27.77

Stock Option Outstanding		
Opening balance	38.87	31.23
Add: Additions on account of fresh grants during the year	5.66	24.00
Less: Transferred to securities premium upon exercise of stock options	(9.96)	(11.22)
Less: Reduction on account of options lapsed during the year	(0.79)	(5.14)
	33.78	**38.87**
Less : Deferred employee compensation	(4.80)	(10.96)
Closing balance	**28.98**	**27.91**
Capital Reserve on Consolidation		
Opening balance	174.64	182.68
Less: On loss of control by the subsidiary company in its subsidiary trusts	-	(3.77)
Less: On loss of control by the subsidiary company in its subsidiary trusts transferred to retained earnings	-	(4.27)
Closing balance	**174.64**	**174.64**
Debenture Redemption Reserve		
Opening balance	33.76	-
Add: Transferred from retained earnings	-	33.76
Less: Transferred to retained earnings	(33.76)	-
Closing balance	-	**33.76**
General Reserve	**205.25**	**205.25**
Initial Corpus		
Opening balance	#	#
Add: On gain of control by the subsidiary company in its subsidiary trusts	-	#
Less: On loss of control by the subsidiary company in its subsidiary trusts	#	#
Closing balance	#	#
Retained Earnings		
Opening balance	2,524.91	2,271.69
Add: Profit for the year	544.98	572.18
Add/(Less): Other Comprehensive Income	(1.09)	(0.44)
Add: Transfer from Debenture Redemption reserve	33.76	-
Add: On loss of control by the subsidiary company in its subsidiary trusts transferred from Capital reserve on consolidation	-	4.27
Amount available for appropriations	**3,102.56**	**2,847.70**
Less: Appropriations		
Interim Dividend	-	41.99
Final dividend	42.00	92.26

Dividend distribution tax		
Of the Company	1.37	5.56
Of the Subsidiaries	2.24	22.69
Transferred to Statutory Reserve – I	112.47	126.53
Transferred to Statutory Reserve - II	1.48	-
Transferred to Debenture Redemption Reserve	-	33.76
Closing balance	**2,943.00**	**2,524.91**
Foreign Currency Translation Reserve		
Opening balance	10.04	1.67
Add: During the year	9.87	8.37
Closing balance	**19.91**	**10.04**
Share of OCI of Associate		
Opening balance	#	#
Add: During the year	#	#
Closing balance	#	#
Total	**5,554.65**	**5,047.70**

# Denotes amount below ₹ 50,000/-

Share application money pending allotment:
Share application money pending allotment represents equity shares to be issued pursuant to Employee Stock Option Scheme.

Statutory reserve - I:
Statutory Reserve is the reserve created by transferring a sum not less than twenty percent of its net profit every year in terms of Section 45-IC of the Reserve Bank of India Act, 1934.

Statutory reserve - II:
As per Section 29C of The National Housing Bank Act, 1987 (the "NHB Act"), at least twenty percent of its net profits every year is required to transfer to a reserve before any dividend is declared. For this purpose any Special Reserve created under Section 36(1)(viii) of the Income-tax Act, 1961, is considered to be an eligible transfer.

Capital reserve & Capital redemption reserve:
Capital reserve and capital redemption reserve represents reserves created pursuant to the business combination and buy-back of shares in subsidiary companies up to the year end.

Reserve on acquisition / dilution in subsidiary companies:
Reserve on acquisition / dilution in subsidiary companies represents reserves created pursuant to the acquisition, infusion or dilution of stake in subsidiary companies not resulting in change of control in those subsidiary companies.

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

Stock option outstanding:
Stock option outstanding relates to the stock options granted by the Company to employees under an Employee Stock options Plan (Refer Note 42)

Capital reserve on consolidation:
Capital reserve on consolidation represents reserves created pursuant to the acquisition of stake in subsidiaries resulting in gain of control in those subsidiaries.

Debenture redemption reserve:
The Companies Act 2013 requires companies that issue debentures to create a debenture redemption reserve from annual profits until such debentures are redeemed. It is required to transfer a specified percentage (as provided in the Companies Act, 2013) of the outstanding redeemable debentures to debenture redemption reserve. However, as per the amendment in the Companies Act, 2013, debenture redemption reserve is not required for debentures issued by Non-Banking Finance Companies regulated by Reserve Bank of India for both public as well as privately placed debentures.

General reserve:
General reserve is created from time to time by transferring profits from retained earnings and can be utilized for purposes such as dividend payout, bonus issue, etc.

Initial corpus:
Initial corpus is corpus contributed by Parent for setting up of a Trust under SARFAESI Act for acquisition of account under distressed credit business.

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

Foreign currency translation reserve:
Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognized directly in the other comprehensive income and accumulated in foreign currency translation reserve.

23 INTEREST INCOME

(₹ in Crore)

	For the year ended 31.03.2020	For the year ended 31.03.2019
(At Amortised Cost)		
Interest on Loans	2,192.96	2,284.79
Interest on Investments	19.99	33.00
(At Fair value through Profit or Loss)		
Interest on Financial assets	68.32	47.15
Total	**2,281.27**	**2,364.94**

24 FEES AND COMMISSION INCOME

(₹ in Crore)

	For the year ended 31.03.2020	For the year ended 31.03.2019
Fees and Commission Income	646.26	576.83
Total	**646.26**	**576.83**

25 BROKERAGE INCOME

(₹ in Crore)

	For the year ended 31.03.2020	For the year ended 31.03.2019
Brokerage Income	202.70	190.21
Total	**202.70**	**190.21**

26 NET GAIN ON FAIR VALUE CHANGES

	For the year ended 31.03.2020	For the year ended 31.03.2019
Net gain on financial instruments measured at fair value through profit or loss	175.53	223.25
Total	**175.53**	**223.25**
-Realised	234.97	292.81
-Unrealised	(59.44)	(69.56)
Total	**175.53**	**223.25**

27 NET GAIN ON DERECOGNITION OF FINANCIAL INSTRUMENTS CARRIED AT AMORTISED COST

(₹ in Crore)

	For the year ended 31.03.2020	For the year ended 31.03.2019
Profit on sale of financial instruments carried at amortised cost (Realised)	18.02	1.79
Total	**18.02**	**1.79**

28 OTHER OPERATING INCOME

(₹ in Crore)

	For the year ended 31.03.2020	For the year ended 31.03.2019
Interest income	63.99	70.06
Income from Arbitrage activities	22.53	31.88
Rental Income	17.32	16.52
Dividend Income	4.41	3.67
Total	**108.25**	**122.13**

29 OTHER INCOME

(₹ in Crore)

	For the year ended 31.03.2020	For the year ended 31.03.2019
Interest Income	13.88	14.62
Miscellaneous income	7.64	5.72
Total	**21.52**	**20.34**

30 FINANCE COSTS

(₹ in Crore)

	For the year ended 31.03.2020	For the year ended 31.03.2019
(At Amortised Cost)		
Debt Securities	995.76	1,037.12
Borrowings (Other than Debt Securities)	365.49	379.60
Finance cost on lease obligations	5.88	1.15
Other Interest expense	18.73	28.34
Total	**1,385.86**	**1,446.21**

31 IMPAIRMENT ON FINANCIAL INSTRUMENTS

(₹ in Crore)

	For the year ended 31.03.2020	For the year ended 31.03.2019
(At Amortised Cost)		
On Loans	221.59	17.20
On Investments	(1.13)	1.13
On Trade receivables	9.71	2.95
On other Financial assets	3.55	13.84
Total	**233.72**	**35.12**

32 EMPLOYEE BENEFITS EXPENSE

(₹ in Crore)

	For the year ended 31.03.2020	For the year ended 31.03.2019
Salaries, bonus, other allowances and benefits (Refer Note 42)	372.00	398.56
Contribution to provident and other funds	15.72	15.00
Gratuity (Refer Note 38)	5.15	4.97
Staff welfare expenses	2.54	3.08
Total	**395.41**	**421.61**

33 OTHER EXPENSES

(₹ in Crore)

	For the year ended 31.03.2020	For the year ended 31.03.2019
Sub-brokerage, fees and commission	105.78	101.09
Donation	27.64	23.36
Investments and other assets written-off	25.47	1.82
Legal and professional fees	20.99	23.46
Rates and taxes	14.79	17.96
Manpower expenses	14.10	14.47
Information technology expenses	13.35	13.21
Advertisement and other related expenses	10.83	11.58
Insurance expenses	9.12	4.32
Repairs and maintenance	8.68	7.68
Travelling, hotel and conveyance expenses	8.36	8.90
Membership and subscriptions	8.21	8.05
Electricity expenses	4.50	4.27
Communication expenses	3.27	3.51
Directors' commission	2.57	3.48
Support Service Fees	2.50	2.50
Printing and stationery	2.22	2.60

Space and other related costs	1.64	17.27
Auditors' remuneration (Refer note 33.1)	1.62	1.62
Provision on non-financial assets	1.56	-
Fund expenses	1.07	1.06
Business conference and seminar expenses	0.48	0.09
Loss on sale of assets	0.01	0.20
Miscellaneous expenses	15.24	14.15
Total	**304.00**	**286.65**

33.1 Payment to Auditors (excluding Goods and services tax)*

(₹ in Crore)

	For the year ended 31.03.2020	For the year ended 31.03.2019
Audit fees	1.19	1.23
Certification and other matters	0.41	0.36
Reimbursement of Expenses	0.02	0.03
TOTAL	**1.62**	**1.62**
Fees paid in connection with NCD Issue included for measurement of financial liabilities at amortised cost	0.24	0.08
Total	**1.86**	**1.70**

*includes payments to other auditors of the relevant subsidiary companies aggregating ₹ 1.01 Crore (Previous year ₹ 0.81 Crore)

34 TAX EXPENSE

(₹ in Crore)

	For the year ended 31.03.2020	For the year ended 31.03.2019
Current tax	328.52	489.23
Deferred tax	(15.92)	(42.49)
Tax adjustment in respect of earlier years	3.38	(0.43)
Total income tax expenses recognised in Statement of Profit and Loss	**315.98**	**446.31**
Income tax expense recognised in OCI	**0.41**	**0.24**

RECONCILIATION OF TOTAL TAX CHARGE

(₹ in Crore)

	For the year ended 31.03.2020	For the year ended 31.03.2019
Income tax expense for the year reconciled to the accounting profit:		
Profit before tax	1,093.52	1,282.79
Income tax rate	25.168%	34.944%
Income tax expense	275.22	448.26

Tax Effect of:		
Effect of income that is exempt from tax	(1.49)	(1.34)
Effect of expenses that are not deductible in determining taxable profits	6.64	5.63
Effect of income taxable at differential rate	(0.69)	(15.30)
Effect of change in tax rate*	29.56	(8.22)
Set off of temporary differences pertaining to earlier years on which no deferred tax was created	(4.77)	-
Recognition of deferred tax asset on temporary differences on which deferred tax was not created in earlier years	(0.85)	-
Set off of unabsorbed depreciation and loss	(2.85)	(1.53)
Tax effect on unrecognised deferred tax assets	6.79	19.40
Tax effect on special reserve created u/s 36(1)(viii) of Income tax act, 1961	(0.37)	-
Adjustment in respect of earlier years (net)	3.38	(0.43)
Tax effect of intra-group eliminations	1.59	-
Others	3.82	(0.16)
Total	**40.76**	**(1.95)**
Income tax expense recognised in Statement of Profit and Loss	**315.98**	**446.31**

*The Government of India has inserted section 115BAA in the Income Tax Act, 1961, which provides domestic companies an option to pay corporate tax at reduced rate effective from April 1, 2019, subject to certain conditions. The Company as well as majority of its domestic subsidiary companies have availed the option of reduced rate and accordingly, opening deferred tax asset (net) as on April 1, 2019, amounting to ₹ 29.56 Crore has been reversed during the year ended March 31, 2020.

35 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

Contingent Liability*

Contingent liability in respect of income tax demands for various years disputed in appeal is ₹ 47.65 Crore, (FY 2018-19 - ₹ 40.09 Crore).

Disputed demands of service tax authorities is ₹ 9.00 crore (FY 2018-19 - ₹ 9.98 Crore).

* Future cash outflows in respect of above matters is determinable only on receipt of judgments/decisions pending at various authorities.

Capital Commitments

The estimated amount of contracts remaining to be executed on capital account and not provided for is ₹0.79 Crore (FY 2018-19 - ₹ 2.41 Crore).

Uncalled liability on account of commitment to subscribe to investment is ₹ 78.07 Crore (FY 2018-19 - ₹114.12 Crore). Commitment of purchase of security receipts is ₹ 66.29 Crore (FY 2018-19 – 66.29 Crore).

36 EARNINGS PER SHARE

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

	For the year ended 31.03.2020	For the year ended 31.03.2019
Profit attributable to equity shareholders (In ₹ Crore)	544.98	572.18
Weighted average number of equity shares outstanding during the year for calculating basic earnings per share (Nos.)	84,08,64,766	83,94,64,985
Basic earnings per share (Rupees)	6.48	6.82
Dilutive potential equity shares (Nos.)	34,25,560	38,27,455
Weighted average number of equity shares outstanding during the year for calculating diluted earnings per share (Nos.)	84,42,90,326	84,32,92,440
Diluted earnings per share (₹)	6.45	6.79
Nominal value per share (₹)	1.00	1.00

37 LEASE TRANSACTIONS

Effective April 1, 2019, the Group has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using modified retrospective method. The Group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right to use assets at an amount equal to the lease liability discounted at the incremental borrowing rate at the date of initial application. The comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our consolidated financial statements for the year ended March 31, 2019.

On the date of initial application i.e. April 1, 2019, the adoption of the new standard resulted in recognition of 'Right to Use' asset of ₹ 50.78 Crore and lease obligations of ₹49.25 Crore. The weighted average discount rate applied to lease obligations as at April 1, 2019 was 9.40%. During the year, the Group recognised depreciation expenses on Right to Use asset of ₹ 14.64 Crore and finance cost on lease obligations of ₹ 4.30 Crore. Lease payments during the year have been disclosed under financial activities in the cash flow statements.

The following is the summary of practical expedients elected on initial application:

a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
b) Applied the exemption not to recognise right to use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
c) Excluded the initial direct costs from the measurement of the right to use asset at the date of initial application.
d) Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

Following are the changes in the carrying value of the Right to Use asset for the year ended March 31, 2020:

(₹ in crore)

CATEGORY OF RIGHT TO USE ASSET	GROSS BLOCK				ACCUMULATED DEPRECIATION					NET BLOCK
	As at 01.04. 2019	Additions	Deletion	As at 31.03. 2020	As at 01.04. 2019	Depreciation	Currency Fluctuation	Deductions	As at 31.03. 2020	As at 31.03. 2020
Office Premises	-	58.05	1.18	56.87	-	14.64	0.02	0.15	14.51	42.36
Total	**-**	**58.05**	**1.18**	**56.87**	**-**	**14.64**	**0.02**	**0.15**	**14.51**	**42.36**

Table showing contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis:

On Office Premises:

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Not later than one year	16.28	16.00
Later than one year and not later than five years	31.82	40.55
Later than five years	4.56	7.81
Total	**52.66**	**64.36**

On Motor Vehicles:

(₹ in Crore)

	As at 31.03.2020	As at 31.03.2019
Not later than one year	2.31	2.16
Later than one year and not later than five years	2.71	3.85
Later than five years	-	-
Total	**5.02**	**6.01**

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

Reconciliation of Lease liability as at April 1, 2019:

(₹ in Crore)

Operating lease commitments disclosed as at March 31,2019 (non-cancellable)	7.71
Operating lease commitments of cancellable leases*	56.65
Total Operating lease commitments (on an undiscounted basis)	64.36
Less: future finance costs	(15.11)
Operating lease obligations recognised under Ind AS 116 as at April 1, 2019	**49.25**

*Disclosure was not required as per earlier Ind AS 17 on leases.

38 EMPLOYEE BENEFIT

Defined contribution plans

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

The Group's contribution to Provident fund aggregating ₹ 15.72 Crore (FY 2018-19: ₹ 15.00 Crore); has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

Defined benefit obligation

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

The actuarial risks associated are:

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

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

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

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

Particulars	As at 31.03.2020	As at 31.03.2019
Significant assumptions		
Discount rate	6.80%	7.55%
Expected rate of salary escalation	7.00%	7.00%
Other assumption		
Mortality Table	Indian Assured Lives Mortality (2012-14) Ult table	Indian Assured Lives Mortality (2012-14) Ult table

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

(₹ in Crore)

Particulars	As at 31.03.2020	As at 31.03.2019
Present value of defined benefit obligation	30.15	25.48
Net liability	**30.15**	**25.48**

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

(₹ in Crore)

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Components of defined benefits costs recognised in statement of profit and loss		
Current service cost	3.32	3.32
Net interest expense	1.83	1.57
Past service cost	-	0.08
Total amount recognised in statement of profit and loss	**5.15**	**4.97**
Components of defined benefits costs recognised in other comprehensive income (OCI).		
Remeasurements on the net defined benefit liability :		
- Actuarial (gain)/loss from change in demographic assumptions	-	(0.02)
- Actuarial (gain)/loss from change in financial assumptions	2.15	0.31
- Actuarial (gain)/loss from change in experience adjustments	(0.55)	0.50
Total amount recognised in OCI	**1.60**	**0.79**
Total	**6.75**	**5.76**

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

(₹ in Crore)

Particulars	As at 31.03.2020	As at 31.03.2019
Opening defined benefit obligation	25.48	22.06
Current service cost	3.32	3.32
Net Interest cost	1.83	1.57
Past service cost	-	0.08
Remeasurements (gains)/losses:		
Actuarial (gain)/loss from change in demographic assumptions	-	(0.02)
Actuarial (gain)/loss from change in financial assumptions	2.15	0.31
Actuarial (gain)/loss from change in experience adjustments	(0.55)	0.50
Liabilities assumed / (settled)	-	(0.46)
Benefits paid	(2.08)	(1.88)
Closing defined benefit obligation	**30.15**	**25.48**

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

(₹ in Crore)

Particulars	As at 31.03.2020		As at 31.03.2019	
	Discount rate	Salary Escalation Rate	Discount rate	Salary Escalation Rate
DBO on increase in 50bps	28.69	31.67	24.28	26.36
Impact of increase in 50bps on DBO (%)	(4.88%)	5.01%	(4.73%)	3.44%
DBO on decrease in 50bps	31.73	28.65	26.78	24.62
Impact of decrease in 50bps on DBO (%)	5.21%	(5.03%)	5.09%	(3.39%)

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

There is no change in the method of valuation for the prior periods in preparing the sensitivity analysis. For change in assumptions refer to note (a) above.
Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation asset recognised in the balance sheet.

f) Projected benefits payable:

(₹ in Crore)

Particulars	As at 31.03.2020	As at 31.03.2019
Expected benefits for year 1	3.01	2.58
Expected benefits for year 2	1.65	1.82
Expected benefits for year 3	1.66	1.58
Expected benefits for year 4	2.28	1.57
Expected benefits for year 5	1.81	2.12
Expected benefits for year 6	2.55	1.83
Expected benefits for year 7	2.24	2.16
Expected benefits for year 8	2.72	2.08
Expected benefits for year 9	2.61	2.56
Expected benefits for year 10 and above	48.99	46.06

39 **Disclosure in respect of related parties pursuant to Ind AS 24 on 'Related Party Disclosures'**

1) **List of related parties**

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

A Associate

JM Financial Trustee Company Private Limited (Trustee)

B Key management personnel

Mr. Vishal Kampani (VNK)

C Non-Executive / Independent Directors

Mr. Nimesh Kampani (NNK)

Independent Directors:
Mr. E A Kshirsagar (EAK)
Mr. Darius E Udwadia (DEU)
Mr. Paul Zuckerman (PSZ)
Mr. Vijay Kelkar (VLK)
Mr. Keki Dadiseth (KBD)
Ms. Jagi Mangat Panda (JMP)

D Close Members of the Family (Relatives) of Key management personnel

Mr. Nimesh Kampani (NNK)
Ms. Aruna N Kampani (ARNK)
Ms. Amishi Gambhir (AG)
Ms. Madhu Kampani (MVK)

E Individual exercising control or significant influence in reporting enterprise i.e. the company and close members of the family (relatives) of any such person

Mr. Nimesh Kampani (NNK)

Close Members of the Family (Relatives):
Ms. Aruna N Kampani (ARNK)
Mr. Vishal Kampani (VNK)
Ms. Amishi Gambhir (AG)

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

J.M. Financial & Investment Consultancy Services Private Limited (JMFICS)
J.M. Assets Management Private Limited (J.M. Assets)
JM Financial Trustee Company Private Limited (Trustee)
JSB Securities Limited (JSB)
Kampani Consultants Limited (KCL)
Persepolis Investment Company Private Limited (PICPL)
SNK Investments Private Limited (SNK)
Capital Market Publishers India Private Limited (CMPL)
Kampani Properties and Holdings Limited (KPHL)

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2) **Details of transactions with related parties:**

(₹ in Crore)

	Associate		Key Management Personnel		Non-Executive / Independent Directors		Individual exercising control or significant influence in reporting enterprise and close members of the family of any such person / Close Members of the Family (Relatives) of Key management personnel		Enterprise over which close member of the family of key management personnel are able to exercise significant influence		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Employee related liability transferred to												
JMFICS	-	-	-	-	-	-	-	-	-	0.06	-	0.06
Secondary brokerage received from												
JMFICS	-	-	-	-	-	-	-	-	0.39	0.39	0.39	0.39
KCL	-	-	-	-	-	-	-	-	0.01	0.13	0.01	0.13
PICPL	-	-	-	-	-	-	-	-	#	0.11	#	0.11
SNK	-	-	-	-	-	-	-	-	#	0.07	#	0.07
VNK	-	-	#	0.01	-	-	-	-	-	-	#	0.01
NNK	-	-	-	-	-	-	0.06	-	-	-	0.06	-
ARNK	-	-	-	-	-	-	0.02	#	-	-	0.02	#
J.M. Assets	-	-	-	-	-	-	-	-	#	0.02	#	0.02
Others	-	#	-	-	-	-	-	#	#	#	#	#

(₹ in Crore)

	Associate		Key Management Personnel		Non-Executive / Independent Directors		Individual exercising control or significant influence in reporting enterprise and close members of the family of any such person / Close Members of the Family (Relatives) of Key management personnel		Enterprise over which close member of the family of key management personnel are able to exercise significant influence		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Recovery of expenses from												
JMFICS	-	-	-	-	-	-	-	-	#	#	#	#
Reimbursement of expenses to												
JMFICS	-	-	-	-	-	-	-	-	0.12	0.11	0.12	0.11
J.M. Assets	-	-	-	-	-	-	-	-	-	0.01	-	0.01
CMPL	-	-	-	-	-	-	-	-	0.03	0.03	0.03	0.03
Remuneration to												
VNK	-	-	10.70	14.37	-	-	-	-	-	-	10.70	14.37
Director's Sitting Fees												
NNK	-	-	-	-		-	0.09	0.11	-	-	0.09	0.11
EAK	-	-	-	-	0.13	0.13	-	-	-	-	0.13	0.13
DEU	-	-	-	-	0.09	0.13	-	-	-	-	0.09	0.13
PSZ	-	-	-	-	0.09	0.09	-	-	-	-	0.09	0.09
VLK	-	-	-	-	0.12	0.12	-	-	-	-	0.12	0.12
KBD	-	-	-	-	0.09	0.09	-	-	-	-	0.09	0.09

(₹ in Crore)

	Associate		Key Management Personnel		Non-Executive / Independent Directors		Individual exercising control or significant influence in reporting enterprise and close members of the family of any such person / Close Members of the Family (Relatives) of Key management personnel		Enterprise over which close member of the family of key management personnel are able to exercise significant influence		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
JMP	-	-	-	-	0.07	0.05	-	-	-	-	0.07	0.05
Directors Commission												
NNK	-	-	-	-	-	-	-	0.01	-	-	-	0.01
EAK	-	-	-	-	0.29	0.30	-	-	-	-	0.29	0.30
DEU	-	-	-	-	0.23	0.20	-	-	-	-	0.23	0.20
PSZ	-	-	-	-	0.20	0.20	-	-	-	-	0.20	0.20
VLK	-	-	-	-	0.28	0.26	-	-	-	-	0.28	0.26
KBD	-	-	-	-	0.20	0.27	-	-	-	-	0.20	0.27
JMP	-	-	-	-	0.20	0.20	-	-	-	-	0.20	0.20
Dividend paid to												
JMFICS	-	-	-	-	-	-	-	-	10.80	37.85	10.80	37.85
Trustee	0.06	0.18	-	-	-	-	-	-	-	-	0.06	0.18
J.M. Assets	-	-	-	-	-	-	-	-	5.15	17.54	5.15	17.54
JSB	-	-	-	-	-	-	-	-	0.33	1.04	0.33	1.04
PICPL	-	-	-	-	-	-	-	-	0.08	0.26	0.08	0.26
KCL	-	-	-	-	-	-	-	-	0.03	0.11	0.03	0.11
SNK	-	-	-	-	-	-	-	-	0.59	1.88	0.59	1.88

(₹ in Crore)

	Associate		Key Management Personnel		Non-Executive / Independent Directors		Individual exercising control or significant influence in reporting enterprise and close members of the family of any such person / Close Members of the Family (Relatives) of Key management personnel		Enterprise over which close member of the family of key management personnel are able to exercise significant influence		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
NNK	-	-	-	-	-	-	6.29	22.75	-	-	6.29	22.75
ARNK	-	-	-	-	-	-	1.77	6.26	-	-	1.77	6.26
VNK	-	-	0.57	1.72	-	-	-		-	-	0.57	1.72
AG	-	-	-	-	-	-	0.40	1.28	-	-	0.40	1.28
Rent paid to												
JMFICS	-	-	-	-	-	-	-	-	1.50	1.43	1.50	1.43
J.M. Assets	-	-	-	-	-	-	-	-	1.68	0.84	1.68	0.84
KCL	-	-	-	-	-	-	-	-	0.05	0.05	0.05	0.05
JSB	-	-	-	-	-	-	-	-	-	0.60	-	0.60
Subscription charges paid to												
CMPL	-	-	-	-	-	-	-	-	0.02	0.02	0.02	0.02
Support service fees paid to												
JMFICS	-	-	-	-	-	-	-	-	2.50	2.50	2.50	2.50

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(₹ in Crore)

	Associate		Key Management Personnel		Non-Executive / Independent Directors		Individual exercising control or significant influence in reporting enterprise and close members of the family of any such person / Close Members of the Family (Relatives) of Key management personnel		Enterprise over which close member of the family of key management personnel are able to exercise significant influence		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Demat charges received from												
VNK	-	-	#	#	-	-	-	-	-	-	#	#
Others	-	-	-	-	-	-	#	-	-	-	#	-
Security deposit paid to												
JMFICS	-	-	-	-	-	-	-	-	-	0.04	-	0.04
J.M. Assets	-	-	-	-	-	-	-	-	-	0.84	-	0.84
Security deposit refund received from												
JSB	-	-	-	-	-	-	-	-	-	0.60	-	0.60
Sale of Debt securities held as Stock in trade												
VNK	-	-	-	2.55	-	-	-	-	-	-	-	2.55

(₹ in Crore)

	Associate		Key Management Personnel		Non-Executive / Independent Directors		Individual exercising control or significant influence in reporting enterprise and close members of the family of any such person / Close Members of the Family (Relatives) of Key management personnel		Enterprise over which close member of the family of key management personnel are able to exercise significant influence		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Issuance under Primary market of Public issue NCDs												
VNK	-	-	7.50	-	-	-	-	-	-	-	7.50	-
NNK	-	-	-	-	-	-	7.00	-	-	-	7.00	-
ARNK	-	-	-	-	-	-	5.00	-	-	-	5.00	-
JMFICS	-	-	-	-	-	-	-	-	10.00	-	10.00	-
J.M. Assets	-	-	-	-	-	-	-	-	10.00	-	10.00	-
Repayment of NCDs												
JMFICS	-	-	-	-	-	-	-	-	15.00	-	15.00	-
Interest on NCDs												
VNK	-	-	0.17	-	-	-	-	-	-	-	0.17	-
JMFICS	-	-	-	-	-	-	-	-	3.10	-	3.10	-

(₹ in Crore)

	Associate		Key Management Personnel		Non-Executive / Independent Directors		Individual exercising control or significant influence in reporting enterprise and close members of the family of any such person / Close Members of the Family (Relatives) of Key management personnel		Enterprise over which close member of the family of key management personnel are able to exercise significant influence		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Balance outstanding at the year end												
Security deposit (paid)												
JMFICS	-	-	-	-	-	-	-	-	0.80	0.80	**0.80**	**0.80**
J.M. Assets	-	-	-	-	-	-	-	-	0.84	0.84	**0.84**	**0.84**
Investment in equity shares of												
Trustee	0.03	0.03	-	-	-	-	-	-	-	-	**0.03**	**0.03**
Closing balance of NCDs by												
VNK	-	-	7.50	-	-	-	-	-	-	-	**7.50**	-
NNK	-	-	-	-	-	-	7.00	-	-	-	**7.00**	-
ARNK	-	-	-	-	-	-	5.00	-	-	-	**5.00**	-
JMFICS	-	-	-	-	-	-	-	-	10.00	-	**10.00**	-
J.M. Assets	-	-	-	-	-	-	-	-	10.00	-	**10.00**	-

(₹ in Crore)

	Associate		Key Management Personnel		Non-Executive / Independent Directors		Individual exercising control or significant influence in reporting enterprise and close members of the family of any such person / Close Members of the Family (Relatives) of Key management personnel		Enterprise over which close member of the family of key management personnel are able to exercise significant influence		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Interest payable on NCDs												
VNK	-	-	0.02	-	-	-	-	-	-	-	**0.02**	**-**
Payables to												
NNK	-	-	-	-	-	-	-	0.01	-	-	**-**	**0.01**
VNK	-	-	7.00	11.00	-	-	-	-	-	-	**7.00**	**11.00**
AG	-	-	-	-	-	-	0.05	0.16	-	-	**0.05**	**0.16**
EAK	-	-	-	-	0.29	0.30	-	-	-	-	**0.29**	**0.30**
DEU	-	-	-	-	0.23	0.20	-	-	-	-	**0.23**	**0.20**
PSZ	-	-	-	-	0.21	0.20	-	-	-	-	**0.21**	**0.20**
VLK	-	-	-	-	0.28	0.26	-	-	-	-	**0.28**	**0.26**
KBD	-	-	-	-	0.20	0.27	-	-	-	-	**0.20**	**0.27**
JMP	-	-	-	-	0.20	0.20	-	-	-	-	**0.20**	**0.20**
JMFICS	-	-	-	-	-	-	-	-	0.67	-	**0.67**	**-**

Notes:

1) There are no provisions for doubtful debts / advances or amounts written off or written back for debts due from/ due to related parties.
2) The remuneration excludes provision for gratuity as the incremental liability has been accounted for the group as a whole.
3) The transactions disclosed above are exclusive of GST and service tax (as applicable).

40 Maturity Analysis of Assets and Liabilities

(₹ in Crore)

		As at 31.03.2020			As at 31.03.2019		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	ASSETS						
1	**Financial Assets**						
A	Cash and cash equivalents	809.90	-	**809.90**	751.77	-	**751.77**
B	Bank balance other than (A) above	511.36	8.14	**519.50**	529.71	0.76	**530.47**
C	Derivative financial instruments	1.26	-	**1.26**	-	-	-
D	Trade receivables	233.41	90.84	**324.25**	685.05		**685.05**
E	Loans	4,757.26	7,142.87	**11,900.13**	4,770.54	9,566.39	**14,336.93**
F	Investments	3,063.62	950.83	**4,014.45**	1,738.81	1,194.53	**2,933.34**
G	Other financial assets	835.46	1,546.86	**2,382.32**	1,098.91	1,587.62	**2,686.53**
		10,212.27	**9,739.54**	**19,951.81**	**9,574.79**	**12,349.30**	**21,924.09**
2	**Non-financial Assets**						
A	Current tax assets (net)	-	295.89	**295.89**	-	255.63	**255.63**
B	Property, plant and equipment	-	387.40	**387.40**	-	359.12	**359.12**
C	Capital work-in-progress	-	0.69	**0.69**	-	1.35	**1.35**
D	Other Intangible assets	-	10.14	**10.14**	-	11.99	**11.99**
E	Goodwill on consolidation	-	52.44	**52.44**	-	52.44	**52.44**
F	Other non-financial assets	38.27	8.88	**47.15**	27.29	8.18	**35.47**
		38.27	**755.44**	**793.71**	**27.29**	**688.71**	**716.00**
	Total Assets	**10,250.54**	**10,494.98**	**20,745.52**	**9,602.08**	**13,038.01**	**22,640.09**

(₹ in Crore)

		As at 31.03.2020			As at 31.03.2019		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	LIABILITIES						
1	**Financial Liabilities**						
A	Derivative financial instruments	1.22	-	1.22	-	-	-
B	Trade Payables						
	(i) total outstanding dues of micro enterprises and small enterprises	0.98	-	0.98	0.28	-	0.28
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	438.47	0.40	438.87	416.82	-	416.82
C	Debt securities	2,638.28	5,596.98	8,235.26	4,797.41	4,925.42	9,722.83
D	Borrowings (Other than debt securities)	1,969.71	1,550.70	3,520.41	2,034.71	2,233.57	4,268.28
E	Other financial liabilities	208.25	63.30	271.55	287.55	58.25	345.80
	Total Financial Liabilities	5,256.91	7,211.38	12,468.29	7,536.77	7,217.24	14,754.01
2	**Non-Financial Liabilities**						
A	Provisions	15.94	31.94	47.88	13.74	28.46	42.20
B	Deferred tax liabilities (Net)	-	27.21	27.21	-	43.76	43.76
C	Other non-financial liabilities	63.50	4.21	67.71	33.52	0.46	33.98
	Total Non-Financial Liabilities	79.44	63.36	142.80	47.26	72.68	119.94
	Total Liabilities	5,336.35	7,274.74	12,611.09	7,584.03	7,289.92	14,873.95

41 A) ENTITIES INCLUDED IN CONSOLIDATION

Name of the Entity	Country of incorporation	Proportion of interest as on March 31, 2020 (%)	Proportion of interest as on March 31, 2019 (%)
Subsidiaries in India (including step-down subsidiaries)			
JM Financial Institutional Securities Limited	India	100.00	100.00
Infinite India Investment Management Limited	India	100.00	100.00
JM Financial Properties and Holdings Limited	India	100.00	100.00
JM Financial Services Limited	India	100.00	100.00
JM Financial Commtrade Limited	India	100.00	100.00
CR Retail Malls (India) Limited	India	100.00	100.00
JM Financial Capital Limited	India	100.00	100.00
JM Financial Products Limited	India	99.35	99.35
JM Financial Credit Solutions Limited [refer note (i)]	India	46.68	47.05
JM Financial Asset Management Limited	India	59.54	59.54
JM Financial Asset Reconstruction Company Limited [refer note (ii)]	India	59.25	59.25
JM Financial Home Loans Limited	India	98.36	98.35
Partnership Firm in India			
Astute Investments	India	100.00	100.00
Subsidiaries outside India (including step-down subsidiaries)			
JM Financial Overseas Holdings Private Limited	Mauritius	100.00	100.00
JM Financial Singapore Pte. Ltd.	Singapore	100.00	100.00
JM Financial Securities, Inc	USA	100.00	100.00
Associate			
JM Financial Trustee Company Private Limited	India	25.00	25.00

Notes:

i. Aggregate shareholding in the JM Financial Credit Solutions Limited reduced to 46.68% consequent upon the forfeiture of 19,837 partly paid-up shares held by the Company.

ii. During the year, the Company has acquired 49,16,104 Compulsorily Convertible Debentures (CCD) of JM Financial Asset Reconstruction Company Limited. The said debentures are convertible into 4,91,61,040 equity shares of the face value of ₹ 10/- each at the end of 36 months from the date of their allotment. Accordingly, the proportion of interest disclosed above is based on the equity shares presently held by the Company and the CCDs held by the Company are not taken into consideration.

B) Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/Associate.

Name of the Entity	Net Assets*, i.e., total assets minus total liabilities		Share in Profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	Amount ₹ in Crore	As % of consolidated net assets	Amount ₹ in Crore	As % of consolidated profit or loss	Amount ₹ in Crore	As % of consolidated OCI	Amount ₹ in Crore	As % of consolidated Total Comprehensive Income
Parent JM Financial Limited	420.10	5.20%	94.17	12.10%	(0.29)	(3.32%)	93.88	11.93%
Subsidiaries (including step-down subsidiaries) in India								
JM Financial Institutional Securities Limited	81.08	1.00%	21.74	2.80%	(0.22)	(2.50%)	21.52	2.74%
Infinite India Investment Management Limited	17.33	0.21%	2.98	0.38%	0.01	0.07%	2.99	0.38%
JM Financial Properties and Holdings Limited	123.06	1.52%	10.88	1.40%	(0.04)	(0.49%)	10.84	1.38%
JM Financial Services Limited	139.69	1.73%	4.27	0.55%	(0.38)	(4.38%)	3.89	0.49%
JM Financial Commtrade Limited	25.38	0.31%	0.68	0.09%	0.03	0.33%	0.71	0.09%
CR Retail Malls (India) Limited	34.31	0.43%	8.50	1.09%	#	(0.02%)	8.50	1.08%
JM Financial Products Limited	1,554.97	19.24%	165.39	21.26%	0.02	0.26%	165.41	21.03%
JM Financial Credit Solutions Limited	1,537.19	19.02%	180.85	23.25%	(0.02)	(0.20%)	180.83	22.99%
JM Financial Asset Reconstruction Company Limited**	962.85	11.91%	29.85	3.84%	#	(0.05%)	29.85	3.79%
JM Financial Asset Management Limited	131.88	1.63%	9.87	1.27%	(0.10)	(1.21%)	9.77	1.24%
JM Financial Capital Limited	278.91	3.45%	14.87	1.91%	0.02	0.28%	14.89	1.89%
JM Financial Home Loans Limited	137.13	1.70%	(2.23)	-0.29%	(0.12)	(1.33%)	(2.35)	(0.30%)

Name of the Entity	Net Assets*, i.e., total assets minus total liabilities		Share in Profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	Amount ₹ in Crore	As % of consolidated net assets	Amount ₹ in Crore	As % of consolidated profit or loss	Amount ₹ in Crore	As % of consolidated OCI	Amount ₹ in Crore	As % of consolidated Total Comprehensive Income
Partnership Firm in India								
Astute Investments	3.03	0.04%	6.92	0.89%	-	-	6.92	0.88%
Subsidiaries(including step-down subsidiaries) outside India								
JM Financial Overseas Holdings Private Limited	109.60	1.36%	0.52	0.07%	13.08	150.73%	13.60	1.73%
JM Financial Singapore Pte. Ltd.	10.28	0.13%	(4.94)	(0.64%)	(2.93)	(33.77%)	(7.87)	(1.00%)
JM Financial Securities, Inc	9.64	0.12%	0.25	0.03%	(0.28)	(3.25%)	(0.03)	0.00%
Associate								
JM Financial Trustee Company Private Limited	9.90	0.12%	0.41	0.05%	#	(0.00%)	0.41	0.05%
	5,586.33	**69.12%**	**544.98**	**70.05%**	**8.78**	**101.15%**	**553.76**	**70.40%**
Non-controlling Interests in all subsidiaries	2,495.66	30.88%	232.97	29.95%	(0.10)	(1.15%)	232.87	29.60%
Total	**8,081.99**	**100.00%**	**777.95**	**100.00%**	**8.68**	**100.00%**	**786.63**	**100.00%**

*Net Assets have been arrived at after adjustments of Goodwill on consolidation.

**The numbers presented above are as per consolidated financial statements of JM Financial Asset Reconstruction Company Limited.

# Denotes amount below ₹ 50,000/-

42 EMPLOYEE STOCK OPTION SCHEME (ESOS)

The Employee Stock Option Scheme ('the Scheme') provides for grant of stock options to the eligible employees and/or directors ("the Employees") of the Company and/or its subsidiaries. The Stock Options are granted at an exercise price, which is either equal to the fair market price or at a premium, or at a discount to market price as may be determined by the Nomination and Remuneration Committee of the Board of the Company.

During the financial year 2019-20, the Nomination and Remuneration Committee has granted 6,62,130 options under Series 12 (previous year 18,48,018 options-Series 11) at an exercise price of ₹ 1/- per option to the Employees, that will vest in a graded manner and which can be exercised within a specified period.

The details of options are as under:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Outstanding at the beginning of the year	43,55,624	49,99,654
Add: Granted during the year	6,62,130	18,48,018
Less: Exercised and shares allotted during the year	12,93,184	20,17,448
Less: Exercised but pending allotment	5,000	Nil
Less: Forfeited/cancelled during the year	Nil	5,085
Less: Lapsed during the year	74,338	4,69,515
Outstanding at end of year	36,45,232	43,55,624
Exercisable at end of year	13,35,616	10,87,302

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

Details of options granted during the current and previous financial year based on the graded vesting and fair value of the options are as under:

Tranches	% of Options to be vested	No. of options granted		Vesting date		Fair value per option (₹)	
		Current year	Previous year	Current Year	Previous year	Current year	Previous year
Tranche-1	33.33%	2,20,710	6,16,006	April 18, 2020	April 12, 2019	86.14	131.10
Tranche-2	33.33%	2,20,710	6,16,006	April 18, 2021	April 12, 2020	85.47	129.86
Tranche-3	33.33%	2,20,710	6,16,006	April 18, 2022	April 12, 2021	84.79	128.62
		6,62,130	**18,48,018**				

The following table summarizes the assumptions used in calculating the grant date fair value:

Tranches	Life of the Option (in years)		Risk-free interest rate		Volatility		Dividend Yield	
	Current year	Previous year	Current Year	Previous year	Current year	Previous year	Current year	Previous Year
Tranche-1	3.00	3.00	7.09%	7.28%	0.4518	0.4474	1.11%	1.31%
Tranche-2	3.75	3.75	7.26%	7.42%	0.4483	0.4462	1.11%	1.31%
Tranche-3	4.50	4.50	7.39%	7.52%	0.4438	0.4630	1.11%	1.31%

Details of options granted under various series are as under:

	Series 6	Series 7	Series 8	Series 9	Series 10	Series 11	Series 12
Grant date	06/05/2013	01/04/2014	16/04/2015	12/05/2016	20/04/2017	12/04/2018	18/04/2019
Options granted	36,45,774	44,85,267	14,44,440	12,55,515	23,19,636	18,48,018	6,62,130
Options exercised till March 31, 2020	30,91,695	38,37,541	12,21,726	10,18,785	10,14,417	3,45,325	N.A.
Options forfeited/cancelled till March 31, 2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Options lapsed till March 31, 2020	3,76,054	3,57,193	96,294	40,799	3,38,642	2,48,751	28,326
Outstanding at end of year	1,78,025	2,90,533	1,26,420	1,95,931	9,66,577	12,53,942	6,33,804
Exercisable at end of year	1,78,025	2,90,533	1,26,420	1,95,931	3,49,149	1,95,558	N.A.
Vesting of options	1/3rd Options each on completion of first, second and third year from the date of grant of options	1/3rd Options each on completion of first, second and third year from the date of grant of options	1/3rd Options each on completion of first, second and third year from the date of grant of options	1/3rd Options each on completion of first, second and third year from the date of grant of options	1/3rd Options each on completion of first, second and third year from the date of grant of options	1/3rd Options each on completion of first, second and third year from the date of grant of options	1/3rd Options each on completion of first, second and third year from the date of grant of options
Exercise period	Within 7 years from the date of grant	Within 7 years from the date of grant	Within 7 years from the date of grant	Within 7 years from the date of grant	Within 7 years from the date of grant	Within 7 years from the date of grant	Within 7 years from the date of grant
Exercise price(refer note[i])	₹ 1.00	₹ 1.00	₹ 1.00	₹ 1.00	₹ 1.00	₹ 1.00	₹ 1.00
Pricing formula	As was determined by the Compensation Committee at its meeting held on May 6, 2013	As was determined by the Compensation Committee at its meeting held on March 25, 2014	As was determined by the Nomination and Remuneration Committee at its meeting held on April 16, 2015	As was determined by the Nomination and Remuneration Committee at its meeting held on May 12, 2016	As was determined by the Nomination and Remuneration Committee at its meeting held on April 20, 2017	As was determined by the Nomination and Remuneration Committee at its meeting held on April 12, 2018	As was determined by the Nomination and Remuneration Committee at its meeting held on April 18, 2019

Notes:

(i) Additionally during the year, an aggregate amount of ₹ 8.41 Crore (Previous year ₹ 11.64 Crore) being the difference between the exercise price and fair value of options has been reimbursed by the subsidiary companies with which the Employees are/were employed/associated.

(ii) As no options were outstanding in respect of Series 1, 2, 3, 4 and 5 as on March 31, 2020, the details of options granted has not been included above.

(iii) Esop cost recognised in Statement of Profit and Loss is ₹ 11.03 Crore (Previous year ₹ 17.99 Crore).

43 OPERATING SEGMENTS

The Group has four reportable segments, namely, Investment banking, Wealth Management and Securities Business (IWS), Mortgage Lending, Distressed Credit and Asset management.

Segment	Principal activities
Investment banking, Wealth Management and Securities Business (IWS)	Investment banking, Wealth Management and Securities Business includes management of capital markets transactions, advising on mergers & acquisitions, and private equity syndication. The company also provides investment advisory and distribution services, involving equity brokerage services, wealth management, capital market lending for wealth management and broking clients and distribution of financial products. This segment also includes institutional equities business. It also involves administration and management of private equity and real estate funds.
Mortgage Lending	Mortgage Lending include providing finance against commercial real estate and residential real estate to a diverse range of corporates and non-corporate clients. It also includes housing finance business and lending to education institutions.
Distressed Credit	Distressed Credit includes securitisation and reconstruction of financial assets.
Asset management	Asset management business involves managing mutual fund assets through several schemes, offering a range of investment options to a large number of clients which predominantly include institutional and corporate clients as well as high net worth individuals.

Disclosure in respect of segment reporting pursuant to Ind AS 108 on 'Operating Segments'

(₹ in Crore)

	Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Segment revenue			
A	Investment banking, Wealth Management and Securities Business (IWS)	1,611.52	1,601.76
B	Mortgage Lending	1,350.85	1,290.91
C	Distressed Credit	413.50	500.59
D	Asset management	62.88	94.61
E	Others`	79.75	72.60
Total segment revenue		**3,518.50**	**3,560.47**
Less: Inter - segmental revenue		(64.95)	(60.98)
Total revenue		**3,453.55**	**3,499.49**

&

	Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Segment results			
A	Investment banking, Wealth Management and Securities Business (IWS)	434.60	377.74
B	Mortgage Lending	533.01	619.79
C	Distressed Credit	85.58	201.46
D	Asset management	22.49	57.01
E	Others	17.84	26.79
Profit before tax		**1,093.52**	**1,282.79**
Less: Tax expense		(315.98)	(446.31)
Profit for the year		**777.54**	**836.48**
Add : Share in profit of associate		0.41	0.57
Profit after tax and share in profit of associate		**777.95**	**837.05**
Other Comprehensive Income		8.68	7.82
Total Comprehensive Income		**786.63**	**844.87**

(₹ in Crore)

		As at 31.03.2020	As at 31.03.2019
Segment assets			
A	Investment banking, Wealth Management and Securities Business (IWS)	7,626.56	8,821.02
B	Mortgage Lending	8,404.14	8,707.01
C	Distressed Credit	4,127.32	4,477.51
D	Asset management	245.55	228.86
E	Others	289.51	353.25
Total segment assets		**20,693.08**	**22,587.65**
Segment liabilities			
A	Investment banking, Wealth Management and Securities Business (IWS)	4,932.13	6,287.80
B	Mortgage Lending	4,972.32	5,685.90
C	Distressed Credit	2,526.03	2,728.23
D	Asset management	14.16	14.28
E	Others	166.45	157.74
Total segment liabilities		**12,611.09**	**14,873.95**

(₹ in Crore)

		For the year ended 31.03.2020	For the year ended 31.03.2019
Capital expenditure incurred during the year			
A	Investment banking, Wealth Management and Securities Business (IWS)	3.09	6.20
B	Mortgage Lending	2.87	7.87
C	Distressed Credit	0.05	0.61
D	Asset management	2.55	0.37
E	Others	1.40	3.11
Total capital expenditure		**9.96**	**18.16**
Depreciation / amortisation for the year			
A	Investment banking, Wealth Management and Securities Business (IWS)	26.05	14.54
B	Mortgage Lending	2.87	0.96
C	Distressed Credit	1.08	0.92
D	Asset management	2.43	1.76
E	Others	8.61	8.93
Total depreciation / amortisation		**41.04**	**27.11**
Significant Non-Cash Expenses other than depreciation / amortisation			
A	Investment banking, Wealth Management and Securities Business (IWS)	84.87	16.50
B	Mortgage Lending	149.26	18.68
C	Distressed Credit	17.33	23.45
D	Asset management	0.09	2.39
E	Others	0.60	0.03
Total Significant Non-Cash Expenses		**252.15**	**61.05**

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

(₹ in Crore)

		For the year ended March 31, 2020			For the year ended March 31, 2019		
		Holding Company and Subsidiaries	Associate	Total	Holding Company and Subsidiaries	Associate	Total
a)	Gross amount required to be spent by the Group during the year.	23.98	0.11	24.09	19.85	0.13	19.98
b)	Amount spent:						
	In cash	24.02	0.11	24.13	19.89	0.13	20.02
	Yet to be paid in cash	-	-	-	-	-	-
	Total	**24.02**	**0.11**	**24.13**	**19.89**	**0.13**	**20.02**
(i)	Construction/acquisition of any asset	-	-	-	-	-	-
(ii)	On purposes other than (i) above	**24.02**	**0.11**	**24.13**	**19.89**	**0.13**	**20.02**

45 Financial information of subsidiaries that have material non-controlling interest

a) Subsidiaries that have material non-controlling interests is provided below:

(₹ in Crore)

Name of the entity	Place of business / country of incorporation	Ownership interest held by the Company		Ownership interest held by non-controlling interest		Principal Activities
		As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	
JM Financial Credit Solutions Limited (JMFCSL)	India	46.68%	47.05%	53.32%	52.95%	Mortgage Lending
JM Financial Asset Reconstruction Company Limited (JMFARC)	India	59.25%*	59.25%	40.75%	40.75%	Distressed Credit

* The ownership interest disclosed above is based on the equity shares presently held by the Company. Compulsorily Convertible Debentures (CCD) held by the Company are not taken into consideration.

b) The following table summarises Financial Information of subsidiaries that have material non-controlling interests, before any inter-company eliminations:

i) Summarised Statement of Profit and Loss

(₹ in Crore)

	JM Financial Credit Solutions Limited		JM Financial Asset Reconstruction Company Limited (Refer note 45.1)	
	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019
Total Income	1,309.79	1,279.09	413.50	500.59
Profit for the year	382.35	406.39	47.68	131.60
Other Comprehensive Income (OCI)	(0.04)	(0.03)	(0.01)	(0.12)
Profit allocated to non-controlling interests	202.46	210.09	22.63	36.89
OCI allocated to non-controlling interests	(0.02)	(0.02)	#	(0.05)
Dividends paid to non-controlling interests	0.15	-	-	-

# Denotes amount below ₹ 50,000/-

ii) **Summarised Balance Sheet**

(₹ in Crore)

	JM Financial Credit Solutions Limited		JM Financial Asset Reconstruction Company Limited (Refer note 45.1)	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Financial Assets	8,112.89	8,498.22	4,127.48	4,489.64
Non-Financial Assets	86.79	64.30	62.05	10.43
	8,199.68	**8,562.52**	**4,189.53**	**4,500.07**
Financial Liabilities	4,904.78	5,647.71	2,633.92	2,712.27
Non-Financial Liabilities	3.63	5.51	16.83	38.52
	4,908.41	**5,653.22**	**2,650.75**	**2,750.79**
Net Assets (Equity)	**3,291.27**	**2,909.30**	**1,538.78**	**1,749.28**
Net assets attributable to non-controlling interests	1,755.05	1,540.56	549.67	515.60
Net assets attributable to security receipts holders under distressed credit business (Refer note 45.2)	-	-	88.77	484.05

iii) **Summarised Cash Flow**

(₹ in Crore)

	JM Financial Credit Solutions Limited		JM Financial Asset Reconstruction Company Limited (Refer note 45.1)	
	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019
Net Cash flows from operating activities	1,195.29	(431.60)	(85.59)	(990.66)
Net Cash flows from investing activities	(590.55)	(286.14)	6.70	(0.32)
Net Cash flows from financing activities	(754.68)	777.73	184.20	1,108.47
Net (decrease) / increase in cash and cash equivalents before consolidation effect	**(149.94)**	**59.99**	**105.31**	**117.49**
Less: on loss of control of subsidiary trust	-	-	(0.06)	-
Net (decrease) / increase in cash and cash equivalents after consolidation effect	**(149.94)**	**59.99**	**105.25**	**117.49**

Note:

45.1 The numbers presented above are as per consolidated financial statements of JMFARC.

45.2 During the year, JMFARC discontinued consolidation of one of its subsidiary trusts which was consolidated till previous year, on the basis of exposure to variable returns in accordance with the policy approved by the Board of Directors of JMFARC defining the benchmark for consolidation of variable interest entity.

46 FAIR VALUE

Classes and categories of financial instruments and their fair values:

The following table combines information about:
- classes of financial instruments based on their nature and characteristics
- the carrying amounts of financial instruments
- fair values of financial instruments (except financial instruments for which carrying amount approximates their fair value); and
- fair value hierarchy levels of financial assets and financial liabilities for which fair value was disclosed.

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

1) Accounting classification and fair values

(₹ in Crore)

As at March 31, 2020	FVTPL	Amortised Cost	Total
Financial assets			
Cash and cash equivalents	-	809.90	809.90
Bank balances other than cash and cash equivalents	-	519.50	519.50
Derivative Financial instruments	1.26	-	1.26
Trade Receivables	-	324.25	324.25
Loans	-	11,900.13	11,900.13
Investments	4,004.55	9.90	4,014.45
Other Financial assets	2,183.19	199.13	2,382.32
Total	**6,189.00**	**13,762.81**	**19,951.81**
Financial liabilities			
Derivative Financial instruments	1.22	-	1.22
Trade payables	-	439.85	439.85
Debt Securities	-	8,235.26	8,235.26
Borrowings (other than debt securities)	-	3,520.41	3,520.41
Other Financial Liabilities	-	271.55	271.55
Total	**1.22**	**12,467.07**	**12,468.29**

(₹ in Crore)

As at March 31, 2019	FVTPL	Amortised Cost	Total
Financial assets			
Cash and cash equivalents	-	751.77	751.77
Bank balances other than cash and cash equivalents	-	530.47	530.47
Trade Receivables	-	685.05	685.05
Loans	-	14,336.93	14,336.93
Investments	2,723.06	210.28	2,933.34
Other Financial assets	2,583.73	102.80	2,686.53
Total	**5,306.79**	**16,617.30**	**21,924.09**
Financial liabilities			
Trade payables	-	417.10	417.10
Debt Securities	-	9,722.83	9,722.83
Borrowings (other than debt securities)	-	4,268.28	4,268.28
Other Financial Liabilities	-	345.80	345.80
Total	**-**	**14,754.01**	**14,754.01**

2) Fair Value Hierarchy and Method of Valuation:

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

Fair value hierarchy levels 1 to 3 are based on the degree to which the fair value is observable:
Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(₹ in Crore)

As at March 31, 2020	Level 1	Level 2	Level 3	Total
Financial assets (Measured at FVTPL)				
Derivative Financial instruments	-	1.26	-	1.26
Investments				
- Equity shares	37.18	20.31	192.33	249.82
- Venture Capital Fund units	-	6.23	45.14	51.37
- Security Receipts	-	-	1,185.84	1,185.84
- Others	2,504.93	6.04	6.55	2,517.52
	2,542.11	32.58	1,429.86	4,004.55
Other Financial assets				
- Financial assets under Distressed Credit Business	-	-	1,965.16	1,965.16
- Others	57.34	160.69	-	218.03
	57.34	160.69	1,965.16	2,183.19
Financial liabilities (Measured at FVTPL)				
Derivative Financial instruments	-	1.22	-	1.22

(₹ in Crore)

As at March 31, 2019	Level 1	Level 2	Level 3	Total
Financial assets (Measured at FVTPL)				
Investments				
- Equity shares	45.24	178.64	1.92	225.80
- Venture Capital Fund units	-	90.18	-	90.18
- Security Receipts	-	-	1,438.26	1,438.26
- Others	935.74	0.80	32.28	968.82
	980.98	269.62	1,472.46	2,723.06
Other Financial assets				
- Financial assets under Distressed Credit Business	-	-	2,241.87	2,241.87
- Others	292.68	49.18	-	341.86
	292.68	49.18	2,241.87	2,583.73

Fair value of the financial instruments that are not measured at fair value

Non-convertible Debentures measured at amortised cost for which carrying value and fair value are as under:

(₹ in Crore)

	As at March 31, 2020	As at March 31, 2019
Carrying value*	7,603.26	6,649.20
Fair value	7,423.89	6,461.03

*Carrying value includes interest accrued and excludes premium and impact of effective interest rate adjustment.

These fair values are calculated for disclosure purpose only. Except for those financial instruments for which the fair values are mentioned in the above table, the Group considers that the carrying amounts recognised in the financial statements are approximate their fair values.

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

Valuation Technique

Type of Financial Instrument	Valuation Technique
Debt Instruments	NAV / Quoted price as on the reporting date.
Equity Instruments	Quoted price as on the reporting date / latest available trade price.
Mutual Funds / Venture Capital Fund / AIF Units	NAV as on the reporting date / latest available NAV.
REIT Units	Quoted price as on the reporting date
Security receipts	NAV as on the reporting date.

Impact of COVID-19:

Impact of Covid-19 pandemic has been considered on the observable and unobservable inputs used for the purpose of valuation. The group has reclassified certain investments in equity instruments and venture capital fund units from level 2 to level 3 during the year. Further, necessary adjustments have been made to the timing of cash flows and values of collaterals to be realized for the purpose of determination of the fair values of financial assets carried at FVTPL.

3) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the year ended March 31, 2020 and March 31, 2019.

(₹ in Crore)

	Equity shares	Venture Capital Fund units	Security receipts	Financial Assets under Distressed Credit Business
As at April 01, 2018	**1.70**	**-**	**1,230.44**	**1,454.81**
Acquisitions	0.11	-	282.97	1,157.04
Realisations	-	-	(217.57)	(174.16)
On loss of control in a subsidiary trust	-	-	41.52	(272.69)
Net Gain / (Loss) on fair value changes			100.90	76.87
Foreign currency fluctuation	0.11	-	-	-
As at March 31, 2019	**1.92**	**-**	**1,438.26**	**2,241.87**
Acquisitions	12.52	-	20.16	293.97
Reclassification from Level 2 to Level 3	184.82	53.52	-	-
Realisations	-	-	(229.51)	(152.48)
On loss of control in a subsidiary trust	-	-	84.73	(574.64)
Net (Loss)/Gain on fair value changes	(7.14)	(8.38)	(127.80)	156.44
Foreign currency fluctuation	0.21	-	-	-
As at March 31, 2020	**192.33**	**45.14**	**1,185.84**	**1,965.16**

4) **Sensitivity for instruments:**

(₹ in Crore)

Nature of the instrument	Fair Value As at March 31, 2020	Significant unobservable inputs	Increase / Decrease in the unobservable input	Sensitivity Impact for the year ended March 31, 2020	
				FV Increase	FV Decrease
Investment in Equity shares	192.33	Impact estimated by the management considering current market conditions	5%	1.45	(1.45)
Investment in VCF	45.14	Same as above	5%	0.43	(0.43)
Investment in Security receipts	1,185.84	Estimated cash flow based on realisation of collaterals value, etc.	5%	70.78	(70.78)
Financial Assets under Distressed Credit Business	1,965.16	Same as above	5%	86.79	(86.79)

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(₹ in Crore)

Nature of the instrument	Fair Value As at March 31, 2019	Significant unobservable inputs	Increase / Decrease in the unobservable input	Sensitivity Impact for the year ended March 31, 2019	
				FV Increase	FV Decrease
Investment in Security receipts	1,438.26	Estimated cash flow based on realisation of collaterals value, etc.	5%	67.85	(67.85)
Financial Assets under Distressed Credit Business	2,241.87	Same as above	5%	112.10	(112.10)

47 Capital Management

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

The primary objective of the Group's Capital Management is to maximize shareholders 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 adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances, and liquid investments.

(₹ in Crore)

Borrowings	As at March 31, 2020	As at March 31, 2019
Gross debt	11,755.67	13,991.11
Less: Cash and cash equivalents	809.90	751.77
Less: Deposits under lien against which facilities are not availed	103.06	84.95
Less: Liquid investments in mutual funds (refer note 47.1)	2,499.37	899.86
Adjusted net debt	8,343.34	12,254.53
Total equity (refer note 47.2)	7,993.22	7,229.65
Adjusted net debt to equity ratio	1.04	1.70

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in financial covenants would permit the lenders to accelerate the repayment of outstanding amount, enforce security interests created under the financing documents, and taking possession of the assets given as security.

47.1 Includes redemption proceeds receivable from mutual fund amounting to ₹ 14.00 Crore as on March 31, 2020 and ₹ 29.94 Crore as on March 31, 2019, received on next working day.

47.2 Equity includes total equity less non-controlling interests of security receipts holders under distressed credit business and net of goodwill on consolidation.

48 Financial Risk Management

The Group has exposure to the following risks arising from financial instruments:
- Credit risk;
- Liquidity risk; and
- Market risk (including currency risk, equity price risk and interest rate risk)

Risk management framework

Risk management forms an integral part of our business operations and monitoring activities. The Group is exposed to various risks related to our lending business and operating environment. The objective is to evaluate and monitor various risks that we are subject to and follow stringent policies and procedures to address these risks. The Group has formulated comprehensive risk management policies and processes to identify, evaluate and manage the risks that are encountered during conduct of business activities in an effective manner.

i) Credit risk:

For Wholesale Loans:

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

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

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

Credit Risk Assessment Methodology
The Group has an established credit analysis procedure leading to appropriate identification of credit risk. Appropriate appraisals have been established for various types of products and businesses. The methodology involves critical assessment of quantitative and qualitative parameters.

Finance approval process begins with a detailed evaluation of technical, commercial, financial, marketing and management factors and the sponsor's financial strength and experience. As part of the appraisal process, a risk matrix is generated, which identifies each of the project risks, mitigating factors and residual risks associated with the project. After credit approval, a letter of intent is issued to the borrower, which outlines the principal financial terms of the proposed facility, sponsor obligations, conditions precedent to disbursement, undertakings from and covenants on the borrower. After completion of all formalities by the borrower, a loan agreement is entered into with the borrower.

The Group has set out security creation requirements in the loan documents. In any kind of real estate lending transaction the company maintains a security and receivables cover between 1.5 to 2 times of the loan amount. This gives enough flexibility in the event the real estate prices come down or there is a cost overrun. It also helps ensure equity of the promoter in the project in terms of the residual value cover.

The Group monitors the completeness of documentation and the creation of security through regular visits to the business outlets by the regional executives, head office executives and internal auditors. All customer accounts are reviewed at least once a year while reviews for larger exposures and reviews on delinquent customers are conducted more frequently.

Risk and monitoring team review collections regularly and personally contact customers that have defaulted on their loan payments. Close monitoring of debt servicing enables to maintain high recovery ratios and maintain satisfactory asset quality.

The Credit Committee of the respective subsidiaries, apart from approving proposals, regularly reviews the credit quality of the portfolio and various sub-portfolios. A summary of the reviews carried out by the Credit Committee is submitted to the Board of the respective subsidiaries for its information. The Group continue to monitor the credit exposure until the loans are fully repaid.

For Capital Market Loans:
The Demand/ Call loans are a line of credit facility sanctioned to a client up to which they can draw the money as and when required and can repay anytime as per liquidity available with them. Disbursement under Demand/Call Loan shall be at the absolute discretion of the respective subsidiary company. Further, such loans are a credit facility which can be recalled at any time.

The Credit team carries out a credit assessment of a borrower on the basis of financial credentials of the borrower and for that, asks for documents such as net worth / bank statements/ Income Tax Returns/ Balance sheet, investment statements and any similar documents or any such document as they may deem fit.

Considering the nature of the security (collateral) backed lending business, where the price of security may fluctuate due to market volatility or underlying security, company specific factors or due to various external factors/ adverse movements, the value of security available may fluctuate impacting the margin coverage for a borrower. Hence, to safeguard and protect the interests from the possible risk of default of a borrower, the respective subsidiary:

- Ensures maintenance of sufficient margin coverage on the borrower's loan across all the products;
- Make margin calls to the borrowers and ensures the timely collection of margins;
- Liquidates the securities to recover the loan in case the borrower fails to pay the margins on time;
- Ensures timely collection of outstanding interest on the loans; and
- Revises list of approved securities from time to time.

For Home Loans:
There is a systematic credit evaluation process monitoring the performance of its asset portfolio on a regular and continual basis to detect any material development, and constantly evaluate the changes and developments in sectors in which it has substantial exposure. It also undertakes periodic review of asset portfolio with a view to determine the portfolio valuation, identify potential areas of action and devise appropriate strategies thereon.

For Trade receivables and other financial assets:
The investment banking, wealth management and securities business of the Group are subject to the risk that a client or counterparty may fail to perform its obligations or that the value of any collateral held by the Group to secure the obligations might become inadequate. The Group is exposed to credit risk arising out of receivables from clearing houses of stock exchanges which comprise initial margins placed with clearing houses and receivables relating to sale of securities which the clients have traded, but not yet settled, and also with fixed deposits placed with banks. In addition, the Group is dependent on various intermediaries, including brokers, merchant bankers, stock exchanges, banks, registrars and share transfer agents and clearing houses and if any of these intermediaries do not perform their obligations or any collateral or security they provide proves inadequate to cover their obligations at the time of the default, the Group could suffer significant losses and it would have an adverse effect on our financial condition, results of operations and cash flows.

There is a widespread credit policy in place to monitor clients' margin requirement to prevent risk of default which includes well defined basis for categorization of securities, client-wise/scrip-wise maximum exposure, etc. for better management of credit risk.

9

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

Category	Description	Basis for recognising expected credit losses
Stage 1	Performing assets	12-month ECL
Stage 2	Under Performing assets	Lifetime ECL
Stage 3	Assets overdue more than 90 days past due	Lifetime ECL

The key elements in calculation of ECL are as follows:

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

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

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

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

(₹ in Crore)

	31st March 2020	31st March 2019
Stage 1	11,230.46	13,891.76
Stage 2	638.64	468.62
Stage 3	371.32	110.41
Total	**12,240.42**	**14,470.79**

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

(₹ in Crore)

	2019-20			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	**13,891.76**	**468.62**	**110.41**	**14,470.79**
New assets originated or purchased	3,203.74	140.22	1.32	3,345.28
Assets derecognised or repaid (excluding write offs)	(5,250.89)	(207.85)	(101.75)	(5,560.49)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(421.39)	421.39	-	-
Transfers to Stage 3	(192.76)	(183.74)	376.50	-
Amounts written off	-	-	(15.16)	(15.16)
Gross carrying amount closing balance	**11,230.46**	**638.64**	**371.32**	**12,240.42**

9

(₹ in Crore)

	2018-19			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	**14,803.76**	**141.44**	**102.57**	**15,047.77**
New assets originated or purchased	12,038.10	2.28	4.18	12,044.56
Assets derecognised or repaid (excluding write offs)	(12,502.94)	(88.28)	(30.32)	(12,621.54)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(422.45)	422.45	-	-
Transfers to Stage 3	(24.71)	(9.27)	33.98	-
Gross carrying amount closing balance	**13,891.76**	**468.62**	**110.41**	**14,470.79**

(₹ in Crore)

	2019-20			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	**92.93**	**8.10**	**32.83**	**133.86**
New assets originated or purchased	88.08	35.92	4.76	128.76
Assets derecognised or repaid (excluding write offs)	(28.06)	(0.86)	(2.00)	(30.92)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(5.61)	77.65	-	72.04
Transfers to Stage 3	(1.72)	(4.31)	57.74	51.71
Amounts written off	-	-	(15.16)	(15.16)
ECL allowance - closing balance	**145.62**	**116.50**	**78.17**	**340.29**

(₹ in Crore)

	2018-19			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	**92.77**	**2.12**	**21.77**	**116.66**
New assets originated or purchased	65.54	0.03	4.18	69.75
Assets derecognised or repaid (excluding write offs)	(60.49)	(1.21)	(5.59)	(67.29)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(3.14)	7.55	-	4.41
Transfers to Stage 3	(1.75)	(0.39)	12.47	10.33
ECL allowance - closing balance	**92.93**	**8.10**	**32.83**	**133.86**

The table below shows the credit quality and the exposure to credit risk of investments in debt instruments measured at amortised cost based on the year-end stage classification. The amounts presented are gross of impairment allowances.

(₹ in Crore)

	31st March 2020	31st March 2019
Stage 1	-	201.92
Stage 2	-	-
Stage 3	-	-
Total	-	**201.92**

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to investments in debt instruments measured at amortised cost:

(₹ in Crore)

	2019-20			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	201.92	-	-	201.92
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid (excluding write offs)	(201.92)	-	-	(201.92)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Gross carrying amount closing balance	-	-	-	-

(₹ in Crore)

	2018-19			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	-	-	-	-
New assets originated or purchased	201.92	-	-	201.92
Assets derecognised or repaid (excluding write offs)	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Gross carrying amount closing balance	201.92	-	-	201.92

(₹ in Crore)

	2019-20			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	1.13	-	-	1.13
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid (excluding write offs)	(1.13)	-	-	(1.13)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
ECL allowance - closing balance	-	-	-	-

(₹ in Crore)

	2018-19			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	-	-	-	-
New assets originated or purchased	1.13	-	-	1.13
Assets derecognised or repaid (excluding write offs)	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
ECL allowance - closing balance	1.13	-	-	1.13

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

(₹ in Crore)

	March 31, 2020	March 31, 2019
Past due 0–180 days	207.39	597.24
More than 180 days	131.39	99.89
Total	338.78	697.13

4

Reconciliation of impairment allowance on Trade Receivables

Impairment allowance measured as per simplified approach	(₹ in Crore)
Impairment allowance as on April 01, 2018	**10.50**
Add/ (less): asset originated / acquired or recovered	2.95
(Less): Amount written-back due to write-off	(1.37)
Impairment allowance as on March 31, 2019	**12.08**
Add/ (less): asset originated / acquired or recovered	9.71
(Less): Amount written-back due to write-off	(7.26)
Impairment allowance as on March 31, 2020	**14.53**

Impact of COVID-19:
The relevant subsidiary companies of the Group have applied management overlays to the ECL Model to consider the impact of the Covid-19 pandemic on the provision. The probability of default has been assessed considering the likelihood of increased credit risk and consequential default due to pandemic. The impact on collateral values is also assessed for determination of loss given default and reasonable haircuts are applied wherever necessary. The moratorium benefit wherever extended has been taken into consideration for staging of loans in the Model.

As part of the management overlays and as per the approved ECL policy of the relevant subsidiary companies of the Group, the management has adjusted the underlying PD and LGD as computed by ECL Model depending on the nature of the portfolio/borrower, the management's estimate of the future stress and risk and available market information. Also, refer note 50.

ii) Liquidity Risk:

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

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

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

The Group has undrawn lines of credit of ₹ 732.06 Crore and ₹ 782.87 Crore as of March 31, 2020 and March 31, 2019 respectively, from its bankers for working capital requirements.

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

Exposure to liquidity risk

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

(₹ in Crore)

March 31, 2020	Total	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Derivative financial instruments	1.22	1.22	-	-	-
Trade Payables	439.85	439.45	0.40	-	-
Debt securities	8,235.26	2,638.28	3,556.78	1,305.91	734.29
Borrowings (other than debt securities)	3,520.41	1,969.71	1,115.12	245.82	189.76
Other Financial Liabilities	271.55	208.25	36.09	21.03	6.18
Total	12,468.29	5,256.91	4,708.39	1,572.76	930.23
Financial Assets					
Cash and Cash Equivalents	809.90	809.90	-	-	-
Bank balances other than cash and cash equivalents	519.50	511.36	8.14	-	-
Derivative financial instruments	1.26	1.26	-	-	-
Trade Receivables	324.25	233.41	90.84	-	-
Loans	11,900.13	4,757.26	5,338.44	847.91	956.52
Investments	4,014.45	3,063.62	338.18	258.92	353.73
Other Financial Assets	2,382.32	835.46	545.30	993.18	8.38
Total	19,951.81	10,212.27	6,320.90	2,100.01	1,318.63

(₹ in Crore)

March 31, 2019	Total	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade Payables	417.10	417.10	-	-	-
Debt securities	9,722.83	4,797.41	3,495.15	1,131.16	299.11
Borrowings (other than debt securities)	4,268.28	2,034.71	2,027.78	97.65	108.14
Other Financial Liabilities	345.80	287.55	17.82	4.21	36.22
Total	14,754.01	7,536.77	5,540.75	1,233.02	443.47
Financial Assets					
Cash and Cash Equivalents	751.77	751.77	-	-	-
Bank balances other than cash and cash equivalents	530.47	529.71	0.76	-	-
Trade Receivables	685.05	685.05	-	-	-
Loans	14,336.93	4,770.54	7,525.27	1,327.43	713.69
Investments	2,933.34	1,738.81	233.39	239.14	722.00
Other Financial Assets	2,686.53	1,098.91	746.51	521.83	319.28
Total	21,924.09	9,574.79	8,505.93	2,088.40	1,754.97

iii) Market Risk:
The Group's activities expose it primarily to the currency, equity price and interest rates.

Currency Risk:
The Group undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. The Group is exposed to currency risk significantly on account of its trade payables and trade receivables denominated in foreign currency. The functional currency of the Group is Indian Rupee. The Group wherever required, hedges its foreign currency risk by using Derivative Instruments (Forward Contracts).

a) Foreign currency exposures not hedged by a derivative instrument or otherwise are given below:

Particulars	As at 31.03.2020 (in Crore)	As at 31.03.2020 (Amount in Foreign Currency)	As at 31.03.2019 (in Crore)	As at 31.03.2019 (Amount in Foreign Currency)
Trade Receivables	0.45 3.45 6.34	USD 59,671 GBP 3,71,149 EURO 7,63,806	0.70 0.01 -	USD 101,694 GBP 1,050 -
Trade Payables	0.07 0.02	USD 9,190 SGD 4,220	0.04 #	GBP 3,862 USD 671

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

(₹ in Crore)

	Net unhedged exposure		% Change	Profit or Loss	
	March 31, 2020	March 31, 2019		March 31, 2020	March 31, 2019
USD	0.38	0.70	5% Increase 5% Decrease	0.02 (0.02)	0.03 (0.03)
SGD	(0.02)	-	5% Increase 5% Decrease	# #	- -
GBP	3.45	(0.03)	5% Increase 5% Decrease	0.17 (0.17)	# #
EURO	6.34	-	5% Increase 5% Decrease	0.32 (0.32)	- -

# Denotes amount below ₹ 50,000/-

Equity price risk:

Equity price risk is related to the change in market reference price of the level 1 and level 2 equity instruments. The fair value of some of the Group's investments exposes the Group to equity price risks. In general, these securities are not held for trading purposes.

The fair value of level 1 and level 2 equity instruments as at March 31, 2020 and March 31, 2019 were ₹ 57.49 Crore and ₹ 223.88 Crore respectively. A 5% change in price of equity instruments held as at March 31, 2020 and March 31, 2019 would result in the following:

(₹ in Crore)

	March 31, 2020	March 31, 2019
5% Increase	2.87	11.19
5% Decrease	(2.87)	(11.19)

Interest rate risk:

The Group is exposed to interest rate risk as it has assets and liabilities based on floating interest rates as well. Interest rates are susceptible to a number of factors beyond our control, including monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. The Group assesses and manages interest rate risk on balance sheet by managing assets and liabilities in line with Asset Liability Management Policy.

Exposure to interest rate risk

The Group's exposures to interest rates on financial assets and financial liabilities are detailed as under:

(₹ in Crore)

	March 31, 2020	March 31, 2019
Loans:		
Fixed rate Instruments	6,178.70	8,794.64
Floating rate Instruments	5,851.62	5,491.86
Total	**12,030.32**	**14,286.50**
Borrowings:		
Fixed rate Instruments	7,131.85	9,888.42
Floating rate Instruments	3,994.11	3,636.50
Total	**11,125.96**	**13,524.92**

Note: The above numbers are gross of expected credit losses and does not include accrued interest.

Fair value sensitivity analysis for Floating-rate instruments

The sensitivity analysis below have been determined based on exposure to the interest rates for financial instruments at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of instruments that have floating rates. A 100 basis points increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates

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

(₹ in Crore)

	March 31, 2020		March 31, 2019	
	100 bps higher	100 bps lower	100 bps higher	100 bps lower
Floating rate loans	58.52	(58.52)	54.92	(54.92)
Floating rate borrowings	(39.94)	39.94	(36.37)	36.37

49 The Board of Directors of the Company has recommended a dividend of ₹ 0.20 per equity share of the face value of ₹1/- each for the year ended March 31, 2020 (Previous Year: final dividend was ₹ 0.50 per equity share and interim dividend was ₹0.50 per equity share). The said dividend will be paid, if approved by the shareholders at the Thirty Fifth Annual General Meeting.

50 The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. The Reserve Bank of India (RBI) has issued guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and April 17, 2020 and in accordance therewith, certain subsidiaries of the Group have provided a moratorium of three months on the payment of all principal amounts and/or interest, as applicable, falling due between March 1, 2020 and May 31, 2020 to all eligible borrowers classified as standard, even if the said amounts were overdue on February 29, 2020, excluding the collections already made in the month of March 2020. For all such accounts, where the moratorium is granted, the asset classification will remain standstill during the moratorium period (i.e., the number of days past due shall exclude the moratorium period for the purpose of asset classification as per the policy).

Further, the management of respective subsidiaries, based on current available information, has estimated impact on the future cash flows and applied overlays based on the policy of the respective subsidiaries for the purpose of determination of:

- the provision for impairment of financial assets carried at amortised cost and,
- the fair value of certain financial assets carried at fair value through profit or loss (FVTPL).

Given the uncertainty over the potential macro-economic impact, the management has considered internal and external information including credit reports and economic forecasts up to the date of approval of these financial statements.

Accordingly, the Statement of Profit and Loss for the year ended March 31, 2020 includes incremental impairment provision and fair value loss aggregating ₹ 175.21 Crore which significantly includes potential impact on account of the pandemic. Based on the current indicators of future economic conditions, the Group considers these provisions to be adequate and the fair values of financial assets carried at FVTPL to be appropriate.

The extent to which the COVID-19 pandemic will impact future results of these subsidiaries and consequently the Group's results will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by these subsidiaries of the Group. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Group will continue to closely monitor any material changes to future economic conditions, which will be given effect to in the respective future period.

51 The Financial Statements are approved for issue by the Board of Directors at its meeting held on May 06, 2020.

For and on behalf of the Board of Directors

Nimesh Kampani Chairman DIN – 00009071	**Vishal Kampani** Managing Director DIN – 00009079	**E A Kshirsagar** Director DIN – 00121824
Prashant Choksi Company Secretary	**Manish Sheth** Chief Financial Officer	

Place: Mumbai
Date: May 06, 2020