

May 30, 2024

BSE Limited
Department of Corporate Services
1st Floor, New Trading Ring
Rotunda Building, P J Towers
Dalal Street, Fort,
Mumbai - 400 001

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

Security Code: **523405**

Symbol: **JMFINANCIL**

Dear Sirs,

Sub: **Annual Secretarial Compliance Report for the financial year ended March 31, 2024**

Pursuant to the Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Master circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, we are submitting a copy of the Annual Secretarial Compliance Report for the financial year ended March 31, 2024 as received from MMJB & Associates LLP, Company Secretaries.

We request you to kindly take the above on your record.

Thank you.

Yours truly,
For **JM Financial Limited**

Dimple Mehta
Company Secretary & Compliance Officer

Encl.: as above

MMJB & Associates LLP

Company Secretaries

803-804, 8th Floor, Ecstasy, Citi of Joy, JSD Road, Mulund West, Mumbai 400080, (T) 022-21678100

Secretarial Compliance Report of JM Financial Limited for the financial year ended March 31, 2024

We, M/s. MMJB & Associates LLP, Practicing Company Secretaries, have examined:

- (a) all the documents and records made available to us and explanation provided by the JM Financial Limited ('listed entity'),
- (b) the filings/ submissions made by the listed entity to the Stock Exchanges,
- (c) website of the listed entity,
- (d) any other document/filing, as may be relevant, which has been relied upon to make this certification,

for the financial year ended on March 31, 2024 ('Review Period') in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ('SCRA'), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ('SEBI');

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; ('Listing Regulations')
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 to the extent applicable;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 to the extent applicable;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (f) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 to the extent applicable;
- (h) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 to the extent applicable; ('SEBI Delisting Regulations')

- (i) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
- (j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 to the extent applicable;
- (k) Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992; ('SEBI MB Regulations')
- (l) Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
- (m) Securities and Exchange Board of India (Venture Capital Funds) Regulations 1996;
- (n) Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020;

and circulars/guidelines issued thereunder.

and based on the above examination, we hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except in respect of matters as specified in **Annexure A**.

(c) The listed entity has taken following actions to comply with the observations made in previous reports:

(d)

Sr. No.	Observations/ Remarks of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended (the years are to be mentioned)	Compliance Requirement (Regulations /circulars/ guidelines including specific clause)	Details of violation / deviations and actions taken / penalty imposed, if any, on the listed entity	Remedial actions, if any, taken by the listed entity	Comments of the PCS on the actions taken by the listed entity
Nil						

(c) We hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations / Remarks by PCS*
1	<p><u>Secretarial Standards:</u></p> <p>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI).</p>	Yes	-
2	<p><u>Adoption and timely updation of the Policies:</u></p> <ul style="list-style-type: none"> • All applicable policies under SEBI Regulations are adopted with the approval of Board of Directors of the listed entities. 	Yes	-

	<ul style="list-style-type: none"> All the policies are in conformity with SEBI Regulations and have been reviewed & timely updated as per the regulations/circulars/guidelines issued by SEBI. 		
3.	<p><u>Maintenance and disclosures on Website:</u></p> <ul style="list-style-type: none"> The Listed entity is maintaining a functional website. Timely dissemination of the documents/information under a separate section on the website. Web-links provided in annual corporate governance reports under Regulation 27 (2) of Listing Regulations are accurate and specific which redirects to the relevant document(s)/section of the website. 	Yes	-
4.	<p><u>Disqualification of Director:</u></p> <p>None of the Directors of the listed entity are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.</p>	Yes	-
5.	<p><u>Details related to Subsidiaries of listed entity have been examined w.r.t.:</u></p> <p>(a) Identification of material subsidiary companies. (b) Requirements with respect to disclosure of material as well as other subsidiaries</p>	(a) Yes (b) Yes	
6.	<p><u>Preservation of Documents:</u></p> <p>As per the confirmations given by the listed entity, and on our test check basis, listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records is as per Policy of Preservation of Documents and Archival policy prescribed under Listing Regulations.</p>	Yes	-
7.	<p><u>Performance Evaluation:</u></p> <p>The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.</p>	Yes	-
8.	<p><u>Related Party Transactions:</u></p> <p>(a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions. (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were</p>	(a) Yes (b) NA	(a) - (b) Please refer point no. 8(a)

	subsequently approved/ratified/rejected by the Audit committee.		
9.	<u>Disclosure of events or information:</u> The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of Listing Regulations within the time limits prescribed thereunder.	Yes	-
10.	<u>Prohibition of Insider Trading:</u> The listed entity is in compliance with Regulation 3 (5) & 3 (6) of SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	-
11.	<u>Actions taken by SEBI or Stock Exchange(s), if any:</u> No actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.	No	<ol style="list-style-type: none"> 1. As regards action taken against the listed entity, refer Annexure A of this report 2. Actions taken against following subsidiaries are as under: <ul style="list-style-type: none"> • JM Financial Institutional Securities Limited ('JMFISL'): Show cause notices dated June 26, 2023 and February 29, 2024 in relation to certain transactions allegedly executed by JMFISL on NSE on behalf of its institutional clients. JMFISL has submitted its response vide letter(s) dated July 14, 2023 and March 15, 2024 to the said Show cause notices, respectively. No further communication has been received in this regard. • Infinite India Investment Management Limited (Investment Manager of one INvIT Trust): SEBI has issued warning letter dated March 26, 2024 for non-disclosure of consolidated Net Asset Value (NAV) in the annual report of FY 2022-23. The Investment Manager has ensured compliance of the same.

• **JM Financial Home Loans Limited (JMFHLL):**

With respect to an ISIN related to Secured Listed NCDs issued by JMFHLL, BSE vide its email dated May 12, 2023, had levied penalty of ₹ 1000/- for delay in filing of the intimation under Regulation 57(4) of the Listing Regulations. JMFHLL had duly made the payment of fine.

• **JM Financial Services Limited (JMFSL):**

Certain penalties were levied on JMFSL by NSE in the ordinary course of business.

a) Penalty of ₹ 20,000/- for Non Tagging of Unique Identifier for Algorithmic orders.

b) Penalty of ₹ 5.41 Lakh (50% of total penalty) paid on account of matching of orders and reversal of trades by the client.

c) Penalty of ₹ 3,000/- for Market orders emanating from Algo during September 2023.

d) Penalty of ₹1,00,000/- for reporting incorrect data towards weekly client level cash and cash equivalents.

e) Penalty of ₹ 4,100/- for reporting incorrect margin collection to the Exchange.

f) Penalty of ₹ 15,000/- for various observations such as non-display of notice board, SEBI registration certificate, etc., at one of the inspection location.

			JMFSL has taken corrective/appropriate action in all the aforesaid matters.
12.	<u>Resignation of statutory auditors from the listed entity or its material subsidiaries</u> In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the Listing Regulations by listed entities.	NA	No such event occurred during review period
13.	<u>No Additional non-compliances observed:</u> No additional non-compliance observed for any SEBI regulation/circular/guidance note, etc.	Yes	-

**Observations/Remarks by PCS are mandatory if the Compliance status is provided as 'No' or 'NA'*

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the Listing Regulations and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

**For MMJB & Associates LLP
Company Secretaries**

BHAVISHA Digitally signed
by BHAVISHA
A RAVI RAVI JEWANI
JEWANI Date: 2024.05.30
22:37:23 +05'30'

Bhavisha Jewani
Designated Partner
FCS No. 8503
CP No. 9346
PR No: 2826/2022
UDIN: F008503F000500049

Date: May 30, 2024
Place: Mumbai

'Annexure A'

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation / Circular No.	Deviations	Action Taken by	Type of Action	Details of violation	Amount	Observation s/ Remarks of the Practicing Company Secretary	Management Response	Remarks
JM Financial Limited ('JMFL' or 'Listed entity')										
1.	The Manager to the offer shall exercise due diligence, care and professional judgment to ensure compliance with the regulations. and Compliance with Code of Conduct	Regulation 29 (4) of SEBI (Delisting of Equity Shares) Regulations, 2021 & Regulation 13 read with Schedule III of SEBI MB Regulations	Incorrect computation of floor price in delisting offer.	SEBI	Show Cause Notice dated May 25, 2023	Alleged failure of JMFL to exercise due diligence, care and professional judgement to ensure compliance with these regulations, as the manager to the delisting offer by one of its clients.	-	-	JMFL had submitted its response to the Show Cause Notice and had also filed a settlement application with SEBI in this matter.	
2.	Maintenance of records and	Regulation 14(1)(e),	Non-maintenanc	SEBI	Administrative Warning	It was observed by SEBI that JMFL did not exercise due skill, care	-	-	JMFL, vide its letter dated	-

	documents pertaining to due diligence exercised in pre-issue and post-issue activities of issue management and in case of takeover, buyback and delisting of securities and abide by Code of Conduct of Merchant Banker	Regulation 16 and Regulation 13 read with Clause 4 of Schedule III of SEBI MB Regulations	e of pre and post issue documents in few issues/offer s where JMFL was acting as lead manager/ manager.		letter dated June 2, 2023	and diligence while submitting certain information to SEBI.			August 7, 2023, has submitted the details of corrective steps/action taken for the observations made by SEBI in its letter.	
3.	-	-	-	SEBI	Administrative Warning letter dated August 22, 2023	Non-reporting by JMFL to SEBI about bid upload failure by a Self-Certified Syndicate Bank, where JMFL acted as one of the book running lead managers (BRLMs) in IPO of one of the clients.	-	-	Necessary corrective steps have been taken by JMFL to avoid recurrence of such instance in future.	-
4.	Contents of the public announcement of offer as well as the letter of offer are true, fair and	Regulation 25(vii) of SEBI (Buy-Back of Securities)	-	SEBI	Administrative Warning letter dated November 22, 2023.	It was observed by SEBI that JMFL did not exercise diligence, care and professional judgement in relation to calculation of	-	-	Rectified the deficiencies by filing the corrigendum to the "letter of offer" by	-

	adequate and quoting the source wherever necessary and Compliance with Code of Conduct of Merchant Banker	Regulations, 2018 & Regulation 13 read with Clause 3, 4 and 6 of Schedule III of SEBI MB Regulations				entitlement ratio for the general category of shareholders in case of a buy-back offer by one of its clients.			revising the entitlement ratio for the general category of shareholders. Necessary corrective steps have been taken by JMFL to avoid recurrence of such instance in future.	
5.	No person shall indulge in a manipulative, fraudulent or an unfair trade practice in securities markets & Compliance with Code of Conduct of Merchant Banker	Regulation 4(1) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities	-	SEBI	Interim Ex Parte Order dated March 7, 2024 whereby JMFL is inter-alia, barred from taking any	In the matter of public issue of certain debt securities, SEBI has prima facie observed contravention of certain clauses specified in Schedule III of the SEBI MB Regulations.	-	-	JMFL has filed its response to SEBI in the said matter.	-

		<p>Market) Regulations, 2003 ('SEBI PFUTP Regulations')</p> <p>&</p> <p>Clauses 2, 3, 9, 19 and 32 of Schedule III of SEBI MB Regulations</p>			<p>new mandate for acting as a lead manager for any public issue of debt securities and in respect of any existing mandates, JMFL may continue to act as a lead manager for public issue of debt securities for a period of 60 days from the date of this Order.</p>					
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