



JM FINANCIAL PRODUCTS LIMITED

JM Financial Products Limited (our "Company") was originally incorporated at Mumbai, Maharashtra as a private limited company on July 10, 1984 under the provisions of the Companies Act, 1956 with registration number 33397 of 1984 and with the name "J.M. Lease Consultants Private Limited". By virtue of section 43A of the Companies Act, 1956 our Company became a deemed public company with the name "J.M. Lease Consultants Limited" and received a certificate of incorporation dated July 15, 1992 from the Registrar of Companies, Mumbai, Maharashtra. Our Company further became a private limited company with effect from August 17, 2001. Subsequently, by way of a fresh certificate of incorporation dated June 10, 2005 issued by the Registrar of Companies, Mumbai, Maharashtra, our Company's name was changed to "JM Financial Products Private Limited". Our Company was converted into a public limited company with the name "JM Financial Products Limited" and received a fresh certificate of incorporation consequent to change in status on June 28, 2010 from the Registrar of Companies, Mumbai, Maharashtra. Our Company is a Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC-ND-SI), registered with the Reserve Bank of India under Section 45 IA of the RBI Act, 1934, bearing registration no. B - 13.00178 dated March 2, 1998. For further details regarding changes to the name and registered office of our Company, see "History and Other Corporate Matters" on page 112 of this Shelf Prospectus.

Corporate Identity Number: U74140MH1984PLC033397; **PAN:** AAACJ1236G;

Registered and Corporate Office: 7th Floor, Cnergy, Appasaheb Marathe Marg Prabhadevi, Mumbai, Maharashtra 400 025, India
Tel: (+91 022) 6630 3030; **Fax:** (+91 022) 6630 3223; **Website:** www.jmfinancialproducts.com; **Email:** investorrelations.products@jmfl.com

Company Secretary & Compliance Officer: Rupesh Samani; **Tel:** (+91 22) 6630 3030; **Email:** investorrelations.products@jmfl.com

Chief Financial Officer: Nishit Shah; **Tel:** (+91 22) 6630 3030; **Email:** nishit.shah@jmfl.com

Statutory Auditor: M/s. Khimji Kunverji & Co. LLP, **Address:** Sunshine Tower, Level 19, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400013. **Tel:** (+91 22) 6143 7333; **Fax:** (+91 22) 6143 7300;
Website: www.kkcllp.in; **Email:** vinit@kkcllp.in; **Contact Person:** Vinit Jain.

PUBLIC ISSUE BY JM FINANCIAL PRODUCTS LIMITED, (THE "COMPANY" OR THE "ISSUER") OF SECURED, RATED, LISTED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE ₹ 1,000 EACH AND/OR UNSECURED, RATED, LISTED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF ₹ 1,000 EACH, ("NCDs" OR "DEBENTURES") FOR AN AMOUNT AGGREGATING UPTO ₹ 1,500 CRORE ("SHELF LIMIT") HEREINAFTER REFERRED TO AS THE "ISSUE". THE UNSECURED, RATED, LISTED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES WILL BE IN THE NATURE OF SUBORDINATED DEBT AND WILL BE ELIGIBLE FOR INCLUSION AS TIER II CAPITAL. THE NCDs WILL BE ISSUED IN ONE OR MORE TRANCHEs, ON TERMS AND CONDITIONS (INCLUDING TRANCHE SIZE AS SET OUT IN THE RELEVANT TRANCHE PROSPECTUS FOR ANY TRANCHE ISSUE (EACH "TRANCHE ISSUE") WHICH SHOULD BE READ TOGETHER WITH THIS SHELF PROSPECTUS (COLLECTIVELY, THE "OFFER DOCUMENTS"). THIS SHELF PROSPECTUS SHALL BE FILED WITH THE BSE LIMITED, SECURITIES AND EXCHANGE BOARD OF INDIA AND REGISTRAR OF COMPANIES, MUMBAI, MAHARASHTRA. THE BASE ISSUE SIZE WILL BE STATED IN EACH TRANCHE PROSPECTUS. THE ISSUE IS BEING MADE PURSUANT TO THE PROVISIONS OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021 (THE "SEBI NCS REGULATIONS"), THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER AS AMENDED TO THE EXTENT NOTIFIED AND THE SEBI OPERATIONAL CIRCULAR DATED AUGUST 10, 2021.

PROMOTER

Our Promoter is JM Financial Limited; **Tel:** (+91 22) 6630 3030; **Website:** www.jmfl.com; **Email:** ecommunication@jmfl.com; For further details refer to the chapter "Our Promoter" on page 133 of this Shelf Prospectus.

GENERAL RISK

Investment in debt securities involve a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under "Risk Factors" and "Material Developments" on pages 12 and 298, respectively of this Shelf Prospectus. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the debt securities or investor's decision to purchase such securities. This Shelf Prospectus has not been and will not be approved by any regulatory authority in India, including the SEBI, the Reserve Bank of India ("RBI"), RoC or any stock exchange in India nor do they guarantee the accuracy or adequacy of this document.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for, and confirms that this Shelf Prospectus and the relevant Tranche Prospectus for a Tranche Issue contains and will contain all information with regard to our Company and the relevant Tranche Issue, which is material in the context of the Issue and the relevant Tranche Issue, that the information contained in this Shelf Prospectus read together with the relevant Tranche Prospectus for a Tranche Issue is true and correct in all material aspects and is not misleading and that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which makes this Shelf Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading.

CREDIT RATING

The NCDs proposed to be issued under this Issue have been rated [ICRA]AA/ Stable by ICRA Limited for an amount of up to ₹ 3,850 crore vide its letter dated August 30, 2021 read with its rating rationale released on July 16, 2021 and have been rated CRISIL AA/ Stable by CRISIL Ratings Limited for an amount up to ₹ 3,751.35 crore vide its letter dated August 31, 2021 read with its rating rationale dated August 30, 2021. The rating of the NCDs by ICRA Limited and CRISIL Ratings Limited indicates high degree of safety regarding timely servicing of financial obligations. The rating provided by ICRA Limited and CRISIL Ratings Limited may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. Please see pages 415 to 437 of this Shelf Prospectus for rating letter and rationale for the above ratings. The credit rating agencies to this Issue are:



ICRA

ICRA Limited
Electric Mansion, 3rd Floor, Appasaheb Marathe Marg,
Prabhadevi, Mumbai - 400 025
Website: www.icra.in
Telephone: (+91) 22 6169 3300
Fax: (+91) 22 2433 1390
Email: shivakumar@icraindia.com
Contact Person: L. Shivakumar

CRISIL
An S&P Global Company

CRISIL Ratings Limited
CRISIL House, Central Avenue, Hiranandani Business Park, Powai
Mumbai - 400 076
Website: www.crisil.com/ratings
Telephone: (+91) 22 3342 3000
Fax: (+91) 22 4040 5800
Email: crisilratingsdesk@crisil.com
Contact Person: Mr. Krishnan Sitarman

PUBLIC COMMENTS

The Draft Shelf Prospectus dated September 2, 2021 was filed with BSE Limited, being Designated Stock Exchange for this Issue, pursuant to provisions of the SEBI NCS Regulations and was open for public comments for a period of seven Working Days from the date of filing of the Draft Shelf Prospectus with the Designated Stock Exchange i.e. until 5:00 p.m. on September 13, 2021. No comments were received on the Draft Shelf Prospectus until 5:00 p.m. on September 13, 2021.

LISTING

The NCDs offered through this Shelf Prospectus along with the relevant Tranche Prospectus are proposed to be listed on BSE Limited ("BSE"). For the purposes of the Issue, BSE shall be the Designated Stock Exchange. Our Company has received an 'in-principle' approval from BSE vide their letter no. DCS/BM/PI-BOND/012/21-22 dated September 14, 2021.

COUPON RATE, COUPON PAYMENT FREQUENCY, REDEMPTION DATE, REDEMPTION AMOUNT, UNDERWRITING DETAILS & ELIGIBLE INVESTORS

For details relating to Coupon Rate, Coupon Payment Frequency, Redemption Date and Redemption Amount of the NCDs, see "Terms of the Issue" on page 335 of this Shelf Prospectus. For details relating to eligible investors please see "Issue Procedure" on page 350 of this Shelf Prospectus. Underwriting is not applicable for this Issue.

LEAD MANAGERS TO THE ISSUE		REGISTRAR TO THE ISSUE	DEBENTURE TRUSTEE**
Equirus Capital Private Limited 12th Floor, C Wing, Marathon Futurex, N.M. Joshi Marg, Lower Parel, Mumbai 400 013 Tel: (+91 22) 4332 0700 Fax: (+91 22) 4332 0750 Email: jmflpl.ncd@equirus.com Investor Grievance Investorsgrievance@equirus.com Website: www.equirus.com Contact person: Mr. Ankit Jain Compliance Officer: Mr. Parth Pankhaniya SEBI Registration No: INM000011286	JM Financial Limited*** 7th Floor, Cnergy Appasaheb Marathe Marg Prabhadevi, Mumbai - 400 025 Tel: (+91 22) 6630 3030 Fax: (+91 22) 6630 3330 Email: JMFLPL.bondissue2021@jmfl.com Investor Grievance grievance.ibd@jmfl.com Website: www.jmfl.com Contact Person: Ms. Prachee Dhuri Compliance Officer: Mr. Sunny Shah SEBI Registration No.: INM000010361	KFin Technologies Private Limited (Formerly known as Karvy Fintech Private Limited) Selenium Tower B, Plot No. 31 and 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi 500 032 Tel: (+91 40) 6716 2222 Fax: (+91 40) 2343 1551 Email: jmflpl.ncdipo@kfintech.com Investor Grievance Email: einward.ris@kfintech.com Website: www.kfintech.com Contact Person: M Murali Krishna SEBI Registration No.: INR000000221	IDBI Trusteeship Services Limited** Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai 400 001 Tel: (+91 22) 4080 7000 Fax: (+91 22) 6631 1776 / 4080 7080 Email: itsl@idbitrustee.com; rmitra@idbitrustee.com; sumedh@idbitrustee.com Investor Grievance Email: response@idbitrustee.com Website: www.idbitrustee.com Contact Person: Mr. Ritobrata Mitra / Mr. Jatin Bhat / Mr. Sumedh Vaidya SEBI Registration No.: IND000000460

ISSUE OPENS ON: As specified in the relevant Tranche Prospectus

ISSUE CLOSES ON: As specified in the relevant Tranche Prospectus

*The Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time), during the period indicated in the relevant Tranche Prospectus, except that the Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company ("Board") or the NCD Public Issue Committee of the Board of Directors of the Company. In the event of such an early closure or extension of the Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in all the newspapers in which pre-Issue advertisement and advertisement for opening or closure of the Issue have been given, on or before such earlier date of the closure or extended date of the Issue, in terms of Schedule V of the SEBI NCS Regulations. Applications through the UPI route will be accepted, subject to compliance by the investor with the eligibility criteria and due procedure for UPI applications prescribed by SEBI. Applications Forms for the Issue will be accepted only from 10:00 a.m. till 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. (Indian Standard Time) and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 p.m. (Indian Standard Time) on one Working Day post the Issue Closing Date. For further details, see "Issue Related Information" on page 329 of this Shelf Prospectus.

**IDBI Trusteeship Services Limited under Regulation 8 of the SEBI NCS Regulations has by its letter dated September 1, 2021 given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in the Offer Documents and in all the subsequent periodical communications to be sent to the holders of the Debentures issued pursuant to this Issue. For further details, please see Annexure C of this Shelf Prospectus.

***In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, read with Regulation 25(3) of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, JM Financial Limited will be involved only in marketing of the Issue. For further details, see "Other Regulatory and Statutory Disclosures" on page 311 of the Shelf Prospectus.

A copy of this Shelf Prospectus and the relevant Tranche Prospectus shall be filed with the Registrar of Companies, Maharashtra, located at Mumbai, in terms of Section 26 and 31 of the Companies Act, 2013, along with the endorsed/certified copies of all requisite documents. For further details, see "Material Contracts and Documents for Inspection" on page 409 of this Shelf Prospectus.

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SECTION I: GENERAL

DEFINITIONS / ABBREVIATIONS

Company related terms

Term	Description
“We”, “us”, “our”, “the Company”, “our Company” and “Issuer”	JM Financial Products Limited, a public limited company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013, having its registered office at 7th Floor, Cnergy, Appasaheb Marathe Marg Prabhadevi, Mumbai, Maharashtra 400 025, India.
AOA/Articles of Association	Articles of Association of our Company, as amended from time to time.
Board / Board of Directors	The Board of Directors of our Company and includes any Committee constituted thereof, from time to time.
Equity Shares	Equity shares of face value ₹10 each of our Company.
Group Companies	Group Companies as defined in terms of Regulation 2 (1)(r) of the SEBI NCS Regulations: • JM Financial Credit Solutions Limited • JM Financial Asset Reconstruction Company Limited • JM Financial Services Limited • JM Financial Capital Limited • JM Financial Asset Management Limited • JM Financial Institutional Securities Limited (formerly known as JM Financial Securities Limited) • JM Financial Properties & Holdings Limited • Infinite India Investment Management Limited • CR Retail Malls (India) Limited • J M Financial & Investment Consultancy Services Private Limited • J M Assets Management Private Limited
Independent Chartered Accountant	The independent chartered accountant being, N. G. Thakrar & Co.
JMFHL / Subsidiary	JM Financial Home Loans Limited, a public limited company incorporated under the Companies Act, 2013 and having its registered office at 7th Floor, Cnergy, Appasaheb Marathe Marg Prabhadevi, Mumbai, Maharashtra 400 025, India.
KMP/Key Managerial Personnel	Key Managerial Personnel of our Company appointed as defined under the Companies Act, 2013.
Limited Review Financial Results	The unaudited standalone financial results for the three month period ended June 30, 2021 of our Company along with the limited review report.
Memorandum / MOA	Memorandum of Association of our Company, as amended from time to time.
NBFC	Non-Banking Financial Company as defined under Section 45-IA of the RBI Act, 1934.
NCD Public Issue Committee	The Committee constituted by our Board of Directors <i>vide</i> board resolution dated October 24, 2018 and further re – constituted <i>vide</i> board resolution dated July 11, 2019.
Promoter	JM Financial Limited
Promoter Group	Includes the individuals and entities covered by the definition under Regulation 2 (1) (ff) of the SEBI NCS Regulations
Reformatted Consolidated Financial Information	The reformatted consolidated statement of assets and liabilities as at March 31, 2021, 2020 and 2019 and the reformatted consolidated statements of profit and loss and cash flows for each of the years ended March 31, 2021, 2020 and 2019.
Reformatted Financial Information	Collectively, the Reformatted Consolidated Financial Information and Reformatted Standalone Financial Information.
Reformatted Standalone Financial Information	The reformatted standalone statement of assets and liabilities as at March 31, 2021, 2020 and 2019 and the reformatted standalone statements of profit and loss and cash flows for each of the years ended March 31, 2021, 2020 and 2019.
RoC	The Registrar of Companies, Maharashtra, Mumbai.
₹/ Rs. /INR / Rupees	The lawful currency of the Republic of India.
Statutory Auditors	The current statutory auditors of our Company, M/s. Khimji Kunverji & Co. LLP, Chartered Accountants, (formerly known as M/s. Khimji Kunverji & Co.) Sunshine Tower, Level 19, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013.

Issue related terms

Term	Description
Abridged Prospectus	A memorandum containing salient features of the Shelf Prospectus and the relevant Tranche Prospectus.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form
Allotment / Allot/ Allotted	Unless the context otherwise requires, the allotment of the NCDs pursuant to the Issue to the Allottee(s).
Allottee(s)	The successful applicant to whom the NCDs will be allotted.
Allotment Advice	The communication sent to the Allottees conveying details of NCDs allotted to the Allottees in accordance with the Basis of Allotment.
Applicant / Investor	The person who applies for issuance and Allotment of NCDs pursuant to the terms of the Shelf Prospectus, the relevant Tranche Prospectus and Abridged Prospectus and the Application Form for this Issue.
Application / ASBA Application	An application for Allotment of NCDs offered pursuant to this Issue by submission of a valid Application Form and authorising an SCSB to block the Application Amount in the ASBA Account or to block the Application Amount using the UPI Mechanism, where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by retail individual investors which will be considered as the application for Allotment in terms of the Shelf Prospectus and the relevant Tranche Prospectus.
Application Amount	The aggregate value of the NCDs applied for, as indicated in the Application Form for the Prospectus.
Application Form / ASBA Form	The form in terms of which the Applicant shall make an offer to subscribe to the NCDs through the ASBA process, in terms of the Shelf Prospectus and the relevant Tranche Prospectus.
ASBA or Application Supported by Blocked Amount	The Application (whether physical or electronic) in terms of which the Applicant shall make an Application by authorising SCSB to block the Application Amount in the specified bank account maintained with such SCSB or to block the Application Amount using the UPI Mechanism, where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by retail individual investors which will be considered as the application for Allotment in terms of the Shelf Prospectus and the relevant Tranche Prospectus..
ASBA Account	An account maintained with an SCSB as specified in the ASBA Form submitted by ASBA Applicants for blocking the Bid Amount mentioned in the ASBA Form and will include a bank account of a retail individual investor linked with UPI, for retail individual investors submitting application value up to ₹2,00,000, which will be blocked by such SCSB to the extent of the Application Amount of an Applicant.
Banker to the Issue	Collectively, the Public Issue Account Bank, Sponsor Bank and the Refund Bank.
Base Issue Size	As will be specified in the relevant Tranche Prospectus for each Tranche Issue.
Basis of Allotment	The basis on which NCDs will be allotted to Applicants under the relevant Tranche Issue and which is described in “ <i>Issue Procedure – Basis of Allotment for NCDs</i> ” on page 377 of this Shelf Prospectus.
Bidding Centers	Centers at which the Designated Intermediaries shall accept the Application Forms, i.e., Designated Branches of SCSB, Specified Locations for Members of the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Broker Centers	Broker centers notified by the Stock Exchanges where Applicants can submit the ASBA Forms (including ASBA Forms under UPI in case of UPI Investors) to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Trading Members are available on the respective websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com .
Category I – Institutional Investors	- Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs; - Provident funds and pension funds with minimum corpus of ₹25 crore, and superannuation funds and gratuity funds, which are authorised to invest in the NCDs; - Alternative Investment Funds subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended; - Resident Venture Capital Funds registered with SEBI; - Insurance Companies registered with IRDA; - State industrial development corporations; - Insurance funds set up and managed by the army, navy, or air force of the Union of India; - Insurance funds set up and managed by the Department of Posts, the Union of India;

Term	Description
	- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; - Systemically important non-banking financial companies being non-banking financial companies registered with the Reserve Bank of India and having a net worth of more than ₹500 crores as per its last audited financial statements; and - Mutual Funds registered with SEBI
Category II – Non-Institutional Investors	- Companies within the meaning of section 2(20) of the Companies Act, 2013; - Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs; - Co-operative banks and regional rural banks; - Public/private charitable/ religious trusts which are authorised to invest in the NCDs; - Scientific and/or industrial research organisations, which are authorized to invest in the NCDs; - Partnership firms in the name of the partners; - Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009); - Association of Persons; and - Any other incorporated and/ or unincorporated body of persons
Category III - High Net-Worth Individuals	High Net-worth individuals which include Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹10 Lakh across all series of NCDs in Issue
Category IV – Retail Individual Investors	Resident Indian individuals or HUFs applying through the Karta, for NCDs for an amount aggregating up to and including ₹10 Lakh, across all series of NCDs in a Tranche Issue and shall include Retail Individual Investors, who have submitted bid for an amount not more than ₹200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and does not include NRIs) through UPI Mechanism.
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account.
Collecting Depository Participant or CDP	A depository participant, as defined under the Depositories Act, 1996, as amended, and registered under Section 12(1A) of the SEBI Act and who is eligible to procure Applications at the Designated CDP Locations in terms of the SEBI Operational Circular.
Coupon Rate / Interest Rate	The aggregate rate of interest payable in connection with the NCDs in accordance with the relevant Tranche Prospectus. For further details, see “ <i>Issue Related Information</i> ” on page 329 of this Shelf Prospectus.
Credit Rating Agencies	For the Issue, the credit rating agencies being, ICRA Limited and CRISIL Ratings Limited.
Debt Listing Agreement	The listing agreement entered into between our Company and the relevant stock exchange(s) in connection with the listing of debt securities and commercial paper of our Company.
Debenture Trust Agreement	The agreement dated September 1, 2021 entered into between our Company and the Debenture Trustee.
Debenture Trust Deed	The debenture trust deed, including the deed of hypothecation and deed of confirmation for the relevant Tranche Issue, to be executed by our Company and the Debenture Trustee for creating the security over the Secured NCDs issued/ to be issued under the Issue and to protect the interest of Secured NCD Holders under the Issue.
Deemed Date of Allotment	The date on which the Allotment Committee of the Board approves the Allotment of the NCDs for the Issue or such date as may be determined by the Board of Directors or the NCD Public Issue Committee of the Board and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture holders from the Deemed Date of Allotment (as specified for each Tranche Issue by way of the relevant Tranche Prospectus).
Demographic Details	Details of the investor such as address, bank account details and occupation, which are based on the details provided by the Applicant in the Application Form.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository(ies)	National Securities Depository Limited (NSDL) and /or Central Depository Services (India) Limited (CDSL).
Designated Branches	Such branches of SCSBs which shall collect the Applications and a list of which is available on http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms, a list of which, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange as updated from time to time.

Term	Description
Designated Date	The date on which the Registrar to the Issue issues instruction to SCSBs for transfer of funds from the ASBA Accounts to the Public Issue Account and/or Refund Account in terms of the Shelf Prospectus, the relevant Tranche Prospectus and the Public Issue Account and Sponsor Bank Agreement.
Designated Intermediaries	The Members of the Consortium, Sub-Consortium members/agents, Trading Members, RTAs and CDPs who are authorized to collect Application Forms from the Applicants, in relation to the Issue. In relation to ASBA applicants authorising an SCSB to block the amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA applicants submitted by Retail Individual Investors where the amount was blocked upon acceptance of UPI mandate requests using the UPI Mechanism, Designated Intermediaries shall mean the CDPs, RTAs, Lead Managers, Consortium Members, Trading Members and Stock Exchange where Applications have been submitted through the app/web interface as provided in the SEBI Operational Circular.
Designated Locations	RTA Such locations of the RTAs where Applicants can submit the Application Forms to RTAs, a list of which, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange at www.bseindia.com and www.nseindia.com and updated from time to time.
Designated Exchange	Stock BSE i.e. BSE Limited
Direct Application	Online Applications by Applicants through the app/web interface of the Stock Exchange(s) with a facility to block funds through UPI as permitted by and subject to the SEBI Operational Circular.
DP / Participant	Depository A depository participant as defined under the Depositories Act.
Draft Shelf Prospectus	The Draft Shelf Prospectus dated September 2, 2021 filed with the Designated Stock Exchange for receiving public comments and with SEBI in accordance with the relevant provisions of the Companies Act, 2013 applicable as on the date of the Draft Shelf Prospectus and the SEBI NCS Regulations.
Equirus	Equirus Capital Private Limited
Interest Payment Date / Coupon Payment Date	The dates on which interest/coupon on the NCDs shall fall due for payment as specified in the relevant Tranche Prospectus. Please see “ <i>Terms of the Issue – Interest and Payment of Interest</i> ” on page 334 of this Shelf Prospectus.
Issue	Public issue by our Company of Secured NCDs and/or Unsecured NCDs, for an amount aggregating up to ₹ 1,500 crore. The Unsecured NCDs will be in the nature of subordinated debt and will be eligible for inclusion as Tier II capital.
Issue Agreement	The agreement dated September 2, 2021 entered into by our Company and the Lead Managers.
Issue Period	As stated in the relevant Tranche Prospectus.
JMFL or JM Financial	JM Financial Limited.
Consortium Member	As defined in the relevant Tranche Prospectus for each Tranche.
Consortium Agreement	Agreement to be entered into amongst our Company, the Lead Managers and the Consortium Members in relation to the relevant Tranche Issue on the terms and conditions contained therein.
Lead Managers / LMs	Equirus Capital Private Limited and JM Financial Limited*. <i>*In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, read with Regulation 25(3) of the SEBI NCS Regulations, JM Financial Limited will be involved only in marketing of the Issue. For further details, see “Other Regulatory and Statutory Disclosures” on page 311 of the Shelf Prospectus.</i>
Market Lot	1 (One) NCD.
Members of the Consortium / Consortium Members / Members of the Syndicate (each, individually, a member of the Consortium)	Lead Managers and the Consortium Members.
NCDs	Secured, rated, listed, redeemable, non-convertible debentures of face value ₹ 1,000 each and/or unsecured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000 each that our Company proposes to issue through this Issue. The unsecured non-convertible debentures will be in the nature of subordinated debt and will be eligible for Tier II Capital.
NCD Holder(s) / Debenture Holder(s)	Holder of secured and/or unsecured redeemable non-convertible debentures of face value of ₹1,000 each.
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% (sixty percent) by NRIs including overseas trusts, in which not less than

Term	Description
	60% (sixty percent) of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not permitted to invest in the Issue.
Offer Document	The Draft Shelf Prospectus, this Shelf Prospectus, the relevant Tranche Prospectus, supplement or amendment thereto, the Abridged Prospectus, the Application Form, advertisements and investor presentations, if any.
Owned fund	Paid up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any
Prospectus	The Shelf Prospectus and the relevant Tranche Prospectus.
Public Issue Account	Bank account to be opened with the Public Issue Account Bank by our Company under Section 40 of the Companies Act, 2013 and where the funds shall be transferred by the SCSBs from the ASBA Accounts.
Public Issue Account and Sponsor Bank Agreement	Agreement to be entered into amongst our Company, the Registrar, the Public Issue Account Bank, the Refund Bank, the Sponsor Bank and the Lead Managers, for blocking the Application Amounts in the ASBA Accounts, un-blocking the Application Amounts in the ASBA Accounts for the purposes of Allotment or refunds to the Applicants in relation to the relevant Tranche Issue on the terms and conditions contained therein.
Public Issue Account Bank	As stated in the relevant Tranche Prospectus.
Record Date	The Record Date for payment of interest in connection with the NCDs or repayment of principal in connection therewith which shall be 15 days prior to the date on which interest, is due and payable and/or the Redemption Date and/or such other date as may be determined by the Board of Directors or NCD Public Issue Committee of the Board from time to time in accordance with the applicable law. In case of redemption of NCDs, the trading in the NCDs shall remain suspended between the Record Date and the Redemption Date. In case the Record Date falls on a day when the Stock Exchange is having a trading holiday, the immediate subsequent trading day or a date notified by our Company to the Stock Exchange, will be deemed as the Record Date. Interest shall be computed on an actual/actual basis i.e. on the principal outstanding on the NCDs as per the SEBI Operational Circular.
Recovery Expense Fund	The recovery expense fund created by our Company with the Stock Exchange, in the manner as specified by SEBI in circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 as amended from time to time and in Regulation 11 of SEBI NCS Regulations,
Redemption/Maturity Amount	The amount repayable on redemption of the NCDs, as specified in the relevant Tranche Prospectus.
Redemption Date	The date on which our Company is liable to redeem the NCDs in full as specified in the relevant Tranche Prospectus.
Refund Bank	As stated in the relevant Tranche Prospectus.
Refund Account	Account opened with the Refund Bank from which refunds, if any, of the whole or any part of the Application Amount shall be made.
Register of Debenture holder	A register of Debenture holders maintained by the Registrar (on behalf of our Company) in accordance with the provisions of the Companies Act, 2013 and as more particularly detailed in “ <i>Terms of the Issue</i> ” on page 335 of this Shelf Prospectus.
Registrar to the Issue	KFin Technologies Private Limited (<i>formerly known as Karvy Fintech Private Limited</i>)
Registrar and Share Transfer Agents or RTA	Registrar and share transfer agents registered with SEBI and eligible to procure Applications, at the Issue at the Designated RTA Locations.
Registrar Agreement	The agreement dated September 1, 2021 entered into between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Security	As specifically disclosed in “ <i>Issue Structure</i> ” on page 329 of this Shelf Prospectus and detailed in the Debenture Trust Deed.
Secured Debenture Holder (s) / Secured NCD Holder(s)	The holders of the Secured NCDs whose name appears in the database of the relevant Depository and/or the register of Secured Debenture Holders maintained by our Company if required to be maintained under applicable law.
Secured NCDs	Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value ₹ 1,000 each, and as being offered through the relevant Tranche Prospectus.
Self Certified Syndicate Banks or SCSBs	The banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services in relation to ASBA and UPI, including blocking of an ASBA Account, a list of which is available on http://www.sebi.gov.in and https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 for UPI, or at such other website as may be prescribed by SEBI from time to time.

Term	Description
Series	An option of NCDs which are identical in all respects including, but not limited to terms and conditions, listing and ISIN and as further stated to be an individual Series in the relevant Tranche Prospectus.
Shelf Limit	The aggregate limit of the Issue, being ₹1500 crore to be issued under the Shelf Prospectus through one or more Tranche Issues.
Shelf Prospectus	This Shelf Prospectus dated September 16, 2021 filed by our Company with the SEBI, BSE and the RoC in accordance with the provisions of the Companies Act, 2013 and the SEBI NCS Regulations. The Shelf Prospectus shall be valid for a period as prescribed under section 31 of the Companies Act, 2013.
Specified Cities / Specified Locations	Bidding Centres where the Members of the Consortium shall accept Application Forms from Applicants a list of which is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Sponsor Bank	A banker to the Issue, registered with SEBI, which is appointed by the Issuer to act as a conduit between the Stock Exchange and the National Payments Corporation of India in order to push the mandate collect requests and/or payment instructions of the retail individual investors into the UPI for retail individual investors applying through the app/web interface of the Stock Exchange(s) with a facility to block funds through UPI Mechanism for application value up to ₹2,00,000 and carry out any other responsibilities in terms of the SEBI Operational Circular.
Stock Exchange	BSE
Subordinated Debt	Subordinated Debt means a fully paid up instrument, which is unsecured and is subordinated to the claims of other creditors and is free from restrictive clauses and is not redeemable at the instance of the holder or without the consent of the supervisory authority of a non-banking financial company. The book value of such instrument shall be subjected to discounting as provided hereunder: Remaining maturity of the instruments and rate of discount: • up to one year 100%; • more than one year but up to two years 80%; • more than two years but up to three years 60%; • more than three years but up to four years 40%; and • more than four years but up to five years 20% to the extent such discounted value does not exceed fifty per cent of Tier I capital.
Syndicate ASBA	Applications through the Lead Managers, Consortium Members, Sub-consortium Members/agents and Trading Members.
Syndicate ASBA Application Locations	Bidding centers where the Lead Managers, Consortium Members, Sub-consortium Members/agents and Trading Members shall accept Application Forms from Applicants, a list of which is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
Syndicate SCSB Branches	In relation to Applications submitted to a Lead Managers, Consortium Members, Sub-consortium Members/agents and Trading Members, such branches of the SCSBs at the Syndicate ASBA Application Locations named by the SCSBs to receive deposits of the Application Forms from the members of the Syndicate, and a list of which is available on http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Tenor	Tenor shall mean the tenor of the NCDs, as specified in the relevant Tranche Prospectus.
Tier I capital	Tier I capital means, Owned fund as reduced by investment in shares of other NBFCs and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, 10% of the Owned fund and perpetual debt instruments issued by a non-deposit taking NBFC in each year to the extent it does not exceed 15% of the aggregate Tier I Capital of such company as on March 31 of the previous accounting year.
Tier II capital	Tier-II capital includes the following: (a) preference shares other than those which are compulsorily convertible into equity; (b) revaluation reserves at discounted rate of 55%; (c) general provisions (including that for standard assets) and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk weighted assets; (d) hybrid debt capital instruments; (e) subordinated debt; and (f) perpetual debt instruments issued by a non-deposit taking non-banking financial company which is in excess of what qualifies for Tier I Capital, to the extent it does not exceed Tier-I Capital.
Trading Members	Intermediaries registered as a Broker under the SEBI (Stock Brokers) Regulations, 1992 and/or with the Stock Exchanges under the applicable byelaws, rules, regulations, guidelines, circulars issued by Stock Exchanges from time to time and duly registered with the Stock Exchanges for

Term	Description
	collection and electronic upload of Application Forms on the electronic application platform provided by Stock Exchanges.
Tranche Issue	Issue of the NCDs pursuant to the respective Tranche Prospectus(es).
Tranche Prospectus(es)	The relevant Tranche Prospectus containing the details of NCDs including interest, other terms and conditions, recent developments, general information, objects, procedure for application, statement of tax benefits, regulatory and statutory disclosures and material contracts, documents for inspection and other terms and conditions in respect of the relevant Tranche Issue.
Transaction Documents	Transaction Documents shall mean, the Issue Agreement dated September 2, 2021 entered between our Company and the Lead Managers, the Registrar Agreement dated September 1, 2021 entered between our Company and the Registrar to the Issue, the Public Issue Account and Sponsor Bank Agreement to be entered into with the Public Issue Account Bank, Sponsor Bank, the Refund Bank, the Lead Managers and the Registrar to the Issue, the Consortium Agreement to be entered into with our Company, the Consortium Members and Lead Managers, the Debenture Trustee Agreement dated September 1, 2021 executed between our Company and the Debenture Trustee and the Debenture Trust Deed (including the deed of hypothecation and deed of confirmation for the relevant Tranche Issue) to be entered between our Company and the Debenture Trustee for creating the security over the Secured NCDs issued under the Issue and to protect the interest of Secured NCD Holders under the Issue.
Transaction Registration Slip or TRS	The acknowledgment slip or document issued by any of the Designated Intermediaries, as the case may be, to an Applicant upon demand as proof of registration of his application for the NCDs.
Tripartite Agreements	Tripartite agreement between our Company, Registrar to the Issue and CDSL dated July 20, 2016 and the tripartite agreement between our Company, Registrar to the issue and NSDL dated July 27, 2017.
Trustees / Debenture Trustee	Trustees for the Debenture Holders in this case being IDBI Trusteeship Services Limited appointed by the NCD Public Issue Committee of our Company.
Unsecured NCDs	NCDs offered under the Issue which are subordinated and are not secured by any charge on the assets of our Company, which will be in the nature of Subordinated Debt and will be eligible for Tier II capital and subordinate to the claims of all other creditors.
UPI or UPI Mechanism	Unified Payments Interface mechanism in accordance with the SEBI Operational Circular as amended from time to time, to block funds for application value up to ₹2,00,000 submitted through intermediaries, namely the Registered stock brokers, Registrar and Transfer Agent and Depository Participants.
UPI ID	Identification created on the UPI for single-window mobile payment system developed by the National Payments Corporation of India.
UPI Mandate Request or Mandate Request	A request initiated by the Sponsor Bank on the Retail Individual Investor to authorise blocking of funds in the relevant ASBA Account through the UPI mobile app/web interface (using UPI Mechanism) equivalent to the bid amount and subsequent debit of funds in case of allotment.
Working Day(s)	Working Day means all days on which commercial banks in Mumbai are open for business. In respect of announcement or bid/issue period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Further, in respect of the time period between the bid/ issue closing date and the listing of the non-convertible securities on the stock exchanges, working day shall mean all trading days of the stock exchanges for non-convertible securities, excluding Saturdays, Sundays and bank holidays, as specified by SEBI.
Wilful Defaulter	Includes wilful defaulters as defined under Regulation 2(1)(III) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Industry related terms

Term	Description
ALM	Asset Liability Management
CRAR	Capital to Risk-Weighted Assets Ratio/ Capital Adequacy Ratio
ECGC	Export Credit Guarantee Corporation of India Limited
IBPC	Inter Bank Participation Certificate
KYC	Know Your Customer
LTV	Loan to Value Ratio
NBFC	Non Banking Financial Company
NBFC-ND	Non Banking Financial Company-Non Deposit Taking
NBFC-ND-SI	Non Banking Financial Company-Non Deposit Taking-Systemically Important
NPA	Non Performing Asset
NRI/Non-Resident	A person resident outside India, as defined under the FEMA
RRB	Regional Rural Bank
SCB	Scheduled Commercial Banks

Conventional and general terms

Term	Description
AGM	Annual General Meeting.
AS	Accounting Standard.
BSE	BSE Limited.
CAGR	Compounded Annual Growth Rate.
CDSL	Central Depository Services (India) Limited.
Companies Act, 2013	The Companies Act, 2013, as amended from time to time.
DRR	Debenture Redemption Reserve.
EGM	Extraordinary General Meeting.
EPS	Earnings Per Share.
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time.
FEMA Rules	Foreign Exchange Management (Non – Debt Instrument) Rules, 2019.
Fiscal / Financial Year / FY	Financial Year ending March 31.
GDP	Gross Domestic Product.
GoI	Government of India.
HUF	Hindu Undivided Family.
IFRS	International Financial Reporting Standards.
IFSC	Indian Financial System Code.
IND AS	Accounting Standard notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended.
IRDA	Insurance Regulatory and Development Authority of India.
IT Act	The Income Tax Act, 1961, as amended from time to time.
MCA	Ministry of Corporate Affairs, Government of India.
MICR	Magnetic Ink Character Recognition.
NACH	National Automated Clearing House.
NEFT	National Electronic Funds Transfer.
NSDL	National Securities Depository Limited.
PAN	Permanent Account Number.
RBI	The Reserve Bank of India.
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time.
RTGS	Real Time Gross Settlement.
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time.
SCRR	The Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992.
SEBI Act	The Securities and Exchange Board of India Act, 1992 as amended from time to time.
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
SEBI NCS Regulations	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as may be amended from time to time, to the extent applicable.
SEBI Operational Circular	Circular no. SEBI/HO/DDHS/P/CIR/2021/613 issued by SEBI on August 10, 2021.
SEBI LODR Regulations / SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

Notwithstanding anything contained herein, capitalised terms that have been defined in the sections titled “*Risk Factors*”, “*Capital Structure*”, “*History and Other Corporate Matters*”, “*Regulations and Policies*”, “*Statement of Possible Tax Benefits available to the Debenture Holders*”, “*Our Management*”, “*Disclosures on Existing Financial Indebtedness*”, “*Pending Proceedings and Statutory Defaults*” and “*Issue Procedure*” on pages 12, 52, 112, 115, 61, 125, 288, 299 and 350 of this Shelf Prospectus, respectively will have the meanings ascribed to them in such sections.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

General

In this Shelf Prospectus, unless the context otherwise indicates or implies, references to "you", "offeree", "purchaser", "subscriber", "recipient", "investors" and "potential investor" are to the prospective investors in this Offering, references to our "Company", the "Company" or the "Issuer" are to JM Financial Products Limited.

In this Shelf Prospectus, references to "US\$", "USD" and "US Dollar" are to the legal currency of the United States and references to "₹", "Rs.", "INR" and "Rupees" are to the legal currency of India. All references herein to the "U.S." or the "United States" are to the United States of America and its territories and possessions and all references to "India" are to the Republic of India and its territories and possessions, and the "Government", the "Central Government" or the "State Government" are to the Government of India, central or state, as applicable.

Unless otherwise stated, references in this Shelf Prospectus to a particular year are to the calendar year ended on December 31 and to a particular "fiscal" or "fiscal year" are to the Financial Year ended on March 31. Unless repugnant to the context, references to time will be construed as Indian Standard Time.

Unless otherwise stated all figures pertaining to the financial information in connection with our Company are on an unconsolidated basis.

Presentation of Financial Information

Our Company publishes its financial statements in Rupees. Our Company's financial statements are prepared in accordance with IND AS and the Companies Act, 2013, to the extent applicable. The unaudited financial results of our Company for the three month period ended June 30, 2021, are prepared in accordance with the SEBI Listing Regulations.

The Reformatted Standalone Financial Information and the Reformatted Consolidated Financial Information for Fiscals 2019, 2020 and 2021 and the Limited Review Financial Results on a standalone basis for the three month period ended June 30, 2021, as issued by our Company's Statutory Auditors, are included in this Shelf Prospectus. The reports on the Reformatted Standalone Financial Information, the Reformatted Consolidated Financial Information and the Limited Review Financial Results, as issued by the Statutory Auditors of our Company, are included in this Shelf Prospectus in "Financial Information" on page 141.

Any discrepancies in the tables included herein between the amounts listed and the totals thereof are due to rounding off.

Industry and Market Data

There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

Unless stated otherwise, all industry and market data used throughout this Shelf Prospectus have been obtained from industry publications and certain public sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable, but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that the industry and market data used in this Shelf Prospectus is reliable, it has not been verified by us or any independent sources. Further, the extent to which the market and industry data presented in this Shelf Prospectus is meaningful depends on the readers' familiarity with and understanding of methodologies used in compiling such data.

Exchange Rates

The exchange rates (in ₹) of the USD are provided below:

Currency	As on June 30, 2021	As on March 31, 2021	As on March 31, 2020	As on March 31, 2019
USD	74.35	73.50	75.39	69.17

Source: <https://www.fbil.org.in/#/home> and <https://www.rbi.org.in/scripts/ReferenceRateArchive.aspx>

In the event that March 31 of any of the respective years is a public holiday, the previous calendar day not being a public holiday has been considered.

The above exchange rates are for the purpose of information only and may not represent the rates used by our Company for purpose of preparation or presentation of its financial statements. The rates presented are not a guarantee that any person could have on the relevant date converted any amounts at such rates or at all.

FORWARD-LOOKING STATEMENTS

This Shelf Prospectus contains certain “forward-looking statements”. These forward looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “future”, “goal”, “plan”, “contemplate”, “propose”, “seek to”, “project”, “should”, “will”, “will continue”, “will pursue”, “will likely result” or other words or phrases of similar import. All forward-looking statements are based on our current plans and expectations and are subject to a number of uncertainties and risks and assumptions that could significantly and materially affect our current plans and expectations and our future financial condition and results of operations. Important factors that could cause actual results, including our financial conditions and results of operations to differ from our expectations include, but are not limited to, the following:

- Impact of COVID-19 on the business, cash flows, results of the operations and financial condition;
- Compliance with various financial and other covenants under the loan agreements that we are a party to;
- Company, Subsidiary, Promoter and Group Companies involved in certain legal and other proceedings (including criminal proceedings) that if determined against us, could have a material adverse effect on our business, financial condition and results of operations;
- Dependency on JM Financial Credit Solutions Limited for origination of loans in real estate segment;
- Significant operational and financial integration among the group companies may adversely affect the credit rating issued to our NCDs;
- Any adverse impact on the ‘JM Financial’ franchise or any change in control of the Promoter or any other factor affecting the business and reputation may have a concurrent adverse effect on our reputation, business and results of operations;
- Inability to compete effectively in the competitive environment;
- Any volatility in interest rates could adversely affect our net interest margin, financial performance and results of operations; and
- Any default or late or non-payment by or from our customers could adversely affect our business, results of operations and financial condition. Any such defaults and late or non-payments would result in provisions or write-offs in our financial statements which may materially and adversely affect our asset quality, cash flows and profitability; and
- An inability to effectively manage and sustain our rate of growth, or maintain operational efficiencies, may adversely affect our business and we may not be able to increase our revenues or maintain our profitability.

For further discussion of factors that could cause our actual results to differ, see “*Risk Factors*” on page 12 of this Shelf Prospectus.

All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results and valuations to differ materially from those contemplated by the relevant statement. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the sections titled “*Industry Overview*” and “*Our Business*”. The forward-looking statements contained in this Shelf Prospectus are based on the beliefs of management, as well as the assumptions made by and information currently available to management. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct or will hold good at all times. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialise, or if any of our Company’s underlying assumptions prove to be incorrect, our Company’s actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

Neither the Lead Managers, our Company, its Directors and officers, nor any of their respective affiliates or associates or the Lead Managers have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI NCS Regulations, our Company and the Lead Managers will ensure that investors in India are informed of material developments between the date of filing the Shelf Prospectus with the RoC and the date of obtaining the listing and trading approval for the NCDs.

SECTION II – RISK FACTORS

An investment in NCDs involves a certain degree of risk. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the NCDs. Prospective investors should carefully consider the risks and uncertainties described below, in addition to the other information contained in this Shelf Prospectus including “Our Business” on page 95 and “Financial Information” on page 141, before making any investment decision relating to the NCDs. If any of the following risks or other risks that are not currently known or are now deemed immaterial, actually occur, our business, financial condition and result of operation could suffer, the trading price of the NCDs could decline and you may lose all or part of your interest and/or redemption amounts. The risks and uncertainties described in this section are not the only risks that we currently face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations and financial condition. To the extent the COVID-19 pandemic adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this section. The market prices of the NCDs could decline due to such risks and you may lose all or part of your investment.

Unless otherwise stated in the relevant risk factors set forth, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

This Shelf Prospectus contains forward looking statements that involve risk and uncertainties. Our Company’s actual results could differ materially from those anticipated in these forward looking statements as a result of several factors, including the considerations described below and elsewhere in this Shelf Prospectus.

Unless otherwise indicated, the financial information included herein is based on the Reformatted Standalone Financial Information, Limited Review Financial Results and certain operational data as included in this Shelf Prospectus.

Prospective investors are advised to read the following risk factors carefully before making an investment in the NCDs offered in this Issue. You must rely on your examination of our Company and this Issue, including the risks and uncertainties involved.

INTERNAL RISK FACTORS

1. The extent to which the recent coronavirus (COVID-19) outbreak impacts our business, cash flows, results of the operations and financial condition will depend on future developments, which are highly uncertain and cannot be predicted.

The rapid and diffused spread of the coronavirus (COVID-19) which was first reported in 2019 and global health concerns relating to this outbreak have had a severe negative impact on, among other things, financial markets, liquidity, economic conditions and trade and could continue to do so or could worsen for an unknown period of time, that could in turn have a material adverse impact on our business, cash flows, results of operations and financial condition, including liquidity, asset quality and growth. A rapid increase in severe cases and deaths where measures taken by governments fail or are lifted prematurely, may cause unprecedented economic disruption in India and in the rest of the world. The COVID-19 outbreak has impacted our business, cash flows, results of operations and financial condition wherein our revenues have been deteriorated over a period. Further, actions have been taken to mitigate the effects of COVID-19 both in India and internationally by governments, central banks, healthcare providers, health system participants, other businesses and individuals including but not limited to the initiation of vaccination drives. The COVID-19 pandemic has affected us in a number of ways as mentioned below, and we expect the potential magnitude and duration of each to be severe:

- our customers may default on loan and other payments or other commitments. Our delinquency ratios may substantially increase and our asset quality may deteriorate.
- pursuant to RBI’s notification no. RBI/2019-20/186 dated March 27, 2020 and notification no. RBI/2019-20/244 dated May 23, 2020, we have granted moratorium on payment of all instalments falling due between March 1, 2020 and August 31, 2020 (the “**Moratorium Period**”) to all eligible borrowers who have requested the moratorium. The RBI has also clarified that accounts which benefit

from the Moratorium Period will not be classified as NPAs if the accounts have any instalments that fall overdue during the Moratorium Period. As of June 30, 2021, we have impairment loss allowance amounting to ₹ 168.74 Crore for loans (₹150.04 Crore as of March 31, 2021). Further, as a result of this pandemic, the credit performance and repayment behaviour of customers' needs to be monitored closely and, in the event that the impact of the pandemic is more severe or prolonged than anticipated, this will have a corresponding impact on the carrying value of the financial assets.

- the RBI on August 6, 2020 issued a “Resolution Framework for COVID-19-related Stress” (“**Resolution Framework**”) with an intent to facilitate revival of various identified sectors related activities and mitigate the impact of COVID-19 on certain classes of borrowers. The Resolution Framework provides the lending institutions a window for one-time restructuring of eligible corporate exposures. The loan restructuring facility pursuant to the Resolution Framework is available to certain borrowers which are eligible and have financial stress on account of COVID-19 as per the Resolution Framework. Since some of our borrowers may not be eligible under this Resolution Framework, the level of NPAs in our portfolio may increase which may adversely affect our business and financial performance.
- the RBI on May 5, 2021 issued a “Resolution Framework-2.0 for COVID-19-related Stress” (“**Resolution Framework 2.0**”) with an intent to alleviating the potential stress to individual borrowers and small businesses. The measures are broadly in line with the Resolution Framework with suitable modifications. Resolution Framework 2.0 provides the lending institutions permission to offer a limited window to individual borrowers and small businesses to implement resolution plans in respect of their credit exposures while classifying the same as standard upon implementation of the resolution plan subject to the specific conditions.
- the RBI on April 7, 2021 advised all lending institutions to put in place a Board-approved policy to refund/adjust the ‘interest on interest’ charged to the borrowers during the moratorium period, i.e. March 01, 2020 to August 31, 2020 in conformity with the Supreme Court judgement dated March 23, 2021 in the matter of Small Scale Industrial Manufacturers Association vs Union of India & Ors. and other connected matters (“**Supreme Court judgement**”). Further, the circular stated that in order to ensure that the Supreme Court judgement is implemented uniformly in letter and spirit by all lending institutions, methodology for calculation of the amount to be refunded/adjusted for different facilities shall be finalised by the Indian Banks Association (“**IBA**”) in consultation with other industry participants/bodies, which shall be adopted by all lending institutions and also advised all lending institutions to disclose the aggregate amount to be refunded/adjusted in respect of their borrowers based on the above reliefs in their financial results for the year ended March 31, 2021.
- there is no assurance that the payments due on such loans will be made or these loans will not be classified as NPAs in the future.
- an overall deterioration in the economy may also lead to a reduction in the value of collateral provided for our loans, leading to higher than anticipated losses on default. In addition, economic deterioration could lead to significantly higher interest rates for our customers which could increase the number of customers who face difficulty paying the amounts due on their loans. This could lead to a potential increase in late payments and loan defaults, ultimately reducing our cashflow.
- in the event a member or members of our management team contracts COVID-19, it may potentially affect our operations.
- retail borrowers may be particularly adversely affected by COVID-19 and its impact on the Indian economy, which could lead to increased customer defaults, leading to an increase in the levels of our NPAs.
- there is no guarantee that we and the Indian financial services industry in general, notwithstanding measures taken by the government, will be able to maintain sufficient liquidity given the uncertain scope and duration of the COVID-19 outbreak. Further, if as a consequence of COVID-19, certain banks or NBFCs are unable to meet their market commitments, this can impact investor confidence in NBFCs generally and result in a loss to investors in the NBFC. A liquidity shortage for the industry as a whole may also adversely impact our short to medium term cash flows.

- the lockdown imposed by the Government of India previously led to widespread reverse migration of migrant labour from various cities and towns of India. As the real estate industry employs a large number of migrant labour for construction, the ability to complete housing projects and handover projects in time may be adversely affected, which could adversely affect our customers. In addition, delayed decisioning by home buyers, supply chain challenges, prolonged effects of social distancing, work from home as a new norm, among other things, may adversely affected the real estate industry, which could adversely affect our customers in procuring construction finance both on residential as well as commercial space. However, due to the recent unlocking by the Government of India in a phased manner, the situation is improving.
- our branch level and other operations (including third-party vendors) will be disrupted by social distancing, split-team, work from home and quarantine measures. Further, on account of the restrictions ordered by the Government of India, a number of our offices and employees have been working from home/ different locations utilising remote working technologies. As these are unforeseen circumstances, it may give rise to risks that we may not have anticipated. In particular, we face heightened cyber-security risks with a large proportion of our employees working from home.
- the requirement to work from home or from remote locations have required changes to be made to certain operating procedures, which are relatively new. Any unforeseen weaknesses in these processes exposes us to operational risk.
- if any of our employees or customers are suspected to have been infected or identified as a possible source of COVID-19, we may be required to quarantine the employees as well as any others that had come into contact with them and may also be required to disinfect the affected branches or other offices and therefore suffer a temporary suspension of business operations.
- our stress testing, changes in loan disbursement, and other measures to address the effects of the COVID-19 pandemic may not capture the full impact of the actual stress.
- the recovery process could be delayed due to delay in pronouncement of judgements, shortage of staff and other operating reasons. These delays are expected to increase the timeline for recovery of our assets and thereby impacting the financial and operating position of our Company. Similarly, there could be delays for conducting due diligence, delays to register the charge and other important documents on account of the pandemic.
- Non-opening of schools in COVID-19 would significantly impact our education institutions portfolio under the retail mortgage vertical.

It is possible that COVID-19 will lead to a prolonged global economic crisis or recession.

We believe that the COVID-19 outbreak will present at least the following challenges to India's financial services industry this year: (a) uncertainties over the duration and the severity of the COVID-19 pandemic; (b) a downturn in the global economy and impact to India's economy; (c) weakening purchasing power because of weak economic growth; and (d) worsening asset quality due to weak economic condition.

Any of these factors could have a material adverse effect on our results of operations and financial condition, including its revenues, costs structure, liquidity, cash flows, asset quality and growth.

2. ***We are required to comply with various financial and other covenants under the loan agreements that we are a party to. If we are not in compliance with the covenants contained in such loan agreements, our lenders could accelerate their respective repayment schedules, and enforce their respective security interests, which would lead to an adverse effect on our business, results of operations and financial condition.***

We are required to comply with various financial and other covenants under the loan agreements that we are a party to, including but not limited to, amongst other things, obtaining, wherever applicable, prior consents from our existing lenders for further borrowings, including undertaking this Issue, maintenance of financial ratios and for creation of encumbrances over certain of our assets.

Any breach of the covenants constitutes a default by our Company under the relevant financing documents and will entitle the relevant lenders to call a default against our Company and to enforce remedies under the terms of the financing documents, that include, amongst other things, acceleration of repayment of the amounts outstanding under the financing documents, declaring the dividends, enforcement of security interests created under the financing documents, and taking possession of the assets given as security pursuant to the financing documents. An event of default would affect our Company's ability to raise new funds or renew borrowings as needed to conduct our operations and pursue our growth initiatives. Further, such an event of default could also trigger a cross-default under certain other financing documents of our Company, or any other agreements or instruments of our Company containing a cross-default provision, which may have a material adverse effect on our Company's operations, financial position and credit rating.

Consequently, our Company may have to dedicate a substantial portion of its cash flow from operations to make payments under the financing documents, thereby reducing the availability of our Company's cash flow to meet its working capital requirements and use for other general corporate purposes. Further, we cannot assure you that our Company will have sufficient funds to meet its obligations with respect to the NCDs, including paying interest to the NCD holders or redeeming the NCDs in a timely manner. If the lenders of a material amount of the outstanding loans declare an event of default simultaneously, our Company may be unable to pay its debts as they fall due.

3. *Our Company, Subsidiary, Promoter and Group Companies are involved in certain legal and other proceedings (including criminal proceedings) that if determined against us, could have a material adverse effect on our business, financial condition and results of operations.*

Our Company, Subsidiary, Promoter and Group Companies are involved in certain legal proceedings, including criminal proceedings and tax proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. For further details in relation to material legal proceedings, see "Pending Proceedings and Statutory Defaults" on page 299 of this Shelf Prospectus.

While these matters are currently pending, we cannot assure you that an adverse order for the alleged offences will not be passed against us, for which we may be subjected to fines under applicable law. We also cannot assure you that our Promoter will not be held liable for alleged offences, which cannot be determined at this stage. These proceedings may divert our management's time and attention and consume financial resources in our defense.

4. *We are dependent on our fellow subsidiary company, JM Financial Credit Solutions Limited ("JMFCSL") for origination of loans in real estate segment. Any inability to originate loans for us will adversely impact the business operations of our Company.*

As on June 30, 2021, real estate segment comprised 20.61% (excluding impact of IND AS adjustments) comprised of our total loan book. Our real estate loan book is originated by JMFCSL. The network of JMFCSL has increased due to capital infusion in September 28, 2018. With an increase in its net worth, JMFCSL may reduce its dependence on our Company for loans in the real estate sector. This may result in a decline in the real estate loan book of our Company which may adversely impact our business operations and profitability.

5. *Significant operational and financial integration among the group companies may adversely affect the credit rating issued to our NCDs.*

The credit rating assigned by ICRA and CRISIL to the Issue is on a consolidated view and as a whole to JM Financial, its subsidiaries and affiliates. This is on account of close linkages among the Group Companies, common Promoter and senior management team, the shared brand name and strong financial and operational synergies. While we benefit from our relationship with JM Financial, its subsidiaries and affiliates, we cannot assure you that such rating will not be adversely affected in the future by events such as actions that are beyond our control, including adverse publicity from any other source. Any such damage, if not immediately and sufficiently remedied, can have an adverse effect on our business and results of operations and the credit rating issued to us.

6. *Our business is tied to the 'JM Financial' franchise. Any adverse impact on the 'JM Financial' franchise or any change in control of the Promoter or any other factor affecting the business and reputation may have a concurrent adverse effect on our reputation, business and results of operations.*

Our business is tied to the 'JM Financial' franchise. Any adverse impact of our goodwill or change in control of the Promoter may affect our reputation, business, financial condition and results of operations. Further, we benefit

from our relationship with our Promoter and the JM Financial franchise in many ways, such as reputation and experience. Our growth and future success is influenced, in part, by our continued relationship with our Promoter and the JM Financial franchise. If we cease to benefit from these relationships for any reason, our business and growth prospects may decline and our business and results of operations may be adversely affected.

Negative public opinion about the financial services industry generally or about the 'JM Financial' franchise and our business specifically could materially adversely affect our ability to attract and retain customers and may expose us to litigation and regulatory action. Such negative public opinion can result from factors from our or our third-party service providers' actual or alleged conduct and from actions taken by regulators and community organizations in response to such conduct. Although we take steps to minimize reputational risk in dealing with customers and other constituencies, we, as a large financial services organization with a high industry profile, are inherently exposed to this risk. Any adverse developments regarding the franchise could materially and adversely affect our business financial condition and results of operations. Further, we depend on the franchise recognition, and failure to maintain and enhance awareness of the franchise would adversely affect our ability to retain and expand our customer base.

7. We operate in an increasingly competitive financial services industry, which creates significant pricing pressures and may adversely affect our net interest margins, income and market share. Further, our growth depends on our ability to compete effectively in this competitive environment.

The financial services market is being served by a range of financial entities, including traditional banking institutions, public sector banks, NBFCs and small finance banks.

Our competitors may have greater financial resources, may be larger in terms of business volume and customer base, have greater brand recognition among customers, better institutional distribution platforms and may have lower cost of funds compared to us. Some of them may also have greater geographical reach, long-standing partnerships and may offer their customers other forms of financing that we may not be able to provide and accordingly, may be more flexible and better positioned to take advantage of market opportunities. Moreover, as interest rate is a key factor driving a customers' decision in selecting a financier, competitors may offer loans at lower rates, owing to access to lower cost of capital, to retain market share. This competition is likely to further intensify as more and more international and domestic players enter into Indian financial services industry as a result of regulatory changes. Our future success will depend, to a large extent, on our ability to respond in a timely and effective manner to these competitive pressures. There can be no assurance that we will be able to compete successfully with such competitors and gain market share.

Our fund based activities compete based on a number of factors, including, cost effective sources of funding, successful implementation of new technologies, client relationships, reputation and performance of our professionals, market focus and the relative quality and price of our services and products, and managing operational costs. Further, variable or floating interest rate options, lower processing fees, monthly reset periods and financial advisors handling transactions are becoming increasingly common in the Indian financial sector, resulting in an increase in competition. Further, the Indian financial services industry is fragmented and is susceptible to low barriers to entry. This increases the risk of consolidation among our competitors and entry of other players in the market offering our product substitutes.

Our ability to compete in our fund based business effectively will depend, in part, on our ability to maintain or increase our margins. Our margins are affected in part by our ability to continue to secure low-cost funding, and the interest rates at which we extend loans to our customers. Our ability to increase interest rates on the loans we extend, however, is limited by the increasing popularity of standardized and variable interest rate financing products, variable payment terms, bundled services and lower processing fees introduced by our competitors. There can be no assurance that we will be able to react effectively to these or other market developments or compete effectively with new and existing players in the increasingly competitive financing sector. Our inability to compete effectively in the increasingly competitive market may adversely affect our net interest margins, income and market share.

Such competitive pressures may affect our business, and our growth will largely depend on our ability to respond in an effective and timely manner to these competitive pressures. Our business, financial condition, cash flows, results of operations and prospects may be materially and adversely affected if we are not able to maintain our market position, sustain our growth, develop new products or target new markets and customers. Further, the financial services industry in India is undergoing rapid and significant technological and other changes. We use technology in many aspects of our business. If we do not anticipate, innovate, keep pace with and adapt to

technological and other changes impacting the Indian financial services industry, it could harm our ability to compete in the market, decrease the attractiveness of our products to customers and materially and adversely affect our business prospects. There can be no assurance that we will be able to react effectively to these or other market developments or compete effectively with new and existing players in the increasingly competitive finance industry. Increasing competition may adversely affect our operating metrics including net interest margins, income and market share. For further information, see “Our Business” on page 95 of this Shelf Prospectus.

8. *Any volatility in interest rates could adversely affect our net interest margin, financial performance and results of operations.*

A substantial component of our income is the interest income that we receive from the loans we disburse. Our interest income is affected by any volatility in interest rates in our lending operations. Interest rates are highly volatile due to many factors beyond our control, including the monetary policies of the RBI, deregulation of the financial sector in India, and domestic and international economic and political conditions.

If there is an increase in the interest rates that we pay on our borrowings, which we are unable to pass on to our customers, our margin may be affected which will in turn affect the profitability of our Company. Further, to the extent our borrowings are linked to market interest rates, we may have to pay interest at a higher rate than lenders that borrow only at fixed interest rates. We have borrowed through market linked debentures issued by our Company, fluctuations in interest rates could impact our borrowing cost. If there is a sudden or sharp rise in interest rates, we could be adversely affected by the decline in the market value of our securities portfolio. According to the terms of the rated market linked debentures, the principal amount is protected against erosion while the returns on the investment could vary, being linked to movements in one or more variables or underlying, such as equity/equity indices, commodity prices, sovereign debt securities and/or foreign exchange rate.

Our failure to pass on increased interest rates on our borrowings may cause our net interest income to decline, which would decrease our return on assets and could adversely affect our business, future financial performance and result of operations. Also, when interest rates decline, we are subject to greater re-pricing and prepayment risks as borrowers take advantage of the attractive interest rate environment. In periods of low interest rates and high competition among lenders, borrowers may seek to reduce their borrowing cost by asking lenders to re-price loans. If we are required to re-price loans, it could adversely affect our profitability. If borrowers prepay loans, we will lose interest income expected from the loans over the course of their tenure and the return on our capital may be impaired, if we are not able to deploy the prepaid funds at similar interest rates. In addition, all housing finance providers in India are prohibited from charging pre-payment penalties on loans with variable interest rates granted to individual borrowers, which has led to balance transfer refinancing between lenders. Lenders, such as us, therefore usually witness high turnover of loans assets and face increased origination costs. If we are unable to recover the origination costs due to the short lifespan of the loans, our profitability could be adversely affected.

There can be no assurance that we will be able to adequately manage our interest rate risk in the future, which could have an adverse effect on our net interest margin.

9. *Any default or late or non-payment by or from our customers could adversely affect our business, results of operations and financial condition. Any such defaults and late or non-payments would result in provisions or write-offs in our financial statements which may materially and adversely affect our asset quality, cash flows and profitability.*

We offer a range of financial products and services which primarily involves providing credit, as a result of which we are subject to the risk of customer default including delays in repayment or non-payment of interest and/ or principal amounts. Such defaults may occur due to factors beyond our control, including developments in the Indian economy and the segments in which we operate movements in global markets, changes in interest rates and changes in regulations.

There is a risk of loan defaults and losses in the credit business in the event there are adverse economic conditions which may have a negative effect on the ability of our customers to make timely payments of their loans. If our customers fail to repay loans in a timely manner or at all, then our financial condition and results of operations will be adversely impacted. Any delay in enforcing on the collateral due to delays in enforcement proceedings before the Indian courts or due to any other reasons may lead to potential losses. We may also be required to make loss provisions in respect of loans to such customers in accordance with applicable regulations and, in certain cases, may be required to write-off such loans.

Our customers may default on their obligations as a result of various factors including bankruptcy, insolvency, lack of liquidity and/or failure of the business or commercial venture in relation to which such borrowings were sanctioned. Our profitability depends on our ability to evaluate the right income levels of our customers, assess the credit risks and to price our loans accordingly. Although we have robust risk management controls, there can be no assurance that our risk management controls will be sufficient to prevent future losses on account of customers default. We have previously faced certain instances of customers defaulting and/or failing to repay dues in connection with loans or finance provided by us. We have, in certain instances, initiated legal proceedings to recover amounts due from delinquent customers. For further information in relation to litigation, see “*Pending Proceedings and Statutory Defaults*” on page 299 of this Shelf Prospectus.

10. *An inability to effectively manage and sustain our rate of growth, or maintain operational efficiencies, may adversely affect our business and we may not be able to increase our revenues or maintain our profitability.*

Our total revenue stood at ₹ 660.65 crore in Fiscal 2021 and ₹ 139.48 crore for the three month period ended June 30, 2021. Our prior growth rates may not be sustainable or need not be an accurate indicator of our future performance. Our ability to grow depends on various factors, including our ability to manage our growth and expand our customer base which will continue to place demands on our management and other resources and there is no assurance that these demands will be met successfully. There can be no assurance that we would be able to increase revenue or maintain profitability on a quarterly or an annual basis. If this occurs, our business prospects, financial condition and results of operations will be adversely affected.

Our growth exposes us to a wide range of risks, including business risks, such as the possibility that the number of our NPAs may grow faster than anticipated, as well as operational, fraud, regulatory, technological and legal risks. There can be no assurance that we will be able to successfully pursue our growth strategies of expansion of our capital markets financing, bespoke financing, retail mortgage financing and financial institution financing portfolio, cross-selling of our products to our existing customers or diversifying our funding profile and that pursuing these strategies will provide us the anticipated benefits in terms of growth and profitability. Further, we may be unable to develop adequate infrastructure or devote sufficient financial resources or develop and attract talent to manage our growth. Our inability to pursue these strategies successfully or at all, or an inability to manage our growth, may adversely affect our prospects. There can be no assurance that we will be able to sustain our growth strategy successfully or that we will be able to further expand our operations or our financing product portfolio.

11. *We derive a portion of our revenue from capital market financing and institutional fixed income verticals which are subject to the various risks associated with changes in capital markets, macro-economic conditions etc.*

We provide capital markets financing, syndication services, debt capital services to our clients and also undertake debt trading activities. Our revenue from these verticals depends on numerous factors, including, macroeconomic factors, geo-political factors, monetary policies, the general capital and financial markets environment, and the market appetite for such products.

Further, unfavourable market conditions, capital and financial market volatility including cyclicity of businesses, may in turn materially adversely affect our revenue from capital market financing and institutional fixed income verticals. We also maintain certain securities as stock in trade. These securities include government securities, bonds (with the benefit of a sovereign guarantee), bonds issued by state governments, private and public-sector enterprises, exchange traded funds, etc. Certain of these securities are unlisted, illiquid and may offer limited exit options. The value of these securities depends on several factors beyond our control, including the domestic and international economic and political scenario, inflationary expectations, the RBI’s monetary policies, market volatility. Any decline in the value of the securities under stock in trade may have an adverse effect on our business, financial condition and results of operations.

12. *We and our Subsidiary operate in a highly regulated industry and are subject to various laws and regulations and regulatory investigations which may have a material adverse effect on our business, financial condition or results of operation.*

We and our Subsidiary are subject to a wide variety of banking and financial services laws, regulations and regulatory policies and a number of regulatory and enforcement authorities, including but not limited to, RBI, SEBI, RERA and NHB. We and our Subsidiary are subject to detailed regulation and supervision by these

regulatory authorities and are also exposed to the constant changes in the regulations and policies formulated by such regulatory authorities.

Our fund based activities are primarily regulated by the RBI and are subject to the RBI's guidelines on the regulation of the NBFC-ND-SI and master directions for NBFCs, which includes, among other things, matters related to capital adequacy, exposure, other prudential norms, deployment of assets, requirement of net owned funds, liquidity coverage ratio, borrowing limits, provisioning and credit ratings. The RBI also regulates the credit flow by banks to NBFC-ND-SI and provides guidelines to commercial banks with respect to their investment and credit exposure norms for lending to NBFC-ND-SI. The RBI's regulation of NBFC-ND-SI may change in the future which may require us to restructure our activities, incur additional costs or could otherwise adversely affect our business and financial performance.

As an HFC, JMFHL is required to observe conditions laid down by the National Housing Bank under the housing finance companies (National Housing Bank) Directions, 2010, as amended from time to time ("NHB Directions"), and as set out in the license that has been granted to JMFHL by the NHB. The conditions include compliance with publicity and marketing requirements specified and non-acceptance of public deposits. Further, Part VII of the Finance Act, 2019 has introduced amendments to the National Housing Bank Act, 1987 which enable the RBI to exercise supervision and regulatory control over a housing finance company, such as our Subsidiary. Such provisions are in force as on the date of this Shelf Prospectus. The NHB Directions also require HFCs to comply with a capital to risk (weighted) assets ratio, or capital adequacy ratio ("CRAR"), consisting of Tier I and Tier II capital and a statutory liquidity ratio ("SLR"). The RBI has provided certain incentives to the housing finance industry by extending priority sector status to housing loans and reducing the risk weights applicable for affordable housing loans for the purpose of calculation of CRAR. In order to maintain a SLR as laid down by the NHB, HFCs are required to maintain a minimum percentage of their public deposits in the form of approved investments of which a specified percentage must be held in approved securities and in fixed deposits.

In order to provide enhanced control, existing rules and regulations have been modified, new rules and regulations have been enacted and reforms have been implemented. There can be no assurance that the RBI, SEBI, the GoI and/or the other regulators will not implement further regulations or policies, including legal interpretations of existing regulations, relating to or affecting interest rates, taxation, inflation or exchange controls, or otherwise take action, that may have an adverse impact on NBFC-ND-SI, and consequently on our fund based activities. Any change in the rules applicable to us as an NBFC-ND-SI may adversely affect our business, financial condition and results of operations. Further, the RBI has not established a ceiling on the rate of interest that can be charged by NBFCs in the asset finance sector and requires that the board of directors of each NBFC to adopt an interest rate model that takes into account relevant factors such as the cost of funds, margin and risk premium. Moreover, currently there are no specific guidelines on whether NBFCs are required to comply with the provisions of state money lending laws that establish ceilings on interest rates.

In addition, we are also subject to the corporate laws, taxation laws and other laws in effect in India which require continued monitoring and compliance on our part. The introduction of additional government control or newly implemented laws and regulations, depending on the nature and extent thereof and our ability to make corresponding adjustments may adversely affect our business, results of operations and financial condition. In particular, decisions taken by regulators concerning economic policies or goals that are inconsistent with our interests could adversely affect our results of operations. These laws and regulations and the way in which they are implemented and enforced may change from time to time and there can be no assurance that future legislative or regulatory changes will not have an adverse effect on our business, financial condition, cash flows and results of operations.

13. *Non-compliance with RBI, in case of our subsidiary or NHB inspection / observations may have a material adverse effect on our business, financial condition or results of operation. Any adverse observations from such regulators could have a material adverse effect on our business, financial condition or results of operation.*

We are subject to periodic inspections by the RBI, NHB (in case of our subsidiary) and other regulators. During the course of assessment, RBI advises on issues related to various risk and regulatory non-compliances, operational deficiencies and during such inspections RBI has in the past made certain observations regarding our business and operations including the discrepancy between the reported and assessed net owned fund and CRAR, monitoring of security against the loans advanced to the customers and observations with respect to the corporate governance provisions. While we have satisfactorily replied to all such observations, there can be no assurance that RBI will consider such steps to be adequate and treat the observations as being duly complied with.

Further, inspection by the NHB is a regular exercise and is carried out periodically by the NHB for all housing finance institutions under provisions of the NHB Act. NHB conducts periodic inspections of our Subsidiary's books of accounts and other records inter alia for the purpose of verifying the correctness or completeness of any statement, information or particulars furnished to the NHB or for obtaining any information which we may have failed to furnish on being called upon to do so. However, till date JMFHL has not been subject to conduct of any supervisory inspection by NHB. Further, Part VII of the Finance Act, 2019 has introduced amendments to the National Housing Bank Act, 1987 which enable the RBI to exercise supervision and regulatory control over a housing finance company, such as our Subsidiary. Such provisions are in force as on the date of this Shelf Prospectus.

While we attempt to be in compliance with all regulatory provisions applicable to us, in the event we are not able to comply with the observations made by the regulators, we could be subject to supervisory actions, which may have a material adverse effect on our reputation, financial condition and results of operations.

Additionally, we are required to make various filings with the RBI, SEBI, NHB (in case of our subsidiary), the MCA and other regulatory authorities pursuant to the provisions of RBI regulations, SEBI regulations, NHB Regulations, the Companies Act and other regulations. If we fail to comply with these requirements, or a regulator alleges we have not complied with these requirements, we may be subject to penalties and compounding proceedings.

14. *The audit report of our Statutory Auditors on our standalone and consolidated audited financial information for Fiscal Year 2021 and 2020, contain certain matters of emphasis.*

The audit report of our Statutory Auditors on our standalone and consolidated audited financial information for Fiscal Year 2021 and Fiscal Year 2020, contain certain matters of emphasis, which are set forth below:

Audited Consolidated financial information for Fiscal ended March 31, 2021

We draw attention to note no. 44 of the audited consolidated Ind AS Financial Statements, which describes the extent to which the COVID-19 pandemic may impact the Company's and Group's results will depend on future developments, which being uncertain, the said note narrates management's proposed future actions based on its assessment of internal and external factors and macro level developments. Our opinion is not modified in respect of this matter.

Audited Consolidated financial information for Fiscal ended March 31, 2020

We draw attention to note no. 44 of the audited consolidated Ind AS Financial Statements, which describes the extent to which the COVID-19 pandemic may impact the Company's and Group's results will depend on future developments, which being highly uncertain, the said note narrates management's proposed future actions based on its assessment of internal and external factors and macro level developments. Our opinion is not modified in respect of this matter.

Audited Standalone financial information for Fiscal ended March 31, 2021

We draw attention to note no. 51 of the audited standalone Ind AS Financial Statements, which describes the extent to which the COVID-19 pandemic may impact the Company's results will depend on future developments, which being uncertain, the said note narrates management's proposed future actions based on its assessment of internal and external factors and macro level developments. Our opinion is not modified in respect of this matter.

Audited Standalone financial information for Fiscal ended March 31, 2020

We draw attention to note no. 50 of the audited standalone Ind AS Financial Statements, which describes the extent to which the COVID-19 pandemic may impact the Company's results will depend on future developments, which being highly uncertain, the said note narrates management's proposed future actions based on its assessment of internal and external factors and macro level developments. Our opinion is not modified in respect of this matter.

Our Statutory Auditors have drawn attention to the uncertainties relating to the impact of COVID-19 pandemic on the operations and financial metrics including expected credit loss. Our conclusion is not modified in respect of this matter.

15. *We may face asset-liability mismatches that could adversely affect our cash flows, financial condition and results of operations.*

We may face liquidity risks due to mismatches in the maturity of our assets and liabilities creating liquidity shortage or surplus and depending upon the interest rate movement, such situations may adversely affect our interest income from financing activities. If we are unable to obtain additional borrowings or to renew our existing credit facilities for matching tenures of our loan portfolio in a timely and cost-effective manner, or at all, it may lead to mismatches between our assets and liabilities, which could adversely affect our cash flows, financial condition and results of operations. As on June 30, 2021, we had long term borrowings amounting to ₹ 2,181.24 crore and short term borrowings amounting to ₹ 353.76 crore (excluding borrowing for episodic financing).

As is typical for NBFCs, a portion of our funding requirements is met through short-term funding sources such as working capital, bank loans, overdraft against fixed deposits, short-term loans, commercial paper and non-convertible debentures. If we do not generate sufficient cash flow from operations to service our debt obligations and working capital requirements, it may have an adverse effect on our business prospects, financial condition and results of operations.

16. *Our business requires substantial funds, and any disruption in funding sources would have a material adverse effect on our liquidity and financial condition.*

Our liquidity and profitability are, in large part, dependent upon our timely access to, and costs associated with raising funds. Our funding requirements historically have been met from a combination of term loans, commercial paper, cash credit, privately placed non-convertible debentures (including market linked debentures), public issue of non-convertible debentures, inter corporate deposits as well as equity contributions. Our finance costs were ₹ 521.96 crore, ₹ 453.17 crore, ₹ 323.27 crore and ₹ 70.84 crore in Fiscals 2019, 2020 and 2021 and the three month period ended June 30, 2021 respectively. Our business depends and will continue to depend on our ability to access diversified low cost funding sources. As a financial services company, we face certain additional regulatory restrictions on our ability to obtain financing. Our ability to borrow funds on acceptable terms and refinance existing debt may also be affected by a variety of factors, including our credit ratings, the regulatory environment and government policy initiatives in India, liquidity in the credit markets, the strength of the lenders from whom we borrow, the amount of eligible collateral and accounting changes that may impact calculations of covenants in our financing agreements. Changes in economic, regulatory and financial conditions or any lack of liquidity in the market could adversely affect our ability to access funds at competitive rates, which could adversely affect our liquidity and financial condition.

Pursuing our growth strategy and introducing new product offerings to our customers will have an impact on our long-term capital requirements. The market for such funds is competitive and our ability to obtain funds at competitive rates will depend on various factors. If we are unable to access funds at an effective cost that is comparable to or lower than our competitors, we may not be able to offer competitive interest rates for our loans. Our ability to raise funds on acceptable terms and at competitive rates continues to depend on various factors, including the regulatory environment and policy initiatives in India, liquidity in the market, developments in international markets affecting the Indian economy, investors' and/ or lenders' perception of demand for debt and equity securities of NBFCs, and our current and future results of operations and financial condition. If we are unable to obtain adequate financing or financing on terms satisfactory to us and in a timely manner, our ability to grow or support our business and to respond to business challenges could be limited and our business prospects, financial condition and results of operations would be materially and adversely affected.

17. *Increase in NPA level due to customer defaults impact the quality of our portfolio and our business may be adversely affected if we are unable to provide for such higher levels of NPAs.*

We derive a significant portion of our revenue from interest income, which represented 91.45%, 83.47%, 77.66% and 75.97% of our total revenues in Fiscals 2019, 2020, 2021 and the three month period ended June 30, 2021 respectively. Customer defaults could adversely affect our NPA levels and increase our provisions made for our NPAs, which could in turn adversely affect the results of operations of our fund based activities, cash flows and profitability. As of March 31, 2019, 2020 and 2021 and the three month period ended June 30, 2021, our gross NPA ratios were 0.07 %, 0.12 %, 1.86% and 1.33% (1.72% excluding episodic financing in loan book) respectively, while our net NPA ratios were 0.06%, 0.08%, 1.09% and 0.76% (0.98% excluding episodic financing in loan book) respectively. However, there can be no assurance that our future NPA ratios will be consistent with ratios observed in the past, or at levels that will allow us to maintain profitability. Also, there can be no assurance that we will be able to maintain our NPA ratios at levels with the credit performance of our customers, or at which

our credit and our underwriting analysis, servicing and collection systems and controls will be adequate. We may not be successful in our efforts to improve collections and/ or recover existing NPAs. In addition, we may experience greater defaults in principal and/ or interest repayments in future. Thus, if we are unable to maintain our level of NPAs, the overall quality of our loan portfolio may deteriorate and our results of operations may be adversely affected.

Moreover, there can also be no assurance that there will be no deterioration in our provisioning coverage as a percentage of gross NPAs or otherwise, or that the percentage of NPAs that we will be able to recover will be similar to our past experience of recoveries of NPAs. In the event of any further deterioration in our NPA portfolio, or if our provisioning coverage is insufficient to cover our existing or future levels of NPAs, our ability to raise additional capital and debt funds as well as our business prospects, financial condition and results of operations could be adversely affected.

In addition, any adverse regulatory developments relating to the assessment and recognition of NPAs and provisioning therefore may have an adverse effect on our financial performance. For example, the regulatory framework applicable to NBFCs in India was amended in November 2014 to require NBFCs such as ours to follow more stringent NPA evaluation criteria. Prior to Fiscal 2016, the RBI required NBFCs to classify an asset as an NPA when it had remained overdue for a period of six months or more. By a circular dated November 10, 2014 (which was subsequently incorporated in the Master Direction-NBFC-Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016), the RBI announced that the asset classification norms for NBFCs are to be made consistent with those applicable to banks, in a phased manner, as follows: assets (other than lease-rental and hire purchase assets) become NPAs if they become overdue: (a) for five months or more in Fiscal 2016; (b) for four months or more in Fiscal 2017; and (c) for three months or more in Fiscal 2018. In addition, the overdue periods for higher provisioning requirements are also expected to be reduced in a phased basis. Our repayment schedules may not be adequate to cater to any losses that may arise out of similar unanticipated adverse regulatory developments. Growth of our business and AUM may be adversely affected in the event our NPA levels increase which could materially and adversely affect our business prospects, financial condition and results of operations.

18. Any downgrade in credit ratings could increase interest rates for refinancing outstanding debt, which would increase financing costs, and adversely affect future issuances of debt and the ability to borrow on a competitive basis, which could adversely affect our business, financial condition, results of operations and cash flows.

The cost and availability of capital depends partially on our short-term and long-term credit ratings. Credit ratings reflect the opinions of ratings agencies on our financial strength, operating performance, strategic position and ability to meet our obligations. For information on our credit ratings, see “Our Business” on page 95 of this Shelf Prospectus. Certain factors that influence our credit ratings may be outside of our control. Any downgrade in such credit ratings could increase interest rates for refinancing outstanding debt, which would increase financing costs, and would also adversely affect future issuances of debt and the ability to borrow on a competitive basis, which could adversely affect our business, financial condition, results of operations and cash flows. The rating downgrades below certain standard ratings can also result in event of default, accelerated repayments of our borrowings which could impact our financial and operating performance. However, these ratings are not recommendations to buy, sell or hold securities and prospective investors should take their own decisions.

19. Asset quality in the wholesale lending business of real estate remains inherently vulnerable.

Asset quality of the wholesale lending business of real estate remains susceptible to the performance of the real estate sector and financial flexibility of borrowers. This business also entails high risks given the underlying borrower profile and large ticket size of loans. While JM Financial, its subsidiaries and affiliates have adequate origination, underwriting and credit monitoring systems, ability to maintain healthy asset quality in this business will remain a key rating monitorable.

20. We may not be able to recover our secured loans from our clients on a timely basis, or at all, and the full value of collateral or amounts which are sufficient to cover the outstanding amounts due under such defaulted loans. Our inability to recover outstanding amounts under loans may adversely affect our business.

As on June 30, 2021, we had given secured loans amounting to ₹ 4,132.01 crore (including episodic financing of ₹ 944.84 crore) and unsecured loans amounting to ₹ 40.94 crore. The value of the collateral securing our loans

may fluctuate or decline due to factors beyond our control, including those affecting the Indian and global economy in general. While we ensure that there is a buffer for reduction in value, this may not be sufficient if the value of the collateral reduces significantly, in particular in cases of loans that are secured by highly depreciating assets, shares, properties or any other assets. We also extend loans to our clients against securities listed on stock exchanges as collateral and any default by a client, coupled with a downturn in the stock markets, could result in such security becoming unenforceable thereby causing substantial losses for us. In the event our borrower's default on the repayment of loans, we may not be able to realize the full value of the collateral, defective title as security, prolonged legal proceedings, due to various reasons, including a possible decline in the realizable value of the collateral, pledge of spurious items as security, unavailability of a ready market and fraudulent actions by borrowers, or we may not be able to foreclose on collateral at all. Further, certain kinds of loans that are advanced by us are not secured by any assets.

In India, foreclosure on collateral may be subject to delays and administrative requirements that may result, or be accompanied by, a decrease in the value of the collateral. Foreclosure on collateral generally requires a written petition to an Indian court or tribunal. Although special tribunals have been set up for expeditious recovery of debts due to banks, any proceedings brought may be subject to delays and administrative requirements that may result in, or be accompanied by, a decrease in the value of the collateral.

A decline in the value of the security could impair our ability to realize the secured assets upon any foreclosure, which may require us to increase our provision for loan losses. In the event of a default with respect to any of these loans, the amounts we receive upon sale of the secured assets may be insufficient to recover the outstanding principal and interest on the loan. If we are required to re-value the assets securing a loan to satisfy the debt during a period of reduced asset values or to increase our allowance for loan losses, our profitability could be adversely affected, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

21. *We have a limited operating history in our retail mortgage business, Dwello and institutional fixed income business, which makes it difficult to accurately assess our future growth prospects.*

While our lending business management team has many years of experience in relevant industries, we have limited experience in our retail mortgage business, Dwello and institutional fixed income business, and our success is dependent on our ability to effectively implement these businesses, as the financial services industry, is a rapidly evolving industry that may not develop as expected. Assessing the future prospects of our business is challenging in light of both known and unknown risks and difficulties we may encounter and could place significant demands on the management team and our other resources.

Growth prospects in these businesses can be affected by a wide variety of factors including: competition from other traditional lenders; regulatory limitations on the products we can offer and markets we can serve; other changes in the regulation; access to important marketing channels including TV and mass media, search engine marketing, digital and strategic partnerships with affiliates; changes in customer behaviour; access to adequate financing; increasingly sophisticated fraudulent borrowing and online theft; challenges with new products and new markets; and fluctuations in the credit markets and demand for credit.

Any failure on our part to scale up our infrastructure and management to meet the challenges associated with implementing these businesses could cause disruptions to our operations and could be detrimental to our long-term business outlook.

22. *The housing finance industry is competitive and increasing competition may result in declining margins of our Subsidiary if we are unable to compete effectively.*

We face increasing competition from commercial banks. Interest rate deregulation and other liberalisation measures affecting the housing finance industry, together with increased demand for home finance, have further increased our exposure to competition. Banks and some of the HFCs have access to low-cost funds such as deposits which enable them to enjoy higher margins and/or offer finance at lower rates. However, non-deposit accepting HFCs such as of our Subsidiary are not permitted to accept deposits, a factor which can render us less competitive. Our ability to compete effectively with commercial banks and other HFCs will depend, to larger extent, on our ability to raise low-cost funding in the future. If we are unable to compete effectively with other participants in the housing finance industry, our business, results of operation and financial condition may be adversely affected.

Furthermore, as a result of increased competition in the housing finance industry, home loans are becoming increasingly standardised and terms such as floating rate interest options, lower processing fees and monthly rest periods are becoming increasingly common in the housing finance industry in India. There can be no assurance that we will be able to react effectively to these or other market developments or compete effectively with new and existing players in the increasingly competitive housing finance industry. Increasing competition may have an adverse effect on our net interest margin, other income and subsidies offered by JMFHL through the affordable housing scheme, and, if we are unable to compete successfully, our market share may decline as the origination of new loans declines.

- 23. *Our Subsidiary has obtained a license to operate as a non-deposit taking housing finance company from the National Housing Bank on November 17, 2017. If we are not successful in the housing finance business, we may lose some or all of the investments that we have made in it and our reputation, results of operations and financial condition may be adversely affected.***

Our Subsidiary, JMFHL has ventured into the housing finance segment to provide home loans to retail customer with a focus on affordable housing segment. To this end, JMFHL has obtained a license to operate as a non-deposit taking housing finance company from the National Housing Bank on November 17, 2017. We may be required to capitalise JMFHL directly or through one or more of our subsidiaries/fellow subsidiaries in order to grow its housing finance business. We however, do not have substantial operating history in the housing finance business and we may face challenges in attracting and retaining talented professionals although that is a key element of our business strategy and capture a substantial share of housing finance segment and attract customers given the fierce competition in the housing finance market including the need to provide better and customized services and products to differentiate ourselves from the established players. We may face significant challenges in developing and institutionalizing our procedures and policies for that business.

If our housing finance business is unsuccessful, we may lose some or all of the investments that we make in JMFHL and our reputation, financial condition and results of operations could be adversely affected.

- 24. *We have a high concentration of loans to certain customers and if a substantial portion of these loans were to become non-performing, the quality of our credit portfolio could be adversely affected.***

We have a high concentration of loans to certain customers in bespoke financing, financial institution financing and real estate financing segments. The credit losses on such exposures exposes us to increased credit risk and may lead to an increase in the level of our NPAs, which could in turn adversely affect our financial performance and the payment of interest and redemption of the NCDs.

- 25. *Our Company broadly operates under the following verticals viz. (i) bespoke financing; (ii) real estate financing; (iii) capital market financing; (iv) retail mortgage financing and (v) financial institution financing. Any default by a client coupled with a downturn in the stock markets or any other specific sector could result in substantial losses for our Company.***

Our Company broadly operates under the following verticals viz. (i) bespoke financing; (ii) real estate financing; (iii) capital market financing; (iv) retail mortgage financing and (v) financial institution financing. As on June 30, 2021, exposure to each of this segment was 45.78%, 20.61%, 18.06%, 11.83% and 3.72% respectively. While certain loans are secured by liquid, marketable securities at an appropriate or pre-determined margin levels, loan against property, retail mortgage and real estate financing are secured against the mortgaged properties. In the event of a volatile stock market or adverse movements in stock prices, or any downturn in the real estate sector, corporate sector, housing sector, education institutions sector, financial institutions sector or any other specific sector, the collateral which secures the loans may decrease significantly in value, which might result in losses which our Company may be unable to support. Customers could default on their obligations to our Company as a result of various factors including bankruptcy, lack of liquidity, lack of business and operational failure. Although our Company has adequate risk management system and follows stringent internal risk management guidelines for certain business segments, there can be no assurance that in the event the financial markets witness a significant adverse event or a general downturn, our Company's financial condition, cash flows and results of operations would not be adversely affected.

- 26. *We have a significant exposure to the real estate sector and any negative events affecting this sector could adversely affect our business and result of operations.***

Our lending products include housing loans, loans against property and educational institutional lending. A substantial portion of our AUM is exposed to the real estate sector as the underlying security on these loans is primarily mortgages. In the event the real estate sector is adversely affected due to any reason whatsoever, including without limitation, the passing of any stringent norms regarding construction, floor space index or other compliances, the value of our collateral may diminish which may affect our business and results of operations in the event of a default in repayment by our clients. Also, if any of the projects which form part of our collateral are stalled for any reason for any length of time, the same may affect our ability to enforce our security, thereby effectively diminishing the value of such security.

The value of the collateral on the loans disbursed by us may decline due to adverse market conditions including an economic downturn or a downward movement in real estate prices. In the event the real estate sector is adversely affected due to a decline of demand for real estate properties, changes in regulations or other trends or events, which negatively impact the real estate sector, the value of our collateral may diminish which may affect our business and results of operations. Failure to recover the expected value of collateral could expose us to losses and, in turn, result in a material adverse effect on our business, results of operations, cash flows and financial condition.

Following the introduction of the SARFAESI Act, we are allowed to foreclose on collateral and take certain other actions, including taking over the management of the business of the borrower, and which includes our right to transfer (in any manner) the underlying collateral after 60 days' notice to a borrower whose loan has been classified as non-performing. Although the enactment of the SARFAESI Act has strengthened the rights of creditors by allowing expedited enforcement of security in an event of default, there is still no assurance that we will be able to realise the value of its collateral, in full or in part. The Debt Recovery Tribunal ("DRT") has the power to issue a stay order prohibiting the lender from selling the assets of a defaulted borrower. As a result, there can be no assurance that any foreclosure proceedings would not be stayed by the DRT or any other relevant authority. In addition, delays on our part to take immediate action, delays in bankruptcy foreclosure proceedings, economic downturns, defects in security and fraudulent transfers by borrowers, may hinder our ability to realise the full value of security. In the event that a regulatory agency asserts jurisdiction over the enforcement proceedings, creditor actions can be further delayed. Therefore, there can be no assurance that we will be able to foreclose on collateral on a timely basis, or at all, and if we are able to foreclose on the collateral, that the value will be sufficient to cover the outstanding amounts owed to us which may result in a material adverse effect on our business, results of operations, cash flows and financial condition.

In addition, the RBI has developed a corporate debt restructuring process to enable timely and transparent debt restructuring of corporate entities that are beyond the jurisdiction of the Board of Industrial and Financial Reconstruction, the Debt Recovery Tribunal. The applicable RBI guidelines contemplate that in the case of indebtedness aggregating ₹100 crores or more, creditors for more than 75% of such indebtedness by value and 60% by number may determine the restructuring of such indebtedness and such determination is binding on the remaining creditors. In circumstances where other lenders account for more than 75% of such indebtedness by value and 60% by number and they are entitled to determine the restructuring of the indebtedness of any of our borrowers, it may be required by such other lenders to agree to such debt restructuring, irrespective of its preferred mode of settlement of its loan to such borrower. In addition, with respect to any loans granted by us through a consortium, a majority of the relevant lenders may elect to pursue a course of action that may not be favourable to us. Any such debt restructuring could lead to an unexpected loss that could adversely affect our business, results of operations, cash flows and financial condition.

27. The real estate industry in India has witnessed significant downturns in the past, and any significant downturn in the future or any adverse developments in the real estate sector could adversely affect our business, financial condition and results of operations.

Economic developments within and outside India adversely affected the property market in India and our overall business in the recent past. The global credit markets have experienced, and may continue to experience, significant volatility and may continue to have an adverse effect on the availability of credit and the confidence of the financial markets, globally as well as in India. As a result of the global downturn, the real estate industry also experienced a downturn. It resulted in an industry-wide softening of demand for property due to a lack of consumer confidence, decreased affordability, decreased availability of mortgage financing, and resulted in large supplies of apartments. As part of our fund-based activities, we extend credit to developers engaged in the real estate projects. In certain cases, our collateral value against the loans is based on value of property.

As a result, we depend on the performance of the real estate sector in India and could be adversely affected if market conditions deteriorate. The real estate business is in turn significantly affected by changes in government policies, grant of statutory/ regulatory approvals, economic and other conditions, such as economic slowdowns, demographic trends, employment levels, availability of financing, rising interest rates or declining demand for real estate, or the public perception that any of these events may occur. Further, any delay in the grant of necessary approvals for construction or any delay in construction by developers would lead to an adverse impact on our sales, collection and receivables. These factors can adversely affect the demand for, and pricing of, our investments in the real estate sector and may materially and adversely affect our financial condition, results of operations and cash flows. There can be no assurance that our real estate investments will grow, or will not decrease, in the future. Any such reduction in demand could have an adverse effect on our business, results of operations, financial condition and cash flows.

Even though the global credit and the Indian real estate markets have shown signs of recovery, market volatility and economic turmoil may continue to exacerbate industry conditions or have other unforeseen consequences, leading to uncertainty about future conditions in the real estate industry. These effects include, but are not limited to, a decrease in the sale of, or market rates for, projects financed by us, delays in the release of certain of such projects in order to take advantage of future periods of more robust real estate demand and the inability of project contractors to obtain working capital. There can be no assurance that the government's responses to the disruptions in the financial markets will restore consumer confidence, stabilize the real estate market or increase liquidity and availability of credit. Any significant downturn in future would have an adverse effect on our business, financial condition and results of operations.

28. We also extend loans to real estate developers for acquisition of land parcels which are at a nascent stage and have not received regulatory approvals with respect to development of such land parcels.

As regards our loans extended to real estate developers which are utilised for the acquisition of land parcels, such land parcels may be at a nascent stage of development and may, in some cases, be pending receipt of regulatory approvals required for construction. Any delay or failure to obtain any regulatory approvals may extend the expected timelines for development and result in a delay in payments of interest and/ or principal from these borrowers.

29. Our business operations are heavily reliant on our information technology and telecommunication systems. Any failure of or disruptions/ security breach in our systems, inability to adapt to the technological changes could have an adverse impact on our business, operations and financial condition.

Our business is largely dependent on our information technology systems to record and process accurately a large number of transactions on a daily basis and in a timely manner and our ability to maintain and upgrade our information technology systems and infrastructure. The proper functioning of our financial, trading, risk management, accounting, customer database, customer service and other data processing systems in our computer systems and networks, along with the communications networks linking our information technology systems with relevant exchanges, banks, depositories, registrar and transfer agents and customer interfaces, is critical to our business and our ability to compete effectively. We also rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. Our computer systems, servers, software, including software licensed from vendors and networks may be vulnerable to unauthorized access, computer viruses or other malicious code and other events that could compromise data integrity and security and result in identity theft including customer data, employee data and propriety business data, for which we could potentially be liable. Our financial, trading, customer database, customer service, accounting or other data processing systems and management information systems or our corporate website may fail to operate adequately or become disabled as a result of events that may be beyond our control, including a disruption of electrical or communications services. Our business activities would be materially disrupted in the event of a partial or complete failure of any of these information technology systems, communication networks or their backup systems and procedures.

We rely on our information technology systems for processing securities transactions. Any prolonged disruption to, or failure of, our information processing or communications systems would limit our ability to process transactions. This would impair our ability to service our customers, which could materially and adversely affect our competitiveness, financial condition, cash flows and results of operations. Further, the information available to and received by us through our existing systems may not be sufficient to manage risks or to plan for and respond to changes in market conditions and other developments in our operations. If any of these systems are disabled or if there are other failures in our internal processes or systems, it may disrupt our business or impact our operational

efficiencies and render us liable to regulatory intervention or damage to our reputation. Our hardware and software systems are also subject to damage or incapacitation by human error, natural disasters, power loss, lack of capacity during peak trading times or times of unusual market volatility, sabotage, computer viruses and other similar events. The occurrence of any such events may adversely affect our business, results of operations and financial condition.

In the event we experience system interruptions, errors or downtime (which could result from a variety of causes, including changes in customer use patterns, technological failure, changes to systems, linkages with third-party systems and power failures), we may be unable to develop necessary technology to compensate for these interruptions, which may materially and adversely affect our business, financial condition and results of operations.

30. *Our risk management measures and internal controls, may not be fully effective in mitigating our risks in all market environments or against all types of risks, which may adversely affect our business and financial performance.*

We are exposed to a variety of risks, including liquidity risk, interest rate risk, market risk, credit risk, operational risk, reputation risk, regulatory and compliance risk, competition risk, business continuity risk legal risk, technology risk and risk pertaining to COVID 19 pandemic. We have established a system of risk management and internal controls consisting of an organizational risk management framework, policies, risk management system tools and procedures that we consider to be appropriate for our business operations, and we have continued to enhance these systems. For further information, see “*Our Business – Risk Management*” on page 107 of this Shelf Prospectus. However, in case of any inherent limitations in the design and implementation of our risk management system, including internal controls, risk identification and evaluation, effectiveness of risk control and information communication, our risk management systems and mitigation strategies may not be adequate or effective in identifying or mitigating our risk exposure in all market environments or against all types of risks.

The effectiveness of our risk management is limited by the quality and timeliness of available data. Our hedging strategies and other risk management techniques may not be fully effective in mitigating our risks in all market environments or against all types of risk, including risks that are unidentified or unanticipated. Some methods of managing risks are based upon observed historical market behaviour and information that is accessible regarding financial markets, customers or other relevant matters that are publicly available. As a result, these methods may not predict future risk exposures, which could be greater than the historical measures indicated. Other risk management methods depend upon an evaluation of information regarding markets, customers or other matters. This information may not in all cases be accurate, complete, current, or properly evaluated. Inaccuracy in estimates of the level of margin to be maintained by our customers with us for the transactions undertaken by them could result in a shortfall in margins deposited by our customers with us, which may adversely affect our financial condition.

Management of operational, legal or regulatory risk requires, among other things, policies and procedures to properly record and verify a number of transactions and events. Operational risks can result from a variety of factors, including failure to obtain proper internal authorizations, improperly documented transactions, failure of operational and information security procedures, computer systems, software or equipment, fraud, inadequate training and employee errors. We attempt to mitigate operational risk by maintaining a comprehensive system of internal controls, establishing systems and procedures to monitor transactions, maintaining key back-up procedures, undertaking regular contingency planning and providing employees with continuous training. In addition, some of our transactions expose us to the risk of misappropriation or unauthorized transactions by our employees and fraud by our employees, agents, customers or third parties. Our insurance policies, security systems and measures undertaken to detect and prevent these risks may not be sufficient to prevent or deter such activities in all cases, which may adversely affect our operations and profitability. Furthermore, we may be subject to regulatory or other proceedings in connection with any unauthorized transaction, fraud or misappropriation by our representatives and employees, which could adversely affect our goodwill.

As we expand our retail mortgage portfolio, some of our customers may not have any credit history supported by tax returns, profit and loss and cash flow statement, bank or credit card statements, statements of previous loan exposures, private borrowing details or other related documents, and may only be able to furnish limited information for us to assess their creditworthiness accurately. In addition, we may not receive updated information regarding any change in their financial condition or may receive inaccurate, wrong or incomplete information as a result of any fraudulent misrepresentation. It is therefore, difficult to carry out accurate credit risk analyses on our customers.

Although we have established policies and procedures, they may not be fully effective. Our future success will depend, in part, on our ability to respond to new technological advances and industry standards and practices on a cost-effective and timely basis. The development and implementation of standards and practices entails significant technical and business risks. There can be no assurance that we will successfully implement new technologies or adapt our transaction-processing systems to customer requirements or evolving market standards.

31. *We are dependent on our senior management and other key personnel, and the loss of, or our inability to attract or retain, such persons could adversely affect our business, results of operations, financial condition and cash flows.*

Our performance depends largely on the efforts and abilities of our senior management and other key personnel. We believe that the inputs and experience of our senior management, in particular, and other key personnel are valuable for the development of our business and operations and the strategic directions taken by our company. For further information on the experience of our key management personnel, see “Our Management” on page 125 of this Shelf Prospectus. There can be no assurance that these individuals or any other member of our senior management team will not leave us or join a competitor or that we will be able to retain such personnel or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting and/or retaining the employees that our business requires. The loss of the services of such persons may have an adverse effect on our business, results of operations, financial condition and cash flows.

32. *Unsecured loans that we provide are susceptible to certain operational and credit risks which may result in increased levels of NPAs which may adversely affect our business, prospects, results of operations and financial condition.*

We, along with the secured lending, advance certain unsecured loans to the borrowers. These unsecured loans are typically provided for short duration and to certain select customers. We may not be able to recover these loans through our standard recovery proceedings. Since such loans to these customers are unsecured, upon the occurrence of an event of default, our ability to realize the amounts due would be restricted to initiating legal proceedings for recovery. These unsecured loans present a higher risk of loss in case of a credit default as compared to loans to customers in other asset-backed financing products. In addition, there can be no assurance that our monitoring and risk management procedures will succeed in effectively predicting the right income levels of these customers or that our loan loss reserves will be sufficient to cover any actual losses. If our recovery team is unable to recover payments under these unsecured loans, we typically initiate legal action in respect of dishonoured non-cash instruments. However, there can be no assurance that these legal proceedings would be commercially feasible or conclude in a manner favourable to us in a timely manner or at all. If there is a default by customers on repayment of such unsecured loans or if we are unable to recover our principal and interest through such legal proceedings, we may experience increased levels of NPAs and we may be required to make related provisions and write-offs that may have an adverse effect on our business prospects, financial condition and results of operations.

33. *Our ability to borrow from various banks may be restricted on account of guidelines issued by the RBI imposing restrictions on banks in relation to their exposure to NBFCs which could have an impact on our business and could affect our growth, margins and business operations.*

The RBI vide its circular DBR.No.BP.BC.43/ 21.01.003/2016-17 dated December 1, 2016 and circular DBR.No.BP.BC.31/21.01.003/2018-19 dated April 1, 2019 and circular DBR.No.BP.BC.43/21.01.003/2018-19 dated June 3, 2019 as amended from time to time, has amended the regulatory framework governing banks to address concerns arising from divergent regulatory requirements for banks and NBFCs. These circulars restrict bank’s exposures to a single NBFC to 15 % of their eligible capital base and to a group of connected NBFCs or group of connected counterparties having NBFCs in the group to 25% of their Tier I Capital. In September 2019, the RBI again increased a banks exposure limit to a single NBFC from 15% to 20% of its Tier-I capital up to June 30, 2021 and on May 23, 2020, the exposure to a group of connected NBFCs or group of connected counterparties having NBFCs in the group was increased from 25% to 30% of their Tier I Capital as a one-time measure due to Covid-19 and the increased limit is applicable up to June 30, 2021.

Furthermore, RBI has suggested that banks may consider fixing internal limits for their aggregate exposure to all NBFCs combined. Since these circulars limit a bank’s exposure to NBFCs, the same consequently restricts our ability to borrow from banks. Further, as per the extant guidelines by RBI, it has now been decided that rated exposures of banks to all NBFCs (including our Company), excluding Core Investment Companies (CICs), would

be risk-weighted as per the ratings assigned by the accredited rating agencies, in a manner similar to that for corporates. These circulars could affect our business and any similar notifications released by the RBI in the future, which has a similar impact on our business could affect our growth, margins and business operations.

34. *We may not be able to detect money-laundering and other illegal or improper activities in a comprehensive manner or on a timely basis, which could expose us to additional liability and harm our business or reputation.*

We are required to comply with applicable anti-money laundering and anti-terrorism laws and other regulations in India and in other jurisdictions where we have operations. These laws and regulations require us to adopt certain measures, including, to adopt and enforce “know-your-customer/ anti-money laundering/ combating financing of terrorism/ foreign account tax compliance” (“KYC/AML/CFT/FATCA”) policies and procedures and to report suspicious and large transactions to the applicable regulatory authorities in different jurisdictions. Remittances and trade finance transactions are increasingly required to be covered under our scrutiny and monitoring. We are also required to undertake constant review and assessment of existing control processes and programs to meet the increased regulatory expectation. We face significant challenges in keeping pace with frequent reviews and rapid upgrading required by such regulatory developments. While we regularly adopt policies and procedures aimed at detecting and preventing the use of our networks for money-laundering activities and by terrorists and terrorist-related organizations and individuals generally, such policies and procedures may not completely eliminate instances where we may be used by other parties to engage in money-laundering and other illegal or improper activities due to, in part, the short history of these policies and procedures. In addition, there may be significant inconsistencies in the manner in which specific operational and KYC/AML/CFT/FATCA policies are actually interpreted and implemented at an operational level in each of the branch and other customer interface levels. Our business and reputation could suffer if any such parties use our banking channels for money-laundering or illegal or improper purposes.

While we continue to strengthen our AML, CFT and KYC procedures, to the extent we fail to fully comply with applicable laws and regulations, the relevant governmental and regulatory agencies may impose fines and other penalties and, in certain circumstances, ask us to cease operations. In addition, any adverse action taken by such agencies could adversely affect our reputation, thereby affecting our business and future financial performance.

35. *Internal or external fraud or misconduct or mis-selling by our employees could adversely affect our reputation and our results of operations.*

We sell our products through employees as well as direct selling agents. These direct selling agents aid customers in choosing products, explaining the benefits of such product, disclosing product features and advising on whether to continue with a particular product or switch products. We may be subject to misconduct or mis-selling by our employees which could result in binding us to transactions that exceed authorised limits or present unacceptable risks or concealing unauthorized or unlawful activities from us.

Our business, including any cash collection involved in our operations, may expose us to the risk of fraud, misappropriation or unauthorized transactions by our representatives and employees responsible for dealing with such cash collections. We may accordingly face allegations from customers about mis-selling or unauthorized trading by our employees. In addition, we may be subject to regulatory or other proceedings in connection with any unauthorized transaction, fraud or misappropriation or mis-selling by our representatives and employees, which could adversely affect our goodwill. Employee misconduct or mis-selling could also involve the improper use or disclosure of confidential information, which could result in regulatory sanctions, penalties and serious reputational or financial harm. Although we have systems in place to prevent and deter fraudulent activities by our employees, there can be no assurance that such systems will be effective in all cases. Any instances of such fraud or misconduct or mis-selling could adversely affect our reputation, business, results of operations and financial condition.

36. *We rely on third-party intermediaries and service providers who may not perform their obligations satisfactorily or in compliance with law. Any such non-compliance with law or unsatisfactory service by the third-party intermediaries and service providers engaged by us for certain services could have an adverse impact on our business and results of operations.*

We rely on third party intermediaries, such as clearing houses and other financial intermediaries to facilitate our financial transactions. As a result, we face various risks, including, fraud, misconduct, and mis-selling, by such third parties, operational failure of such third parties’ systems, adverse change or termination in our relationship

with such third parties, failures in compliance or adequate controls, including KYC checks, by such third parties, regulatory changes relating to the operations of such third parties, violation of laws and regulations, including those relating to licensing/registration of sales intermediaries, by such third parties, inadequate due diligence in the sales process by such third parties and regulatory actions due to improper business practices of such third parties. Any of these risks may result in litigation or regulatory action against us, which could have a material adverse effect on our business, reputation, financial condition and results of operations.

We enter into outsourcing arrangements with third party vendors providing services that include, among others, software services and professional services. As a result of outsourcing such services, we are exposed to various risks including strategic, compliance, operational, legal and contractual risks. Any failure by a service provider to provide a specified service or a breach in security/ confidentiality or non-compliance with legal and regulatory requirements, may result in financial loss or loss of reputation. We cannot assure that there will be no disruptions in the provision of such services or that these third parties may not adhere to their contractual obligation. If there is a disruption in the third-party services, or if the third-party service providers discontinue their service agreement with us, our business, financial condition and results of operations may be adversely affected. In case of any dispute, there can be no assurance that the terms of such agreements will not be breached, which may result in litigation costs. Such cost, in addition to the cost of entering into agreements with third parties in the same industry, may materially and adversely affect our business, financial condition and results of operations. Legal risks, including actions being undertaken by the RBI, if our third-party service providers act unethically or unlawfully, could materially and adversely affect our business, financial condition and results of operations.

In addition, we license certain software and technology from third parties. Any premature termination of our license agreements or the loss of the ability to use such software or technology for any reason would have an adverse impact on our reputation, business and operations.

37. *We are subject to regulations in relation to minimum capital adequacy requirements and a decline in our CRAR will require us to raise fresh capital which may not be available on favourable terms, or at all, which may affect our business, prospects, results of operations and financial condition. A decline in our capital adequacy ratio could also restrict our future business growth.*

We are subject to regulations relating to the capital adequacy of NBFCs, which determine the minimum amount of capital we must hold as a percentage of the risk-weighted assets on our portfolio, or CRAR. Under the RBI's Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, as amended from time to time, our company is required to have a regulatory minimum CRAR of 15.00%, with a minimum Tier 1 capital of 10.00%. As at June 30, 2021, CRAR was 33.84%, of which Tier 1 capital was 32.59%. The RBI through a notification dated November 10, 2014 on 'Revised regulatory framework for NBFC had announced that the minimum Tier 1 capital requirements for all NBFCs that have an asset size of ₹ 5,000 crore and above will be increased in a phased manner as follows: 8.5% by March 31, 2016 and 10% by March 31, 2017.

As we continue to grow our loan portfolio and asset base, we will be required to raise additional Tier I and Tier II capital in order to continue to meet applicable capital adequacy ratios with respect to our business. There can be no assurance that we will be able to raise adequate additional capital in the future on terms favorable to us and this may adversely affect the growth of our business. This could result in non-compliance with applicable capital adequacy ratios, which could have a material adverse effect on our business, prospects, results of operations and cash flows.

38. *We may face cyber threats attempting to exploit our network to disrupt services to customers and/ or theft of sensitive internal data or customer information, which may cause damage to our reputation and adversely affect our business and financial performance.*

Our businesses involve various mobile and internet based customer applications and as result, we are exposed to various cyber threats including (i) phishing and Trojans targeting our customers, wherein fraudsters send unsolicited mails to our customers seeking account sensitive information or to infect customer machines to search and attempt exfiltration of account sensitive information; and (ii) hacking, wherein attackers seek to hack into our website with the primary intention of causing reputational damage to us by disrupting services; and (iii) data theft, wherein cyber criminals may attempt to enter our network with the intention of stealing our data or information. If we suffer from any of such cyber threats, it could materially and adversely affect our business, financial condition and results of operations. In addition, we also face the risk of our customers incorrectly blaming us and terminating their engagement with us for any cyber security breaches that may have occurred on their own system or with that

of an unrelated third party. Any cyber security breach could also subject us to additional regulatory scrutiny and expose us to civil litigation and related financial liability.

39. *If we are not able to obtain, renew or maintain our statutory and regulatory permits and approvals required to operate our business it may have a material adverse effect on our business.*

Due to our various lines of business, we are subject to regulations prescribed by SEBI, RBI, RERA, NHB (in case of our subsidiary) and other regulatory authorities and accordingly, we are required to obtain certain approvals, permits, licences, registrations and permissions for operating our business (including for the operation of our branches). In future, we will be required to obtain, renew and maintain such permits, registrations and approvals. While we believe that we will be able to obtain, renew and maintain such permits and approvals as and when required, there can be no assurance that the relevant authorities will issue any of such permits or approvals in the time – frame anticipated by us or at all.

Further, some of our permits, licenses and approvals are subject to several conditions and there can be no assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Failure by us to obtain, renew or maintain the required permits or approvals may result in the interruption of our operations or delay or prevent our growth plans and may have a material adverse effect on our business, financial condition and results of operations.

40. *Failure to maintain confidential information securely or significant security breaches could adversely impact our business, financial condition, cash flows, results of operations and prospects.*

In the course of our business operations, we are involved in the acquisition and secure processing, transmission and storage of sensitive, confidential and proprietary information. We are exposed to significant risks related to data protection and data security. We seek to protect our computer systems and network infrastructure from physical break-ins as well as security breaches and other disruptive problems. Further, computer break-ins and power disruptions could affect the security of information stored in and transmitted through these computer systems and network infrastructure.

Information security breaches could result in the unauthorized release, gathering, monitoring, misuse, loss or destruction of our or our customers' clients' confidential, proprietary and other information, identity theft or disruptions of and errors within our systems. We employ security systems, including sophisticated threat management systems and password encryption, designed to minimize the risk of security breaches. Although we intend to continue to implement security technology and establish operational procedures to prevent break-ins, damage and failures, there can be no assurance that these security measures will be adequate or successful. Failure to maintain the security measures could have a material adverse effect on our business, our future financial performance and the interest payable and redemption of the NCDs. We may need to expend significant resources to protect against security breaches, intrusions, attacks or other threats or to address problems including reputational harm and litigation, caused by breaches. Although we take measures to safeguard against systems related and other fraud, there may be certain situations that fraud may occur. Our reputation could be adversely affected by significant fraud committed by employees, customers or outsiders.

Further, data collection and storage are increasingly subject to various legislation and regulations and our attempts to comply with applicable legal requirements may not be successful, and may also lead to increased costs for compliance, which may materially and adversely affect our business, financial condition, cash flows, results of operations and prospects.

41. *We introduce new products for our customers and there is no assurance that our new products will be profitable in the future. Further, we face additional risks as we expand our product and service offerings and grow our business.*

In order to continue to expand our businesses, we introduce new products and services in our existing lines of businesses as permitted by the relevant regulatory authorities. For instance, we intend to expand lending to education institutions and develop our housing finance business and real estate broking business. Failure to consider, identify and provide for all additional risks may result in an adverse financial impact on us. Such new products and services would result in us incurring additional costs and we cannot guarantee that such new products and services will be successful once offered, whether due to factors within or outside of our control, such as general economic conditions, a failure to obtain sufficient financing to support or a failure to understand customer demand

and market requirements or a failure to understand the regulatory and statutory requirements for such products or lack of management focus on these new products. If we are unable to achieve the intended results with respect to our offering of new products and services, or manage the growth of our business, our financial condition, cash flows, results of operations and prospects could be materially adversely affected.

42. *Our substantial indebtedness and the conditions imposed by our financing and other agreements could adversely affect our ability to conduct our business and operations.*

As of June 30, 2021, we had total outstanding debt of ₹ 3,484.54 crore and our debt to equity ratio was 1.88 times. Most of our financing arrangements are secured by our movable and/or immovable assets. We have obtained all the consents / permissions required for the Issue from our lenders. In addition, we may incur substantial indebtedness in the future as we continue to expand our business operations.

The high level of our indebtedness could have several important consequences, including but not limited to the following:

- a substantial portion of our cash flows may be used towards repayment of our existing debt, which will reduce the availability of cash flows to fund working capital, capital expenditures, acquisitions and other general corporate requirements;
- our ability to obtain additional financing in the future or renegotiate or refinance our existing indebtedness on terms favorable to us may be limited;
- fluctuations in market interest rates may affect the cost of our borrowings, as certain of our indebtedness is subject to floating rates of interest;
- impact on our credit ratings; and
- we may have difficulty in satisfying repayments and other restrictive covenants under our existing financing arrangements.

Our financing agreements may also contain cross default provisions which could automatically trigger defaults under other financing agreements. Any or all of the above restrictive covenants may restrict our ability to conduct business and any breach thereof may adversely affect our results of operations and financial condition.

43. *We depend on the accuracy and completeness of information about customers and counterparties for our credit assessment and risk management. Any misrepresentation, errors in or incompleteness of such information could cause affect our business to suffer financial performance.*

In deciding whether to extend credit to our customers, we rely on information furnished to us by or on behalf of customers. We may also rely on certain representations from our customers as to the accuracy and completeness of that information. For ascertaining the creditworthiness and encumbrances on collateral we may depend on third parties such as the respective registrars and sub-registrars of assurances, credit information companies or credit bureaus, and on independent or professional valuers in relation to the value of the collateral, and our reliance on any misleading information given may affect our judgement of credit worthiness of potential borrowers, and the value of and title to the collateral, which may affect our business, prospects, results of operations and financial condition.

Moreover, the availability of accurate and comprehensive credit information on retail customers and small businesses in India is more limited than for larger corporate customers, which reduces our ability to accurately assess the credit risk associated with such lending. While the law provides us with better access to credit information, there may be relatively less financial and credit information available on small and medium enterprises and in relation to the possibility of double financing obtained by any such clients, than may have been available in a more developed economy, and the availability of such financial and credit information in India may be considered to suffer from an absence of competitive pressure at present.

Difficulties in assessing credit risks associated with our day-to-day lending operations may lead to an increase in the level of our non-performing and restructured assets, which could materially and adversely affect our business, prospects, results of operations and financial condition.

44. We may experience negative cash flows in the future.

We have and may, in the future, experience negative cash flows. The following table sets forth certain information relating to our cash flows for the periods indicated below:

Particulars	Fiscal 2020	Fiscal 2021
	(₹ in crore)	
Net cash flow from/ (used in) investing activities	(726.36)	(189.45)
Net cash flow from/ (used in) financing activities	(1,480.71)	(398.41)
Net increase/ (decrease) in cash and cash equivalent	(95.74)	126.22

Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our business, financial condition and results of operations could be materially and adversely affected.

45. We have certain contingent liabilities and commitments that could adversely affect our financial condition.

Our contingent liabilities as on March 31, 2021 comprised the following:

Particulars	As of March 31, 2021
Contingent liabilities	6.00
Corporate guarantee given to National Housing Bank for our subsidiary	15.00
Undisbursed commitment	49.44

For further information, see “Financial Information” on page 141 of this Shelf Prospectus.

There can be no assurance that any or all of these contingent liabilities will not become direct liabilities. In the event any or all of these contingent liabilities become direct liabilities, it may have an adverse effect on our business, financial conditions and results of operations.

46. Our Subsidiary has incurred losses in the past.

Our Subsidiary has incurred losses in the financial year ended 2019 amounting to ₹ 6.57 crore. Our Subsidiary may incur further losses in the future, which could have an adverse effect on our reputation or prospects. For further information, please see “Financial Information” on page 141 of this Shelf Prospectus.

47. We have entered into, and will continue to enter into, related party transactions and we cannot assure you that we could not have achieved more favourable terms had such transactions not been entered into with related parties.

We have entered into transactions with several related parties, including our Promoter, directors, subsidiaries or Group Companies. We can give no assurance that we could not have achieved more favourable terms had such transactions been entered into with parties that were not related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations. The transactions we have entered into and any future transactions with our related parties have involved or could potentially involve conflicts of interest. For more information, see “Financial Information” on page 141 of this Shelf Prospectus.

48. There may be potential conflicts of interest with our Promoter, Directors and related entities.

Our Company’s Promoter, directors and related entities have interests in a number of entities which are in businesses similar to our Company’s business and this may result in potential conflicts of interest with our Company. Certain decisions concerning our company’s operations or financial structure may present conflicts of interest among our company’s promoter, other shareholders, directors, executive officers and the holders of equity shares. Commercial transactions in the future between our company and related parties may result in conflicting interests. A conflict of interest may occur directly or indirectly between our company’s business and the business of our company’s promoter which could have an adverse effect on our company’s operations. Conflicts of interest may also arise out of common business objectives shared by our Company, our Company’s Promoter, Directors and their related entities. Our Company’s Promoter, directors and their related entities may compete with our

Company and have no obligation to direct any opportunities to our company. Our Company cannot provide any assurance that these or other conflicts of interest will be resolved in an impartial manner.

49. *Our investments are subject to market risk and other related risks.*

We invest our funds in mutual funds (liquid and overnight schemes), shares, bank deposits, fixed income and other securities. Certain of these investments are unlisted, illiquid, offering limited exit options. The value of investments depends on several factors beyond our control, including the capital and financial markets, macro-economic conditions, performance of the underlying, domestic and international economic and political scenario, inflationary expectations, RBI's monetary policies. Any decline in the value of the investments may have an adverse effect on our business, financial condition and results of operations.

50. *Industry information included in this Shelf Prospectus has been derived from an industry report commissioned by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.*

We have availed the services of an independent third party research agency, CRISIL, to prepare an industry report titled "Assessment of Various Financial Products and Services in India – August 2021", for purposes of inclusion of such information in this Shelf Prospectus. This report is subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from this industry report. Although we believe that the data may be considered to be reliable, the accuracy, completeness and underlying assumptions are not guaranteed and dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, the Lead Managers or any of our or their respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Shelf Prospectus.

51. *Our insurance coverage could prove inadequate to satisfy potential claims and our insurance policies may not protect us against all potential losses, which could adversely affect our business and results of operations.*

We maintain a number of insurance policies to cover the different risks involved in the operation of our business. We have insurance policies covering, among others, electronic equipment, burglary, money, standard fire and special peril and machinery breakdown, and public liability insurance. While we believe that the insurance coverage which we maintain is in keeping with industry standards and would be reasonably adequate to cover the normal risks associated with the operation of our businesses, there can be no assurance that any claim under the insurance policies maintained by us will be covered entirely, in part or on time, or that we have taken out sufficient insurance to cover all our losses. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but there can be no assurance that such renewals will be granted in a timely manner, at acceptable cost or at all.

To the extent that we suffer loss or damage, or successful assertion of one or more large claims against us for events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected. For further information on our insurance arrangements, see "Our Business – Insurance" on page 110 of this Shelf Prospectus.

52. *We have in this Shelf Prospectus included certain non-GAAP financial measures and certain other selected statistical information related to our operations and financial performance. These non-GAAP measures and statistical information may vary from any standard methodology that is applicable across the financial services industry, and therefore may not be comparable with financial or statistical information of similar nomenclature computed and presented by other financial services companies.*

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance have been included in this section and elsewhere in this Shelf Prospectus. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of financial services businesses, many of which provide such non-GAAP financial measures and other statistical and operational information when reporting their financial results. We have in this Shelf Prospectus included financial information on our AUM, loan book and cost of borrowings, etc. which may be different from that followed by other financial services companies. For further information, see “*Our Business*” on page 95 of this Shelf Prospectus. These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other financial services companies.

53. *Our office locations are not registered in our name and are located on leased premises. There can be no assurance that these lease agreements will be renewed upon termination or that we will be able to obtain other premises on lease on same or similar commercial terms.*

Our Registered Office is located on leasehold premises for a period of 5 years from October 1, 2017. Additionally, most of our branches are located on leasehold premises. In the event such leases are not renewed or are terminated, it could adversely affect our operation unless we arrange for similar premises. If we are unable to continue or renew such leases on same or similar terms or find alternate premises on similar terms or at all, it may adversely affect our business operations.

54. *The objects of the issue are not for any specified projects.*

The proceeds of this Issue will be used by our Company for the purpose of onward lending, financing, and for repayment / prepayment of interest and principal of the borrowings of our Company, in accordance with applicable laws and not for any specified projects. For further details, see “*Objects of the Issue*” on page 58.

55. *This Shelf Prospectus includes certain unaudited financial information, which has been subjected to limited review, in relation to our Company.*

This Shelf Prospectus includes Limited Review Financial Results in relation to our Company for the three month period ended June 30, 2021 in respect of which the auditors have issued the limited review report dated July 20, 2021. As the limited review financial information prepared by our Company in accordance with Regulation 52(2) of the SEBI Listing Regulations, has been subjected only to a limited review and as described in Standard on Review Engagements (SRE) 2410, “Review of Interim Financial Information” Performed by the Independent Auditor of the Entity” issued by the ICAI, and not to an audit, any reliance by prospective investors on such limited review financial information for the three month period ended June 30, 2021 should, accordingly, be limited.

56. *Companies operating in India are subject to a variety of taxes and surcharges.*

Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, value added tax, turnover tax, service tax, stamp duty, tax on dividends and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time. The central or state government may in the future increase the corporate income tax it imposes. Additionally, in the event our customers fail to deposit the TDS deducted, with the central or state government, the tax credit return filed by our Company with the income tax authority, may reflect certain discrepancy and subsequently our Company may be subject to any demand notice or penalty from the income tax authority. Further, any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Additional tax exposure could adversely affect our business, cash flows and results of operations.

EXTERNAL RISK FACTORS

57. Natural disasters and other disruptions could adversely affect the Indian economy and could adversely affect our business, results of operations, cash flows and financial condition.

Our operations, including our branch network, may be damaged or disrupted as a result of natural disasters such as earthquakes, floods, heavy rainfall, epidemics, tsunamis and cyclones and other events such as protests, riots and labour unrest. Such events may lead to the disruption of information systems and telecommunication services for sustained periods. They also may make it difficult or impossible for employees to reach our business locations. Damage or destruction that interrupts our provision of services could adversely affect our reputation, our relationships with our customers, our senior management team's ability to administer and supervise our business or it may cause us to incur substantial additional expenditure to repair or replace damaged equipment or rebuild parts of our branch network. Any of the above factors may adversely affect our business, results of operations, cash flows and financial condition.

58. Civil unrest, acts of violence including terrorism or war involving India and other countries could materially and adversely affect the financial markets and our business.

Civil unrest, acts of violence including terrorism or war, may negatively affect the Indian stock markets and also materially and adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, make travel and other services more difficult and ultimately materially and adversely affect our business. Although the governments of India and neighbouring countries have recently been engaged in conciliatory efforts, any deterioration in relations between India and neighbouring countries might result in investor concern about stability in the region, which could materially and adversely affect our business, results of operations, cash flows and financial condition.

59. A slowdown in economic growth in India could cause our business to suffer.

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. Any slowdown or perceived slowdown in the Indian economy or future volatility in global commodity prices could adversely affect our business. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could also adversely affect our business, results of operations, financial condition and the payment of interest and redemption of the NCDs.

India's economy could be adversely affected by a general rise in interest rates or inflation, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. A slowdown in the Indian economy could adversely affect the policy of the government of India towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy.

The Indian economy is also influenced by economic and market conditions in other countries, particularly emerging market conditions in Asia. A decline in India's foreign exchange reserves and exchange rate fluctuations may also affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business and results of operations and the payment of interest and redemption of the NCDs.

Further, other factors which may adversely affect the Indian economy are scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our developments and expansions; volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges; changes in India's tax, trade, fiscal or monetary policies, like application of GST; political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries; occurrence of natural or man-made disasters; infectious disease outbreaks or other serious public health concerns; prevailing regional or global economic conditions, including in India's principal export markets; and other significant regulatory or economic developments in or affecting India or its financial services sectors.

60. *Political instability or changes in the government could adversely affect economic conditions in India and consequently our business.*

Our performance and the interest payable on the NCDs may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India. The GoI has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. The business of our Company may be affected by changes in government of India policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India.

Since 1991, successive Indian governments have pursued policies of economic liberalisation, financial sector reforms including significantly relaxing restrictions on the private sector. The governments have usually been multi-party coalitions with differing agendas. Any political instability could affect the rate of economic liberalisation and the specific laws and policies affecting foreign investment. A significant change in India's economic liberalisation and deregulation policies could adversely affect business and economic conditions in India generally, and our business in particular, if any new restrictions on the private sector are introduced or if existing restrictions are increased.

61. *Financial instability, economic developments and volatility in securities markets in other countries may also affect the business of the company and receivables on the NCDs.*

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Financial turmoil in Europe and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, future financial performance and the interest payable and redemption of the NCDs.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections in recent years. Since September 2008, liquidity and credit concerns and volatility in the global credit and financial markets increased significantly with the bankruptcy or acquisition of, and government assistance extended to, several major us and European financial institutions. These and other related events, such as the European sovereign debt crisis, have had a significant impact on the global credit and financial markets as a whole, including reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in global credit and financial markets. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets.

However, the overall impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. In the event that the current difficult conditions in the global credit markets continue or if there is any significant financial disruption, such conditions could have an adverse effect on our business, future financial performance and the interest payable and redemption of the NCDs.

62. *The Indian tax regime has undergone substantial changes which could adversely affect the company's business and profits and the net receivables in relation to the NCDs.*

The goods and service tax ("GST") that has been implemented with effect from July 1, 2017 combines taxes and levies by the GoI and state governments into a unified rate structure and replaces indirect taxes on goods and services such as central excise duty, service tax, customs duty, central sales tax, state vat, cess and surcharge and excise that were being collected by the government of India and state governments. Since this is a recent development and is undergoing substantial changes, there could be an adverse impact to our business and profits and consequently affect the receivables in relation to the NCDs.

As regards the general anti-avoidance rules ("GAAR"), the provisions of Chapter X-A (Sections 95 to 102) of the Income Tax Act, 1961, are applicable from assessment year 2019 (fiscal 2018) onwards. The GAAR provisions intend to declare an arrangement as an "impermissible avoidance arrangement", if the main purpose or one of the

main purposes of such arrangement is to obtain a tax benefit, and satisfies at least one of the following tests: (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, that is not ordinarily engaged for bona fide purposes. If GAAR provisions are invoked, the tax authorities will have wider powers, including denial of tax benefit or a benefit under a tax treaty. In the absence of any precedents on the subject, the application of these provisions is uncertain. As the taxation regime in India is undergoing a significant overhaul, its consequent effects on economy cannot be determined at present and there can be no assurance that such effects would not adversely affect our business, future financial performance, profits and the interest earned on the NCDs.

Further, the GoI has issued a set of income computation and disclosure standards ("ICDS") that will be applied in computing taxable income and payment of income taxes thereon, effective from April 1, 2016. ICDS apply to all taxpayers following an accrual system of accounting for the purpose of computation of income under the heads of "profits and gains of business/profession" and "income from other sources". This is the first time such specific standards have been issued for income taxes in India, and the impact of the ICDs on our tax incidence is uncertain.

63. *Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, prospects, results of operations and financial condition.*

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For instance, the recent SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021, which were notified on September 7, 2021, ("**LODR Amendment**") require 'high value debt listed entity' i.e. listed companies which have listed its non – convertible debt securities on the stock exchanges and whose outstanding value is ₹ 500 crore and above, to comply with certain additional corporate governance requirements including but not limited to the constitution of the board of directors, constitution of the statutory committees and obligations with respect to the independent directors. The LODR Amendment has prescribed a certain time period to comply with these requirements and our Company will endeavour to comply with such requirements in due course. Further, there can be no assurance that the central or the state governments may not implement new regulations and policies which will require us to obtain approvals and licenses from the governments and other regulatory bodies or impose onerous requirements and conditions on our operations.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities. The application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. If such tax laws, rules and regulations are amended, new adverse laws, rules or regulations are adopted or current laws are interpreted adversely to our interests, the results could increase our tax payments (prospectively or retrospectively) and/or subject us to penalties. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

64. *Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our ability to raise financing and our business.*

India's sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business, financial performance, profits and ability to obtain financing for capital expenditures and the interest and redemption of the NCDs.

65. *Our ability to raise foreign debt capital may be constrained by Indian law.*

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, there can be no assurance that any required regulatory approvals for borrowing in foreign

currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

66. *Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.*

The annual rate of inflation is 11.16% (Provisional) for the month of July, 2021 (over July, 2020) as compared to (-0.25%) in July, 2020. (Source: *Index Numbers of Wholesale Price in India, Review for the month of July 2021, published on August 16, 2021 by Government of India, Ministry of Commerce and Industry*). Continued high rates of inflation may increase our expenses related to salaries or wages payable to our employees or any other expenses. There can be no assurance that we will be able to pass on any additional expenses to our payers or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our profitability and, if significant, on our financial condition.

67. *The new bankruptcy code in India may affect our Company's right to recover loans from its borrowers.*

The Insolvency and Bankruptcy Code, 2016 (“**Bankruptcy Code**”) was notified on August 5, 2016. The Bankruptcy Code offers a uniform and comprehensive insolvency legislation encompassing all companies, partnerships and individuals (other than financial firms). It allows creditors to assess the viability of a debtor as a business decision and agree upon a plan for its revival or a speedy liquidation. The Bankruptcy Code creates a new institutional framework, consisting of a regulator, insolvency professionals, information utilities and adjudicatory mechanisms, which will facilitate a formal and time-bound insolvency resolution and liquidation process.

In case insolvency proceedings are initiated against a debtor to our Company, we may not have complete control over the recovery of amounts due to us. Under the Bankruptcy Code, upon invocation of an insolvency resolution process, a committee of creditors is constituted by the interim resolution professional, wherein each financial creditor is given a voting share proportionate to the debts owed to it. Any decision of the committee of creditors must be taken by a vote of not less than 66% of the voting share of all financial creditors. Any resolution plan approved by committee of creditors is binding upon all creditors, even if they vote against it. In case a liquidation process is opted for, the Bankruptcy Code provides for a fixed order of priority in which proceeds from the sale of the debtor’s assets are to be distributed. Before sale proceeds are distributed to a secured creditor, they are to be distributed for the costs of the insolvency resolution and liquidation processes, debts owed to workmen and other employees, and debts owed to unsecured credits. Further, under this process, dues owed to the Central and State Governments rank at par with those owed to secured creditors. Moreover, other secured creditors may decide to opt out of the process, in which case they are permitted to realise their security interests in priority.

Further, the GoI vide notification dated March 24, 2020 (“**Notification**”) has amended section 4 of the Bankruptcy Code due the lingering impact of the COVID-19 pandemic. Pursuant to the said Notification, GoI has increased the minimum amount of default under the insolvency matters from ₹1,00,000 to ₹1,00,00,000.

Therefore, the ability of our Company to initiate insolvency proceedings against the defaulters where the amount of default in an insolvency matter is less than ₹1,00,00,000 may impact the recovery of outstanding loans and profitability of our Company.

RISKS RELATING TO THE ISSUE AND THE NCDS

68. *There are other lenders and debenture trustees who have pari passu charge over the Security provided.*

There are other lenders and debenture trustees of our Company who have *pari passu* charge over the Security provided for the Issue. While our Company is required to maintain an asset cover of 1 time the outstanding amount of the NCDs and interest thereon, upon our Company’s bankruptcy, winding-up or liquidation, the other lenders and debenture trustees will rank *pari passu* with the NCD holders and to that extent, may reduce the amounts recoverable by the NCD holders.

69. *Changes in interest rate may affect the price of our NCD. Any increase in rate of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the price of our NCDs.*

All securities where a fixed rate of interest is offered, such as our NCDs, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e. when interest rates rise, prices of

fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the price of our NCDs.

- 70. *The NCD Holders may not be able to recover, on a timely basis or at all, the full value of the outstanding amounts and/or the interest accrued thereon in connection with the NCDs. Failure or delay to recover the expected value from a sale or disposition of the assets charged as security in connection with the NCDs could expose the holders to a potential loss.***

Our ability to pay interest accrued on the NCDs and/or the principal amount outstanding from time to time in connection therewith would be subject to various factors inter-alia including our financial condition, profitability and the general economic conditions in India and in the global financial markets. We cannot assure you that we would be able to repay the principal amount outstanding from time to time on the NCDs and/or the interest accrued thereon in a timely manner or at all. Although our Company will create appropriate security in favour of the Debenture Trustee for the NCD Holders on the assets adequate to ensure 100.00% asset cover for the NCDs, including interest thereon, the realisable value of the assets charged as security, when liquidated, may be lower than the outstanding principal and/or interest accrued thereon in connection with the NCDs. Further, it is the duty of debenture trustee to monitor that the security is maintained, however, the possibility of recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security. A failure or delay to recover the expected value from a sale or disposition of the assets charged as security in connection with the Secured NCDs could expose you to a potential loss.

- 71. *You may be subject to taxes arising on the sale of the NCDs.***

Sales of NCDs by any holder may give rise to tax liability as per the applicable provisions of the Income Tax Act, 1961. For further details, see “Statement of Tax Benefits available to the Debenture Holders” on page 61 of this Shelf Prospectus.

- 72. *If we do not generate adequate profits, we may not be able to invest an adequate amount representing the value of our outstanding NCDs issued pursuant to this Shelf Prospectus, which may have a bearing on the timely redemption of the NCDs by our Company.***

In accordance with recent amendments to the Companies Act, 2013, and the Companies (Share Capital & Debentures) Rules 2014, read with Regulation 16 of the SEBI NCS Regulations, any non-banking finance company that intends to issue debentures to the public are no longer required to create a DRR for the purpose of redemption of debentures. The Government, in the union budget for the Fiscal 2020 had announced that non-banking finance companies raising funds in public issues would be exempt from the requirement of creating a DRR. Pursuant to the amendment to the Companies (Share Capital & Debentures) Rules 2014, notified on August 16, 2019, and as on the date of filing of this Shelf Prospectus, our Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with the Issue.

Further, Section 71 of the Companies Act, 2013, read with Rule 18 of Companies (Share Capital & Debentures) Rules, 2014 under Chapter IV of the Companies Act, 2013, requires that any listed company that intends to issue debentures to the public must, on or before the 30th day of April of each year, in respect of such publicly issued debentures, invest an amount not less than 15% of the amount of the debentures maturing during the financial year which is ending on the 31st day of March of the next year, in any one or more of the following methods: (a) in deposits with any scheduled bank, free from any charge or lien; (b) in unencumbered securities of the Central Government or any State Government; (c) in unencumbered securities mentioned under section 20 of the Indian Trusts Act, 1882; or (d) in unencumbered bonds issued by any other company which is notified under sub-clause (f) of section 20 of the Indian Trusts Act, 1882. Such invested amount shall not be used for any purpose other than for redemption for debentures maturing during the financial year which is ending on the 31st day of March of the next year. Further, the invested amount shall not, at any time, fall below 15% of the amount of the debentures maturing in such financial year. This may have a bearing on the timely redemption of the NCDs by our Company.

- 73. *There may be no active market for the NCDs on the retail debt market/capital market segment of the Stock Exchange. As a result, the liquidity and market prices of the NCDs may fail to develop and may accordingly be adversely affected.***

There can be no assurance that an active market for the NCDs will develop. If an active market for the NCDs fails to develop or be sustained, the liquidity and market prices of the NCDs may be adversely affected. The market price of the NCDs would depend on various factors inter alia including (i) the interest rate on similar securities available in the market and the general interest rate scenario in the country, (ii) the market price of our Equity Shares, (iii) the market for listed debt securities, (iv) general economic conditions, and (v) our financial performance, growth prospects and results of operations. The aforementioned factors may adversely affect the liquidity and market price of the NCDs, which may trade at a discount to the price at which you purchase the NCDs and/or be relatively illiquid.

74. *There may be a delay in making refund/ unblocking of funds to Applicants.*

We cannot assure you that the monies refundable to you, on account of (i) withdrawal of your applications, (ii) our failure to receive minimum subscription in connection with the Base Issue, (iii) withdrawal of the Issue, or (iv) failure to obtain the final approval from the Stock Exchange for listing of the NCDs, will be refunded to you in a timely manner. We, however, shall refund / unblock such monies, with the interest due and payable thereon as prescribed under applicable statutory and/or regulatory provisions.

75. *Any downgrading in credit rating of our NCDs may adversely affect the value of NCDs and thus our ability to raise further debt.*

The NCDs for an amount of up to ₹ 1,500 crore proposed to be issued under the Issue have been rated CRISIL/AA Stable” by CRISIL vide its letter dated August 31, 2021 and “[ICRA]AA/Stable” by ICRA vide its letter dated August 30, 2021. The rating of the NCDs by CRISIL and ICRA indicates high degree of safety regarding timely servicing of financial obligations. The rating provided by CRISIL and ICRA may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. For details of outstanding credit ratings of our Company, see “Our Business” on page 95 of this Shelf Prospectus.

76. *Payments to be made on the NCDs will be subordinated to certain tax and other liabilities preferred by law. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the NCDs.*

The NCDs will be subordinated to certain liabilities preferred by law such as the claims of the GoI on account of taxes, and certain liabilities incurred in the ordinary course of our business. In particular, in the event of bankruptcy, liquidation or winding-up, our Company’s assets will be available to pay obligations on the NCDs only after all of those liabilities that rank senior to these NCDs have been paid as per section 327 of the Companies Act, 2013. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the Secured NCDs.

77. *The fund requirement and deployment mentioned in the Objects of the Issue have not been appraised by any bank or financial institution.*

We intend to use the proceeds of the Issue, after meeting the expenditures of and related to the Issue, for our various financing activities including lending, subject to applicable statutory and/or regulatory requirements, and for general corporate purposes including repayment of our existing loans and for our capital expenditure and working capital requirements. For further details, see “Objects of the Issue” on page 58 of this Shelf Prospectus. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. The management will have significant flexibility in applying the proceeds received by us from the Issue.

78. *There is no assurance that the NCDs issued pursuant to this Issue will be listed on Stock Exchange in a timely manner, or at all.*

In accordance with Indian law and practice, permissions for listing and trading of the NCDs issued pursuant to this Issue will not be granted until after the NCDs have been issued and allotted. Approval for listing and trading will require all relevant documents to be submitted and carrying out of necessary procedures with the stock exchanges. There could be a failure or delay in listing the NCDs on the Stock Exchange for reasons unforeseen. If permission to deal in and for an official quotation of the NCDs is not granted by the stock exchanges, our Company will forthwith repay, with interest, all monies received from the Applicants in accordance with prevailing law in this

context, and pursuant to this Shelf Prospectus. There is no assurance that the NCDs issued pursuant to this Issue will be listed on stock exchanges in a timely manner, or at all.

SECTION III – INTRODUCTION

GENERAL INFORMATION

Our Company was originally incorporated in Mumbai, Maharashtra as a private limited company on July 10, 1984 under the provisions of the Companies Act, 1956, with registration number 33397 of 1984 and with the name "**J.M. Lease Consultants Private Limited**". By virtue of section 43A of the Companies Act, 1956, our Company became a deemed public company with the name "**J.M Lease Consultants Limited**" and received a certificate of incorporation dated July 15, 1992 from the Registrar of Companies, Mumbai, Maharashtra. Our Company further became a private limited company with effect from August 17, 2001. Subsequently, by way of a fresh certificate of incorporation dated June 10, 2005 issued by the Registrar of Companies, Mumbai, Maharashtra, our Company's name was changed to "**JM Financial Products Private Limited**". Our Company was converted into a public limited company with the name "**JM Financial Products Limited**" and received a fresh certificate of incorporation consequent to change in status on June 28, 2010 from the Registrar of Companies, Mumbai, Maharashtra. Our Company is a Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC-ND-SI), registered with the Reserve Bank of India under Section 45 IA of the RBI Act, 1934, bearing registration no. B - 13.00178 dated March 2, 1998. For further details regarding changes to the name and registered office of our Company, see "*History and Other Corporate Matters*" on page 112 of this Shelf Prospectus. For further details regarding the Promoter and the Group Companies please see "*Our Promoter*" on page 133 of this Shelf Prospectus.

Registered Office

JM Financial Products Limited

7th Floor, Cnergy,
Appasaheb Marathe Marg Prabhadevi,
Mumbai,
Maharashtra 400 025, India
Tel: (+91 22) 6630 3030
Fax: (+91 22) 6630 3223
Website: www.jmfinancialproducts.com
Email: investorrelations.products@jmfl.com

For details of change in registered office, see "*History and Other Corporate Matters*" on page 112 of this Shelf Prospectus.

Registration

Registration Number: 33397 of 1984

Permanent Account Number: AAACJ1236G

Legal Entity Identifier Number: 254900RFJL24Y2NFKF06

Corporate Identity Number: U74140MH1984PLC033397 issued by the Registrar of Companies, Mumbai, Maharashtra

Certificate of registration dated March 2, 1998, bearing number B-13.00178, issued under Section 45IA of the RBI Act, 1934 by the RBI to carry on the business of a non-banking financial institution without accepting public deposits.

Chief Financial Officer

Mr. Nishit Shah
7th Floor, Cnergy,
Appasaheb Marathe Marg Prabhadevi,
Mumbai,
Maharashtra 400 025, India
Tel: (+91 22) 6630 3030
Fax: (+91 22) 6630 3223
Email: nishit.shah@jmfl.com

Company Secretary and Compliance Officer

Mr. Rupesh Samani
5th Floor, Cnergy,
Appasaheb Marathe Marg Prabhadevi,
Mumbai,
Maharashtra 400 025, India
Tel: (+91 22) 6630 3030
Fax: (+91 22) 6630 3223
Email: investorrelations.products@jmfl.com

Lead Managers



Equirus Capital Private Limited

12th Floor, C Wing,
Marathon Futurex, N.M. Joshi Marg,
Lower Parel, Mumbai 400 013
CIN: U65910MH2007PTC172599
Tel: (+91 22) 4332 0700
Fax: (+91 22) 4332 0750
Email: jmfpl.ncd@equirus.com
Investor Grievance Email: investorsgrievance@equirus.com
Website: www.equirus.com
Contact Person: Mr. Ankit Jain
Compliance Officer: Mr. Parth Pankhaniya
SEBI Registration No.: INM000011286



JM Financial Limited*

7th Floor, Cnergy,
Appasaheb Marathe Marg, Prabhadevi
Mumbai – 400 025
CIN: L67120MH1986PLC038784
Tel: (+91 22) 6630 3030
Fax: (+91 22) 6630 3330
Email: JMFPL.bondissue2021@jmfl.com
Investor Grievance Email: grievance.ibd@jmfl.com
Website: www.jmfl.com
Contact Person: Ms. Prachee Dhuri
Compliance Officer: Mr. Sunny Shah
SEBI Registration No.: INM000010361

**In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, read with Regulation 25(3) of the SEBI NCS Regulations, as amended, JMFL will be involved only in marketing of the Issue.*

Debenture Trustee



IDBI Trusteeship Services Limited

Asian Building, Ground Floor, 17, R. Kamani Marg,

Ballard Estate, Mumbai 400 001
Tel: (+91 22) 4080 7000
Fax: 6631 1776 / 4080 7080
Email: itsl@idbitrustee.com; rmitra@idbitrustee.com; sumedh@idbitrustee.com
Investor Grievance Email: response@idbitrustee.com
Website: www.idbitrustee.com
Contact Person: Mr. Ritobrata Mitra / Mr. Jatin Bhat / Mr. Sumedh Vaidya
SEBI Registration No.: IND000000460

IDBI Trusteeship Services Limited has, pursuant to regulation 8 of SEBI NCS Regulations, by its letter dated September 1, 2021 given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in this Shelf Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Issue.

All the rights and remedies of the Debenture Holders under the relevant Tranche Issue shall vest in and shall be exercised by the appointed Debenture Trustee for all Tranche Issues under the Shelf Limit without having it referred to the Debenture Holders. All investors under the relevant Tranche Issue are deemed to have irrevocably given their authority and consent to the Debenture Trustee so appointed by our Company for the relevant Tranche Issue to act as their trustee and for doing such acts and signing such documents to carry out their duty in such capacity. Any payment by our Company to the Debenture Holders/Debenture Trustee, as the case may be, shall, from the time of making such payment, completely and irrevocably discharge our Company *pro tanto* from any liability to the Debenture Holders. For details on the terms of the Debenture Trust Deed, see “*Issue Related Information*” on page 329 of this Shelf Prospectus.

Registrar to the Issue



KFin Technologies Private Limited
(Formerly known as Karvy Fintech Private Limited)
Selenium Tower B,
Plot No- 31 and 32, Financial District
Nanakramguda, Serilingampally,
Hyderabad, Rangareddi 500 032,
Telangana, India
CIN: U72400TG2017PTC117649
Tel: (+91 40) 6716 2222
Fax: (+91 40) 2343 1551
Email: jmfpl.ncdipo@kfintech.com
Investor Grievance Email: einward.ris@kfintech.com
Website: www.kfintech.com
Contact Person: M Murali Krishna
SEBI Registration No.: INR000000221

KFin Technologies Private Limited has by the letters dated August 23, 2021 and September 8, 2021 given its consent for its appointment as Registrar to the Issue and for its name to be included in this Shelf Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Issue.

Applicants or prospective investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer in case of any pre-Issue or post-Issue related problems, such as non-receipt of Allotment Advice, demat credit, transfers, etc.

All grievances relating to the Issue or any relevant Tranche Issue may be addressed to the Registrar to the Issue, giving full details such as name, Application Form number, address of the Applicant, Permanent Account Number, number of NCDs applied for, amount paid on application, Depository Participant name and client identification number, and the collection centre of the Members of the Consortium where the Application was submitted and ASBA Account number (for Applicants other than retail individual investors bidding through the UPI Mechanism) in which the amount equivalent to the Application Amount was blocked, or UPI ID in case of retail individual investors bidding through the UPI mechanism. Further, the Applicant shall enclose the Acknowledgement Slip or

provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (i) the relevant Designated Branch of the SCSB where the Application Form was submitted by the Applicant, or (ii) the concerned Member of the Syndicate and the relevant Designated Branch of the SCSB in the event of an Application submitted by an Applicant at any of the Syndicate SCSB Branches, giving full details such as name, address of Applicant, Application Form number, number of NCDs applied for and amount blocked on Application.

All grievances related to the UPI process may be addressed to the Stock Exchange, which shall be responsible for addressing investor grievances arising from applications submitted online through the App based/ web interface platform of stock exchange or through their Trading Members. The intermediaries shall be responsible for addressing any investor grievances arising from the applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

All grievances arising out of Applications for the NCDs made through the online mechanism of the Stock Exchanges or through Trading Members may be addressed directly to the respective Stock Exchanges.

Statutory Auditors

M/s. Khimji Kunverji & Co. LLP, Chartered Accountants, Mumbai

(formerly known as M/s. Khimji Kunverji & Co.)

Level 19, Sunshine Tower,

Senapati Bapat Marg

Elphinstone Road

Mumbai 400 013

Telephone: +91 22 6143 7333

Facsimile: +91 22 6143 7300

Website: www.kkcllp.in

E-mail: vinit@kkcllp.in

Contact Person: Vinit Jain

ICAI Firm Registration Number: 105146W/W100621

Credit Rating Agencies



ICRA Limited

Electric Mansion, 3rd Floor,

Appasaheb Marathe Marg, Prabhadevi,

Mumbai-400 025

Website: www.icra.in

Telephone: (+91) 22 6169 3300

Fax: (+91) 22 2433 1390

Email: shivakumar@icraindia.com

Contact Person: L. Shivakumar

Website: www.icra.in

SEBI Registration Number: IN/CRA/008/2015

CIN: L749999DL1991PLC042749



CRISIL Ratings Limited

CRISIL House, Central Avenue,

Hiranandani Business Park, Powai

Mumbai - 400 076

Website: www.crisil.com/ratings
Telephone: (+91) 22 3342 3000
Fax: (+91) 22 4040 5800
Email: crisilratingdesk@crisil.com
Contact Person: Mr. Krishnan Sitaraman
SEBI Registration Number: IN/CRA/001/1999
CIN: U67100MH2019PLC326247

Credit Rating and Rationale

The NCDs proposed to be issued under this Issue have been rated [ICRA]AA/Stable by ICRA Limited for an amount of up to ₹ 3,850 crore *vide* its letter dated August 30, 2021 read with its rating rationale released on July 16, 2021 and have been rated CRISIL AA/Stable by CRISIL Ratings Limited for an amount up to ₹ 3,751.35 crore *vide* its letter dated August 31, 2021 read with its rating rationale dated August 30, 2021. The rating of the NCDs by ICRA and CRISIL indicate high degree of safety regarding timely servicing of financial obligations. The rating provided by ICRA and CRISIL may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. Please see pages 415 to 437 of this Shelf Prospectus for rating letter and rationale for the above rating.

Legal Advisor to the Issue



Trilegal

Peninsula Business Park,
 17th Floor, Tower B,
 Ganpatrao Kadam Marg,
 Lower Parel, Mumbai 400 013.
Website: www.trilegal.com
Email: Paris@trilegal.com
Telephone: +(91) 22 4079 1000

Bankers to our Company	
HDFC Bank 2nd Floor, Zenith house, KK Road, Arya Nagar, Opp. Race course, Mahalakshmi, Mumbai – 400034. Contact Person: Mr. Xerses Davar Tel: 022-39760546 Email: xerses.davar@hdfcbank.com Website: www.hdfcbank.com	IDFC First Bank C – 32, Naman Chambers, G Block, Bandra Kurla Complex, BKC, Mumbai – 400051. Contact Person: Ms. Saumya Wahi Narang Tel: 022-71325659 Email: saumya.wahi@idfcfirstbank.com CIN: L65110TN2014PLC097792
ICICI Bank ICICI Bank Towers, G Block, Bandra Kurla Complex, Mumbai – 400 051 Contact Person: Ankit Morakhia Email: ankit.morakhia@icicibank.com Website: www.icicibank.com CIN: L65190GJ1994PLC021012	IDBI Bank Limited Mittal Court, 234, A Wing, 2nd Floor, Nariman Point, Mumbai – 400 021 Contact Person: Shri Ravi Kumar Manikonda Tel: 022-66588148 Email: Ravikumar.m@idbi.co.in CIN: L65190MH2004GO1148838
Bank of Baroda Corporate Financial Services Branch, C-8, Laxmi Tower, 2nd Floor, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051 Contact Person: Mohit Bhargava Email: midbdr@bankofbaroda.co.in Website: www.bankofbaroda.in CIN: U99999MH1911PLC007676	

Bankers to the Issue

Public Issue Account Bank

As specified in the relevant Tranche Prospectus for each Tranche.

Refund Bank

As specified in the relevant Tranche Prospectus for each Tranche.

Sponsor Bank

As specified in the relevant Tranche Prospectus for each Tranche.

Consortium Members

As specified in the relevant Tranche Prospectus for each Tranche.

Recovery Expense Fund

Our Company has created the recovery expense fund with the Stock Exchange, in the manner as specified by SEBI in circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020, as amended, and informed the Debenture Trustee regarding such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security. Our Company has created the recovery expense fund with the Stock Exchange.

Impersonation

As a matter of abundant precaution, attention of the investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, relating to punishment for fictitious applications. Section 38(1) of the Companies Act, 2013 provides that:

"Any person who —

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under Section 447."

Minimum Subscription

In terms of the SEBI NCS Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall not be less than 75% of the Base Issue Size. If our Company does not receive the minimum subscription of not less than 75% of the Base Issue, prior to the Issue Closing Date the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicant within eight Working Days from the date of closure of the Issue or such time as may be specified by SEBI. The refunded subscription amount shall be credited only to the account from which the relevant subscription amount was remitted. In the event, there is a delay, by our Company in making the aforesaid refund within the prescribed time limit, our Company will pay interest at the rate of 15% per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard including the SEBI Operational Circular and the circular on 'Strengthening the Guidelines and Raising Industry Standard for CRTA, Issuer

Companies and Banker to the Issue' bearing no. HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 (as clarified or amended from time to time).

Designated Intermediaries

Self-Certified Syndicate Banks

The banks which are registered with SEBI under Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services in relation to ASBA, including blocking of an ASBA Account, a list of which is available on <http://www.sebi.gov.in> or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs, with which an Applicant, not applying through the Syndicate, may submit the Application Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> or at such other website as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Applications submitted to the Designated Intermediaries, the list of branches of the SCSBs to receive deposits of ASBA Applications from such Designated Intermediaries is provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> or at such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Applications from Designated Intermediaries, see the above mentioned web-link.

RTAs / CDPs

The list of the RTAs and CDPs, eligible to accept Applications in the Issue, including details such as postal address, telephone number and email address, are provided on the websites of the BSE at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> for RTAs and CDPs, as updated from time to time.

Broker Centres/ Designated CDP Locations/ Designated RTA Locations

In accordance with, *inter alia*, SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit the Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Underwriting

As stated in the relevant Tranche Prospectus, if any.

Guarantors to the Issue

As stated in the relevant Tranche Prospectus, if any.

Arrangers to the Issue

As stated in the relevant Tranche Prospectus, if any.

Utilisation of Issue proceeds

For details on utilisation of Issue proceeds, see "*Objects of the Issue*" on page 58 of this Shelf Prospectus.

Issue Programme

ISSUE OPENS ON	As specified in the relevant Tranche Prospectus

ISSUE CLOSES ON	As specified in the relevant Tranche Prospectus
EARLIER CLOSING DATE	As specified in the relevant Tranche Prospectus
PAY IN DATE	As specified in the relevant Tranche Prospectus
DEEMED DATE OF ALLOTMENT	As specified in the relevant Tranche Prospectus

The issue programme details and hours will be as per the relevant Tranche Prospectus.

The Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time), during the period indicated above, except that the Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company ("**Board**") or the NCD Public Issue Committee of the Board. In the event of such an early closure of or extension of the Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in all the newspapers in which pre-Issue advertisement and advertisement for opening or closure of the Issue have been given, on or before such earlier date of the closure or extended date of the Issue, in terms of Schedule V of the SEBI NCS Regulations. Applications Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. or such extended time as may be permitted by BSE, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 p.m. (Indian Standard Time) on one Working Day post the Issue Closing Date. For further details see "*Issue Related Information*" on page 329 of this Shelf Prospectus.

Due to limitation of time available for uploading the Applications on the electronic platform of the Stock Exchange on the Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Issue Closing Date and, no later than 3:00 p.m. (Indian Standard Time) on the Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Application Forms will only be accepted on Working Days during the Issue Period. Neither our Company, nor the Designated Intermediaries are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. As per the SEBI Operational Circular, the allotment in the Issue should be made on the basis of date of upload of each application into the electronic book of the Stock Exchange. However, in the event of oversubscription, on such date and thereafter, the allotments should be made to the Applicants on proportionate basis.

Inter-se Allocation of Responsibilities among the Lead Managers:

The following table sets forth the inter-se allocation of responsibilities and coordination for various activities among the Lead Managers:

No	Activities	Responsibility	Coordinator
1.	Due diligence of Issuer's operations/ management/ business plans/ legal etc. Drafting and design of the Offering Document and of statutory advertisement including memorandum containing salient features of the Offering Document. (The Merchant Bankers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchange, RoC and SEBI including finalisation of Offering Document and RoC filing).	Equirus	Equirus
2.	Co-ordination with Auditors on Comfort Letter and co-ordination with lawyers for legal opinion.	Equirus	Equirus
3.	Structuring of various issuance options with relative components and formalities etc.	Equirus	Equirus
4.	Drafting and approval of statutory advertisement, application form and abridged prospectus.	Equirus	Equirus
5.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in (4) above including corporate advertisement, brochure, etc.	Equirus and JMFL	JMFL
6.	Appointment of other intermediaries viz., Registrar(s), Printers, Debenture Trustee, Consortium Members, Advertising Agency and Bankers to the Issue.	Equirus	Equirus
7.	Preparation of road show presentation, FAQs.	Equirus and JMFL	JMFL
8.	Individual / HUF marketing strategy which will cover, inter alia: - Finalise collection centres; - Follow-up on distribution of publicity and Issue material including form, Shelf Prospectus and deciding on the quantum of the Issue material.	Equirus and JMFL	JMFL

No	Activities	Responsibility	Coordinator
9.	Domestic institutions/banks/mutual funds marketing strategy: Finalise the list and division of investors for one on one meetings, institutional allocation.	Equirus and JMFL	Equirus
10.	Non-institutional marketing strategy which will cover, inter alia: ▪ Finalise media, marketing and public relation strategy and publicity budget; ▪ Finalise centers for holding conferences for brokers, etc.	Equirus and JMFL	JMFL
11.	Coordination with the stock exchanges for the bidding software.	Equirus	Equirus
12.	Coordination for security creation by way of execution of Debenture Trust Deed/ Deed of Hypothecation.	Equirus	Equirus
13.	Post-issue activities including - • Co-ordination with Bankers to the Issue for management of Escrow account(s) and timely submission of application forms to RTA and daily collection figures under different categories. • Co-ordination with the Registrars and the Bankers to the Issue for timely submission of certificate, finalization of basis of allotment and allotment of bonds.	Equirus	Equirus
14.	- Co-ordination with the Registrar for dispatch of allotment and refund advices, dispatch of debenture certificates and credit of bonds. - Drafting and finalization of post issue stationery items like, allotment and refund advice, debenture certificate, LOA; - Coordination for generation of ISINs; - Corporate action for dematerialized credit /delivery of securities; - Coordinating approval for listing and trading of securities; and - Redressal of investor grievances in relation to post issue activities.	Equirus	Equirus

In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, read with Regulation 25(3) of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2018, as amended, JM Financial Limited will be involved only in marketing of the Issue.

CAPITAL STRUCTURE

Details of share capital

The share capital of our Company as of June 30, 2021

		Amount in ₹
A	Authorised share capital	
	1,10,00,00,000 Equity Shares of ₹ 10.0 each	11,00,00,00,000.0
	10,00,00,000 Preference Shares of ₹ 10.0 each	1,00,00,00,000.0
	TOTAL	12,00,00,00,000.0
B	Issued, subscribed and paid-up share capital	
	54,45,00,000 Equity Shares of ₹ 10.0 each	5,44,50,00,000.0
C	Securities Premium Reserve	38,22,52,000

This Issue will not result in any change of the paid up capital and securities premium reserve of our Company. None of the Equity Shares of our Company are either pledged or encumbered.

Changes in the authorised share capital of our Company

As on June 30, 2021, there have been no changes to the authorised share capital of our Company in the last three years.

Notes to capital structure

(a) Equity share capital history of our Company

Our Company has not allotted any equity shares as on June 30, 2021, for the last three years.

(b) Preference share capital history of our Company

Our Company has not allotted any preference shares as on June 30, 2021, for the last three years.

Our Company has not issued any equity shares for consideration other than cash in the two financial years immediately preceding the date of this Shelf Prospectus.

Shareholding pattern of our Company as of June 30, 2021

Category	Category & Name of shareholders	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (A+B+C2)	Number of Voting Rights (VR) held in each class of securities	No. of equity shares held in dematerialised form
A	Shareholding pattern of the Promoter and Promoter Group						
1	Indian						
(a)	Individuals / Hindu Undivided Family	0	0	0	0.0000	0	0
(b)	Central Government / State Government(s)	0	0	0	0.0000	0	0
(c)	Bodies Corporate	6*	54,25,57,750	54,25,57,750	99.64	54,25,57,750	54,25,57,750
(c)	Financial Institutions / Banks	0	0	0	0.0000	0	0
(d)	Any Other (Specify)	0	0	0	0.0000	0	0
	Sub Total (A)(1)	6	54,25,57,750	54,25,57,750	99.64	54,25,57,750	54,25,57,750
2	Foreign						
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.0000		0
(b)	Government	0	0	0	0.0000		0
(c)	Institutions	0	0	0	0.0000		0
(d)	Foreign Portfolio Investor	0	0	0	0.0000		0
(e)	Any Other (Specify)	0	0	0	0.0000		0
	Sub Total (A)(2)	0	0	0	0.0000		0
	Total Shareholding Of Promoter And Promoter Group (A)= (A)(1) + (A)(2)	6	54,25,57,750	54,25,57,750	99.64	54,25,57,750	54,25,57,750
B	Public shareholder						
01	Institutions						
(a)	Mutual Fund	0	0	0	0.0000	0	0
(b)	Venture Capital Funds	0	0	0	0.0000	0	0
(c)	Alternate Investment Funds	0	0	0	0.0000	0	0

Category	Category & Name of shareholders	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (A+B+C2)	Number of Voting Rights (VR) held in each class of securities	No. of equity shares held in dematerialised form
(d)	Foreign Venture Capital Investors	0	0	0	0.0000	0	0
(e)	Foreign Portfolio Investor	0	0	0	0.0000	0	0
(f)	Financial Institutions / Banks	0	0	0	0.0000	0	0
(g)	Insurance Companies	0	0	0	0.0000	0	0
(h)	Provident Funds/ Pension Funds	0	0	0	0.0000	0	0
(i)	Any Other (Specify)	0	0	0	0.0000	0	0
	JM Financial Group Employees' Welfare Trust	1	19,42,250	19,42,250	0.36	19,42,250	19,42,250
	Sub Total (B)(1)	1	19,42,250	19,42,250	0.36	19,42,250	19,42,250
2	Central Government/ State Government(s)/ President of India						
	Central Government / State Government(s)	0	0	0	0.0000	0	0
	Sub Total (B)(2)	0	0	0	0.0000	0	0
3	Non-Institutions					0	
(a)	Individuals		0	0	0.0000	0	0
	i. Individual shareholders holding nominal share capital up to Rs. 2 lakh.	0	0	0	0.0000	0	0
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	0	0	0	0.0000	0	0
(b)	NBFCs registered with RBI	0	0	0	0.0000	0	0
(c)	Employee Trusts	0	0	0	0.0000	0	0
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.0000	0	0
(e)	Any Other (Specify)	0	0	0	0.0000	0	0
	Trusts	0	0	0	0.0000	0	0
	Foreign Nationals	0	0	0	0.0000	0	0

Category	Category & Name of shareholders	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (A+B+C2)	Number of Voting Rights (VR) held in each class of securities	No. of equity shares held in dematerialised form
	Hindu Undivided Family	0	0	0	0.0000	0	0
	Foreign Companies	0	0	0	0.0000	0	0
	Non Resident Indians (Non Repat)	0	0	0	0.0000	0	0
	Non Resident Indians (Repat)	0	0	0	0.0000	0	0
	Foreign Portfolio Investor (Individual)	0	0	0	0.0000	0	0
	Clearing Member	0	0	0	0.0000	0	0
	Bodies Corporate	0	0	0	0.0000	0	0
	Sub Total (B)(3)	0	0	0	0.0000	0	0
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)	1	19,42,250	19,42,250	0.36	19,42,250	19,42,250
C	Total Non-Promoter- Non Public Shareholding					0	
1	Custodian/DR Holder	0	0	0	0.0000	0	0
2	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.0000	0	0
	Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)	0	0	0	0.0000	0	0
	Total	7	54,45,00,000	54,45,00,000	100.0000	54,45,00,000	54,45,00,000

*Out of 54,25,57,750 Equity Shares held by JMFL, 5 Equity Shares are held by it jointly with its five nominees and hence, the promoter is only one entity viz., JMFL and not six promoters.

Notes to shareholding pattern:

1. Our Company has not issued any partly-paid up shares, convertible securities or warrants, shares against which depository receipts are held, locked-in shares, or shares held by promoters that are pledged or otherwise encumbered.
2. Further shareholding pattern of JMFL in accordance with the SEBI Listing Regulations are set forth in "Our Promoter" on page 133 of this Shelf Prospectus.

Our top ten shareholders and the number of Equity Shares held by them as on June 30, 2021

S. No.	Name of the shareholders*	Total No. of Equity Shares (face value of ₹ 10 each)	No. of Equity Shares in demat form	Total shareholding as % of total no of Equity shares
1.	JMFL	54,25,57,750*	54,25,57,750*	99.64%
2.	JM Financial Group Employees' Welfare Trust	19,42,250	19,42,250	0.36%
	TOTAL	54,45,00,000	54,45,00,000	100%

*inclusive of 5 Equity Shares jointly held by JMFL with its five nominees

The list of top ten holders of non-convertible debentures as on August 27, 2021 in terms of value (in cumulative basis)*

S. No.	Name of holder	Aggregate amount (in ₹ crores)	% of total non-convertible securities outstanding
1.	ICICI Prudential Mutual Fund	300.00	14.62%
2.	Bank of Baroda	216.67	10.56%
3.	Life Insurance Corporation of India	200.00	9.75%
4.	Bank of India	150.00	7.31%
5.	Larsen and Toubro Limited	125.00	6.09%
6.	Indian Oil Corporation Ltd (Refineries Division) E	93.00	4.53%
7.	Visakhapatnam Steel Project Employees Provident Fund	85.00	4.14%
8.	HVPNL Employees Pension Fund Trust	75.00	3.66%
9.	Kotak Mahindra Mutual Fund	65.00	3.17%
10.	HPGCL Employees Pension Fund Trust	50.00	2.44%

*The name of the debenture holders have been obtained from the beneficiary position statement made available by the RTA, viz., KFin Technologies Private Limited (formerly known as Karvy Fintech Technologies Private Limited).

Debt to equity ratio

The debt to equity ratio, on a standalone basis, prior to this Issue is 1.88 based on a total outstanding debt of ₹ 3,484.54 crore (including episodic financing of ₹ 949.55 crore) and shareholder funds amounting to ₹ 1,852.68 crore as on June 30, 2021. The debt equity ratio post this Issue, (assuming subscription of NCDs aggregating to ₹ 1,500 crore) would be 2.69 times, based on a total outstanding debt of ₹ 4,984.55 crore and shareholders' funds of ₹ 1,852.68 crore as on June 30, 2021.

(in ₹ crore)

Particulars	Prior to the Issue (as of June 30, 2021)	Post the Issue#
Debt Securities	3,278.29	4,778.29
Borrowings (Other than debt securities)	206.25	206.25
Total Debt	3,484.54	4,984.54
Equity Share capital	544.50	544.50
Other Equity	1,308.18	1,308.18
Less: Miscellaneous Expenditure (to the extent not written off or adjusted)	-	-
Total Shareholders' Funds	1,852.68	1,852.68
Debt Equity Ratio (No. of Times)#	1.88	2.69

#The debt-equity ratio post the Issue is indicative and is on account of assumed inflow of ₹ 1,500 crore from the Issue and does not include contingent and off-balance sheet liabilities. The actual debt-equity ratio post the Issue would depend upon the actual position of debt and equity on the date of allotment.

For details on the total outstanding debt of our Company, see "Disclosures on Existing Financial Indebtedness" on page 288 of this Shelf Prospectus.

The aggregate number of securities of our Company and its Subsidiary purchased or sold by members of the Promoter Group and by the Directors of the Promoter and by the Directors of our Company and their relatives within six months immediately preceding the date of filing the Shelf Prospectus is as follows:

Company:

Security	Transferor	Transferee	Date of Transaction	Number of Securities	Price per Security (₹)
Equity	JM Group Employees Welfare Trust	JM Financial Limited	March 24, 2021	10,500	32.40
Equity	JM Group Employees Welfare Trust	JM Financial Limited	May 27, 2021	10,65,000	33.10
Equity	JM Group Employees Welfare Trust	JM Financial Limited	June 30, 2021	4,000	33.10

Subsidiary:

Security	Transaction	Date of Transaction	Number of Securities	Price per Security
Non-convertible debentures	Sale of Non-convertible debentures by JM Financial Services Limited	March 17, 2021	5	1025950
Non-convertible debentures	Sale of Non-convertible debentures by JM Financial Services Limited	March 18, 2021	2	1026191
Non-convertible debentures	Sale of Non-convertible debentures by JM Financial Services Limited	March 23, 2021	4	1023776
Equity	Preferential allotment of Equity Shares to JM Financial Credit Solutions Limited	March 31, 2021	1,48, 19,206	33.74

Details of change in the promoter holding in our Company during the last financial year beyond 26 % (as prescribed by RBI)

We confirm that the change in the shareholding of the Promoter in our Company over the last financial year has not exceeded the threshold for change in promoter holdings in NBFCs as prescribed by the RBI.

ESOP Scheme

The Board of Directors of our Company in their meeting dated November 21, 2007 had given their approval for institution of the Employees' Share Purchase Option Scheme.

OBJECTS OF THE ISSUE

The NCDs will be issued in one or more tranches, on terms and conditions as set out in the relevant Tranche Prospectus for any Tranche Issue which should be read together this Shelf Prospectus. The Issue is being made pursuant to the provisions of the SEBI NCS Regulations and the Companies Act, 2013 and rules made thereunder. Our Company proposes to utilise the funds which are being raised through the Issue, after deducting the Issue related expenses to the extent payable by our Company (“**Net Proceeds**”), towards funding the following objects (collectively, referred to herein as the “**Objects**”):

The main objects clause of the Memorandum of Association of our Company permits our Company to undertake its existing activities as well as the activities for which the funds are being raised through this Issue.

Issue proceeds

The details of the proceeds of the Issue are summarized below:

Particulars	Estimated amount (in ₹ crore)
Gross proceeds to be raised through each Tranche Issue	As mentioned in the relevant Tranche Prospectus
Less: - Tranche Issue related expenses *	As mentioned in the relevant Tranche Prospectus
Net proceeds of the Tranche Issue after deducting the Tranche Issue related expenses	As mentioned in the relevant Tranche Prospectus

** The above Issue related expenses are indicative and are subject to change depending on the actual level of subscription to the Issue, the number of allottees, market conditions and other relevant factors.*

The following table details the objects of the Issue and the amount proposed to be financed from the Net Proceeds:

S. No.	Objects of the Issue	Percentage of amount proposed to be financed from Net Proceeds
1.	For the purpose of onward lending, financing, and for repayment / prepayment of interest and principal of the borrowings of our Company	At least 75%
2.	General Corporate Purposes*	Maximum of up to 25%
	Total	100%

**The Net Proceeds will be first utilized towards the Objects mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the amount raised in the Issue, in compliance with the SEBI NCS Regulations.*

Issue Related Expenses

The expenses for this Issue include, inter alia, lead management fees and selling commission to the Lead Managers, Members of the Consortium and various intermediaries as prescribed in, *inter alia*, the SEBI Operational Circular, fees payable to debenture trustees, the Registrar to the Issue, SCSBs’ commission/ fees, printing and distribution expenses, legal fees, advertisement expenses, listing fees and any other expense directly related to the Issue. The estimated Issue expenses for each Tranche Prospectus shall be specified in respective Tranche Issue.

The estimated breakdown of the total expenses for this Issue and the timeline for such payment for each Tranche Issue shall be as specified in the relevant Tranche Prospectus.

Purpose for which there is a requirement of funds

As stated in this section above.

Funding plan

NA

Summary of the project appraisal report

NA

Schedule of implementation of the project

NA

Monitoring of utilisation of funds

There is no requirement for appointment of a monitoring agency in terms of the SEBI NCS Regulations. The Audit Committee of our Company, constituted by the Board of Directors by way of resolution dated March 16, 2005 shall monitor the utilisation of the proceeds of the Issue. Our Company will disclose in its financial statements for the relevant financial year commencing from Financial Year 2022, the utilisation of the proceeds of the Issue under a separate head along with details, if any, in relation to all such proceeds of the Issue that have not been utilised thereby also indicating investments, if any, of such unutilised proceeds of the Issue. Our Company will furnish to the Stock Exchange(s) on a half yearly basis, a statement indicating material deviations, if any, in the use of Issue proceeds and shall also publish the same in newspapers simultaneously with the half yearly financial results in the terms of and as per the format prescribed by SEBI circular SEBI/HO/DDHS/08/20 dated January 17, 2020.

Interim use of proceeds

The management of our Company will have flexibility in deploying the proceeds received from the Issue. Pending utilisation of the proceeds out of the Issue for the purposes described above, our Company intends to temporarily invest funds in income bearing liquid instruments including money market mutual funds, government securities, deposits with banks or deploy the funds in income bearing securities as may be approved by the Board / Committee of Directors of our Company from time to time, as the case may be. Such investment would be in accordance with the investment policy of our Company approved by the Board or any committee thereof from time to time.

Other confirmations

The Issue proceeds shall not be utilised towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property.

No part of the proceeds from this Issue will be paid by us as consideration to our Promoter, our Directors, Key Managerial Personnel, or companies promoted by our Promoter except in the usual course of business.

No part of the proceeds from this Issue will be utilized for buying, trading or otherwise dealing in equity shares of any other listed company.

Further our Company undertakes that Issue proceeds from NCDs allotted to banks shall not be used for any purpose, which may be in contravention of the RBI guidelines on bank financing to NBFCs including those relating to classification as capital market exposure or any other sectors that are prohibited under the RBI regulations.

Our Company confirms that it will not use or apply the proceeds of the Issue for (a) the purchase of any business, (b) the acquisition of any immovable property, including indirect acquisition for which advances have been paid to even third parties, or (c) directly or indirectly and in any manner resulting in the acquisition by the Company of securities of any other body corporate.

Our Company confirms that it will not use the proceeds of the Issue for the purchase of any interest in any business by reason of which, or anything to be done in consequence thereof, or in connection therewith, the Company shall become entitled to an interest in either the capital or profit or losses or both in such business exceeding 50% thereof.

Variation in terms of contract or objects

The Company shall not, in terms of Section 27 of the Companies Act, 2013, at any time, vary the terms of the objects for which this Shelf Prospectus is issued, except as may be prescribed under the applicable laws and under Section 27 of the Companies Act, 2013.

Benefit / interest accruing to Promoter/Directors out of the object of the Issue

Neither the Promoter nor the Directors of our Company are interested in the Objects of this Issue, except to the extent of fees required to be paid to JMFL in their capacity as a Lead Manager and to one of the affiliates of the Promoter involved in the marketing of the Issue.

Utilisation of the proceeds of the Issue

- (i) All monies to be received pursuant to the Issue of NCDs to public shall be transferred to a separate bank account maintained with the Public Issue Account as referred to in sub-section (3) of section 40 of the Act and the SEBI NCS Regulations.
- (ii) The allotment letter shall be issued or application money shall be refunded in accordance with the applicable law failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.
- (iii) Details of all monies utilised out of the monies to be raised through this Issue and the previous public issue, if any, shall be disclosed and continued to be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies have been utilized.
- (iv) Details of all utilized and unutilised monies out of the monies collected in the previous issue made by way of public offer are to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the purpose for which such monies have been utilized, and the securities or other forms of financial assets in which such unutilized monies have been invested. As of the date of this Shelf Prospectus, all issue proceeds from the previous public offer have been utilised.
- (v) We shall utilize the Issue proceeds only upon (a) receipt of minimum subscription, i.e. not less than 75% of the Base Issue Size pertaining to each Tranche Issue; (b) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; (c) creation of security; and (d) obtaining Listing and Trading approval as stated in this Shelf Prospectus in “*Issue Structure*” on page 329 of this Shelf Prospectus.
- (vi) The Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, inter alia by way of a lease, of any immovable property or in the purchase of any business or in the purchase of an interest in any business.
- (vii) The Issue proceeds shall be utilised in compliance with various guidelines, regulations and clarifications issued by RBI, SEBI or any other statutory authority from time to time.

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE DEBENTURE HOLDERS

The Board of Directors

JM Financial Products Limited

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

Dear Sirs,

Sub: Proposed Public Issue of Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value ₹ 1,000 each ("Secured NCDs") and/or Unsecured, Rated, Listed, Redeemable, Non-Convertible Debentures in the nature of subordinated debt and eligible for inclusion as Tier II Capital of face value ₹ 1,000 each ("Unsecured NCDs") aggregating upto ₹ 1,500 crore ("NCDs") through one or more tranches.

We refer to the proposed issue of Non-Convertible Debentures by the Company. We enclose herewith the statement showing the current positions of special tax benefits available to the debenture holders as per the provisions of the Income-tax Act, 1961, ("I.T. Act") and Income tax Rules, 1962 including amendments made by Finance Act 2021 as applicable for Financial Year 2021-22 relevant to the Assessment Year 2022- 23 respectively for inclusion in the draft shelf prospectus and/or shelf prospectus and/or tranche prospectus (es) (together referred to as the "Offer Document") in connection with the Issue. Several of these benefits are dependent on the Company and its debenture holders fulfilling the conditions prescribed under the relevant provisions of the I.T. Act. Hence, the ability of the debenture holders to derive the direct tax benefits is dependent upon fulfilling such conditions.

We are informed that the debentures of the Company will be listed on recognized stock exchanges in India. The Annexure has been prepared on that basis.

The benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive. This statement is only intended to provide general information to the debenture holders and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each debenture holder is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which a debenture holder can avail. Neither are we suggesting nor are we advising the debenture holders to invest money based on this statement.

We accept no responsibility to debenture holders or any third party and this should be stated in Offer Documents. The contents of the enclosed statement are based on the representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

We do not express or opine or provide any assurance as to whether:

- The Company or its debenture holders will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits have been / would be met with;
- The revenue authorities/courts will concur with the views expressed herein.

This statement is prepared solely for the purpose of assisting the Company in discharging its responsibilities under the Securities and Exchange Board of India (Issue and Listing of Non – Convertible Securities) Regulations, 2021, as amended.

We hereby give our consent to include enclosed statement regarding the special tax benefits available to the Company and to its debenture holders in the Offer Documents for the Issue which the Company intends to file with BSE Limited, the Securities and Exchange Board of India, the relevant Registrar of Companies in India and any other regulatory authorities as required under the applicable laws, in connection with the Issue.

LIMITATIONS

Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

This statement has been prepared solely in connection with the Offer under the Regulations.

All Capitalized terms used but not defined herein shall have the same meaning assigned to such terms in the Offer Documents.

Yours Faithfully,

For **Khimji Kunverji & Co LLP**

Chartered Accountants

Firm's Registration No. 106146W/ W100621

Vinit K Jain

Partner

Membership No.: 145911

ICAI UDIN: 21145911AAAADE4653

Mumbai,

September 2, 2021

ANNEXURE

STATEMENT OF TAX BENEFITS

The information provided below sets out the possible direct tax benefits available to the debenture holders of the company in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of non-convertible debentures ("debentures"), under the current tax laws presently in force in India. Several of these benefits are dependent on the debenture holders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the debenture holders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on commercial imperatives a debenture holder faces, may or may not choose to fulfill. We do not express any opinion or provide any assurance as to whether the Company or its debenture holders will continue to obtain these benefits in future. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice.

Debenture holders are advised to consult their own tax consultant with respect to the tax implications of an investment in the debentures particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on this statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on this statement.

This statement has been prepared solely in connection with the Issue under the Regulations as amended.

STATEMENT OF POSSIBLE DIRECT TAX BENEFITS AVAILABLE TO THE DEBENTURE HOLDERS

A. Under the Income-Tax Act, 1961 ("I.T. Act")

I. Tax benefits available to the Resident Debenture Holders

1. Interest on debentures received by resident debenture holders would be subject to tax at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act, 1961.
2. As per section 2(29AA) read with section 2(42A) of the I.T. Act, a listed debenture is treated as a long term capital asset if the same is held for more than 12 months immediately preceding the date of its transfer.

As per section 112 of the I.T. Act, Capital gains arising on the transfer of long term capital assets being listed debentures are subject to tax at the rate of 10% [plus applicable surcharge and Health and Education Cess ("cess")] calculated without indexation of the cost. The capital gains shall be computed by deducting expenditure incurred in connection with such transfer and cost of acquisition of the debentures from the sale consideration.

In case of an individual or HUF, being a resident, where the total income as reduced by such long-term capital gains is below the maximum amount which is not chargeable to income-tax, then, such long term capital gains shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax and the tax on the balance of such long-term capital gains shall be computed at the rate mentioned above.

3. As per section 2(42A) of the I.T. Act, a listed debenture is treated as a short term capital asset if the same is held for not more than 12 months immediately preceding the date of its transfer.

Short-term capital gains on the transfer of listed debentures, where debentures are held for a period of not more than 12 months would be taxed at the normal rates of tax in accordance with and subject to

the provisions of the I.T. Act. The provisions relating to maximum amount not chargeable to tax described at para 2 above would also apply to such short term capital gains.

4. The characterization of gains/losses, arising from sale of debentures, as Capital Gains or Business Income would depend on the nature of holding in the hands of the debenture holder and various other factors. The Central Board of Direct Taxes (CBDT) has clarified in a circular that income arising from transfer of listed shares and securities, which are held for more than 12 months would be taxed as "Capital Gains" unless the shareholder itself treats these as its stock-in-trade and income arising from transfer thereof as its business income.
5. In case debentures are held as stock in trade, the income on transfer of debentures would be taxed as business income or loss in accordance with and subject to the provisions of the I.T. Act. Where the gains arising on the transfer of debentures are included in the business income of an assessee assessable under the head "Profits and Gains from Business or Profession" and on which STT has been charged, such STT shall be a deductible expense from the business income as per the provisions of Section 36(1)(xv) of the Act.
6. Tax is Deductible at Source (TDS) on interest on debentures, payable to resident debenture holders at the time of credit / payment as per the provisions of section 193 of the I.T. Act. However, no income tax is deductible at source in respect of any security issued by a Company in a dematerialized Form and is listed on recognized stock exchange in India in accordance with the Securities Contracts (Regulation) Act 1956 and the rules made thereunder.
7. Interest on application money and interest on refund application money would be subject to tax at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act and such tax would need to be withheld at the time of credit/payment as per the provisions of Section 194A of the I.T. Act.

II. Tax benefits available to the Non - Resident Debenture Holders

1. A non-resident Indian has an option to be governed by Chapter XII-A of the I. T. Act, subject to the provisions contained therein which are given in brief as under:
 - a. As per section 115C(e) of the I. T. Act, the term "non-resident Indian" means an individual, being a citizen of India or a person of Indian origin who is not a "resident". A person shall be deemed to be of Indian origin if he, or either of his parents or any of his grand-parents, was born in undivided India.
 - b. As per section 115E of the I.T. Act, interest income from debentures acquired or purchased with or subscribed to in convertible foreign exchange will be taxable at 20%, whereas, long term capital gains on transfer of such debentures will be taxable at 10% of such capital gains without indexation of cost of acquisition.

Short-term capital gains will be taxable at the normal rates of tax in accordance with and subject to the provisions contained therein.

- c. As per section 115F of the I.T. Act, long term capital gains arising to a non-resident Indian from transfer of debentures acquired or purchased with or subscribed to in convertible foreign exchange will be exempt from capital gain tax if the net consideration is invested within six months after the date of transfer of the debentures in any specified asset or in any saving certificates referred to in section 10(4B) of the I. T. Act in accordance with and subject to the provisions contained therein. However, if the new assets are transferred or converted into money within a period of three years from their date of acquisition, the amount of capital gains claimed earlier would become chargeable to tax as long term capital gains in the year in which the new assets are transferred or converted into money.
 - d. As per section 115G of the I.T. Act, it shall not be necessary for a non-resident Indian to file a return of income under section 139(1) of the I.T. Act, if his total income consists only of investment income as defined under section 115C and / or long term capital gains earned on transfer of such investment acquired out of convertible foreign exchange, and the tax has been

deducted at source from such income under the provisions of Chapter XVII-B of the I.T. Act in accordance with and subject to the provisions contained therein.

- e. As per section 115H of the I.T. Act, where a non-resident Indian becomes assessable as resident in India in any subsequent year, he may furnish to the Assessing Officer a declaration in writing along with return of income under section 139 for the assessment year for which he is assessable as a resident, to the effect that the provisions of Chapter XII-A shall continue to apply to him in relation to the investment income (other than on shares in an Indian Company) derived from any foreign exchange assets in accordance with and subject to the provisions contained therein. On doing so, the provisions of Chapter XII-A shall continue to apply to him in relation to such income for that assessment year and for every subsequent assessment year until the transfer or conversion (otherwise than by transfer) into money of such assets.
2. In accordance with and subject to the provisions of section 115-I of the I.T. Act, a non-resident Indian may opt not to be governed by the provisions of Chapter XII-A of the I.T. Act. In that case,
 - a. Long term capital gains on transfer of listed debentures would be subject to tax at the rate of 20% computed without indexation.
 - b. Investment income and Short-term capital gains on the transfer of listed debentures, where debentures are held for a period of not more than 12 months preceding the date of transfer, would be taxed at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act, 1961
 - c. Where debentures are held as stock in trade, the income on transfer of debentures would be taxed as business income or loss in accordance with and subject to the provisions of the I.T. Act.
3. Under Section 195 of the I.T. Act, the applicable rate of tax deduction at source is 10% on any long-term capital gains as per section 115E of the I.T. Act, and at the normal rates for Short Term Capital Gains if the payee debenture holder is a Non - resident Indian.
4. Interest on debentures, interest on application money and interest on refund application money would be subject to tax at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act and such tax would need to be withheld at the time of credit/payment as per the provisions of Section 195 of the I.T. Act
5. The income tax deducted shall be increased by surcharge and education cess as applicable.
6. As per section 90(2) of the I.T. Act read with the Circular no. 728 dated October 30, 1995 issued by the Central Board of Direct Taxes, in the case of a remittance to a country with which a Double Tax Avoidance Agreement (DTAA) is in force, the tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in the DTAA, whichever is more beneficial to the assessee. However, submission of tax residency certificate ("TRC") is a mandatory condition for availing benefits under any DTAA. If the TRC does not contain the prescribed particulars, a self-declaration in Form 10F would need to be provided by the assessee along with TRC. Further, Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (MLI) will modify India's tax treaties to curb revenue loss through treaty abuse and base erosion and profit shifting strategies by ensuring that profits are taxed where substantive economic activities generating the profits are carried out. The MLI will be applied alongside existing tax treaties, modifying their application in order to implement the Base Erosion and Profit Shifting measures. MLI has come into force for India on 01st October, 2019 and MLI provisions are effective on India's DTAA's from FY 2020-21 onwards.
7. Alternatively, to ensure non-deduction or lower deduction of tax at source, as the case may be, the Debenture Holder should furnish a certificate under section 197(1) of the I.T. Act, from the Assessing Officer before the prescribed date of closure of books for payment of debenture interest.

III. Tax benefit available to the Foreign Portfolio Investors (FPIs)

1. As per Section 2(14) of the I.T. Act, any securities held by FPIs which has invested in such securities in accordance with the regulations made under the Securities and Exchange Board of India Act., 1992, shall be treated as capital assets. Accordingly, any gains arising from transfer of such securities shall be

chargeable to tax in the hands of FPIs as capital gains.

2. In accordance with and subject to the provisions of section 115AD of the I.T. Act, long term capital gains on transfer of debentures by FPIs are taxable at 10% (plus applicable surcharge and cess) and short-term capital gains are taxable at 30% (plus applicable surcharge and cess). The benefit of cost indexation will not be available. Further, benefit of provisions of the first proviso of section 48 of the I.T. Act will not apply.
3. Income other than capital gains arising out of debentures is taxable at 20% (plus applicable surcharge and cess) in accordance with and subject to the provisions of Section 115AD of the I.T. Act.
4. In accordance with and subject to the provisions of section 196D(2) of the I.T. Act, no deduction of tax at source is applicable in respect of capital gains arising on the transfer of debentures by FPIs.
5. Section 194LD in the I. T. Act provides for withholding tax at the rate of 5% (plus applicable surcharge and cess) on payment by way of interest paid by an Indian company to FPIs and Qualified Foreign Investor in respect of rupee denominated bond of an Indian company for the period of on or after the 1st day of June, 2013 but before the 1st day of July, 2023 provided such rate does not exceed the rate as may be notified by the Government.
6. The provisions with respect to DTAA and MLI will also apply in case of FPI.

IV. Tax benefits available to Mutual Funds

As per section 10(23D) of the Act, any income of Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or Regulations made thereunder, Mutual Funds set up by public sector banks or public financial institutions and Mutual Funds authorized by the Reserve Bank of India will be exempt from income tax, subject to such conditions as the Central Government may, by notification in the Official Gazette, specify in this behalf.

V. Losses

As per Section 70 read with Section 74 of the Act short term capital loss arising during a year is allowed to be set-off against short term capital gains as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains (short term capital gains or long-term capital gains) arising during subsequent eight assessment years. As per Section 70 read with Section 74 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent eight assessment years. As per Section 71 of the Act short term capital loss or long-term capital loss for the year cannot be set-off against income under any other heads for the same year.

VI. Exemption under Section 54F of the I.T. Act

As per provisions of section 54F of the I.T. Act, any long-term capital gains on transfer of a long term capital asset (not being residential house) arising to a debenture holders who is an individual or Hindu Undivided Family, is exempt from tax if the entire net sales consideration is utilized, within a period of one year before, or two years after the date of transfer, in purchase of a new residential house, or for construction of residential house within three years from the date of transfer. If part of such net sales consideration is invested within the prescribed period in a residential house, then such gains would be chargeable to tax on a proportionate basis. This exemption is available, subject to the conditions specified in Section 54F.

VII. Requirement to furnish PAN under the I.T. Act

1. Section 139A(5A) of the I.T. Act requires every person receiving any sum or income or amount from which tax has been deducted under Chapter XVII-B of the I.T. Act to furnish his PAN to the person responsible for deducting such tax.

2. As per provisions of section 139AA, every person who is eligible to obtain Aadhar number shall link Aadhar number with their PAN, within the timelines prescribed. In case the Aadhar number is not linked with the PAN within the prescribed timelines PAN shall be considered inoperative.
3. Section 206AA of the I.T. Act requires every person entitled to receive any sum or income or amount, on which tax is deductible under Chapter XVIIIB ("deductee") to furnish his PAN to the deductor, failing which tax shall be deducted at the higher of the following rates:
 - i. at the rate specified in the relevant provision of the I. T. Act; or
 - ii. at the rate or rates in force; or
 - iii. at the rate of twenty per cent.
4. Finance Act, 2021 introduced Section 206AB for deduction of tax at higher rate for non-filers of income-tax return. The above sections will come into effect from 01-07-2021. Hence, for FY 2021-22, the provision will apply in case of a deductee who has not filed his/her income tax return for FY 2019-20 (AY 2020-21) & FY 2018-19 (AY 2019-20) & the aggregate amount of tax deducted and collected at source is Rs. 50,000 or more in each of these 2 previous years. The rate of deduction of tax is higher of:
 - (a) at twice the rate specified in the relevant provision of the Act; or
 - (b) at twice the rate or rates in force; or
 - (c) at the rate of five per cent.

If the provisions of section 206AA is applicable to a specified person, in addition to the provision of this section, the tax shall be deducted at higher of the two rates provided in this section and in section 206AA.

5. As per Rule 37BC, the higher rate under section 206AA shall not apply to a non-resident, not being a company, or to a foreign company, in respect, of payment of interest, if the non-resident deductee furnishes the prescribed details *inter alia* TRC and Tax Identification Number (TIN).
6. A declaration under Section 197A(1) or 197A(1A) or 197A(1C) shall not be valid unless the person furnishes his PAN in such declaration and the deductor is required to deduct tax as per para (1) above in such a case.
7. Where a wrong PAN is provided, it will be regarded as non – furnishing of PAN and thereby all relevant provisions will apply apart from penal consequences.

VIII. Taxability of Gifts received for Nil or inadequate consideration

As per section 56(2)(x) of the I.T. Act, where any person receives debentures from any person on or after 1st April, 2017:

- a. without consideration, aggregate fair market value of which exceeds fifty thousand rupees, then the whole of the aggregate fair market value of such debentures or;
- b. for a consideration which is less than the aggregate fair market value of the debenture by an amount exceeding fifty thousand rupees, then the aggregate fair market value of such debentures as exceeds such consideration

shall be taxable as the income of the recipient at the normal rates of tax. The above is subject to few exceptions as stated in section 56(2)(x) of the I. T. Act.

In 56(2)(x): Rule 11UA of the Income-tax Rules, 1962 ("the Rules") provides for the method for determination of the FMV of various properties.

NOTES:

- The statement of tax benefits enumerated above is as per the Income-tax Act, 1961, as amended by Finance Act, 2021.

- Surcharge is levied on individuals, HUF, association of persons, body of individuals and artificial juridical person on total income at the following rates:
 - 37% on base tax where income exceeds Rs. 5 crores;
 - 25% where income exceeds Rs. 2 crores but does not exceed Rs. 5 crores
 - 15% where income exceeds Rs. 1 crore but does not exceed Rs. 2 crores;
 - 10% where income exceeds Rs 50 lakhs but does not exceed Rs. 1 crore
 - upto Rs 50 lakhs, no surcharge is applicable.
- Surcharge is levied on firm, co-operative society and local authority at the rate of 12% on tax where the total income exceeds Rs. 1 crore.
- Surcharge is levied on domestic companies at the rate of 7% on tax where the income exceeds Rs 1 crore but does not exceed Rs. 10 crores and at the rate of 12% on tax where the income exceeds Rs. 10 crores. The rate of surcharge in case of a company opting for taxability under Section 115BAA or Section 115BAB shall be flat 10% irrespective of amount of total income.
- Surcharge is levied on every company other than domestic company at the rate of 2% on tax where the income exceeds Rs. 1 crore but does not exceed Rs. 10 crores and at the rate of 5% on tax where the income exceeds Rs. 10 crores.
- Health and Education Cess is to be applied at the rate of 4% on aggregate of base tax and surcharge.
- Several of the above tax benefits are dependent on the debenture holders fulfilling the conditions prescribed under the relevant tax laws and subject to General Anti Avoidance Rules covered under Chapter X-A of the Act.

SECTION IV – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The information under this section has been derived and extracted from the industry report titled “Assessment of various financial products and services in India – August 2021” prepared by CRISIL Limited in an “as is where is basis” and has not been independently verified by us, the Lead Managers, or any of our or their respective affiliates or advisors. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry and Government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and Government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Accordingly, investment decisions should not be based on such information. Figures used in this section are presented as in the original sources and have not been adjusted, restated or rounded-off for presentation in this Shelf Prospectus. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. The information in this section must be read in conjunction with “Risk Factors” and “Our Business” on pages 12 and 95.

Global economy: COVID-19 pandemic impacts world and Indian economy; bounce back expected in fiscal 2022

Fiscal 2020 was volatile for the global economy. The first three quarters were ensnared in trade protectionist policies and disputes among major trading partners, volatile commodity and energy prices, and economic uncertainties arising from Brexit. Hopes of broad-based recovery in the fourth quarter were dashed by the Covid-19 pandemic, which has infected more than 207 million people in 224 countries as of August 16, 2021 and counting, leading to considerable human suffering and economic disruption.

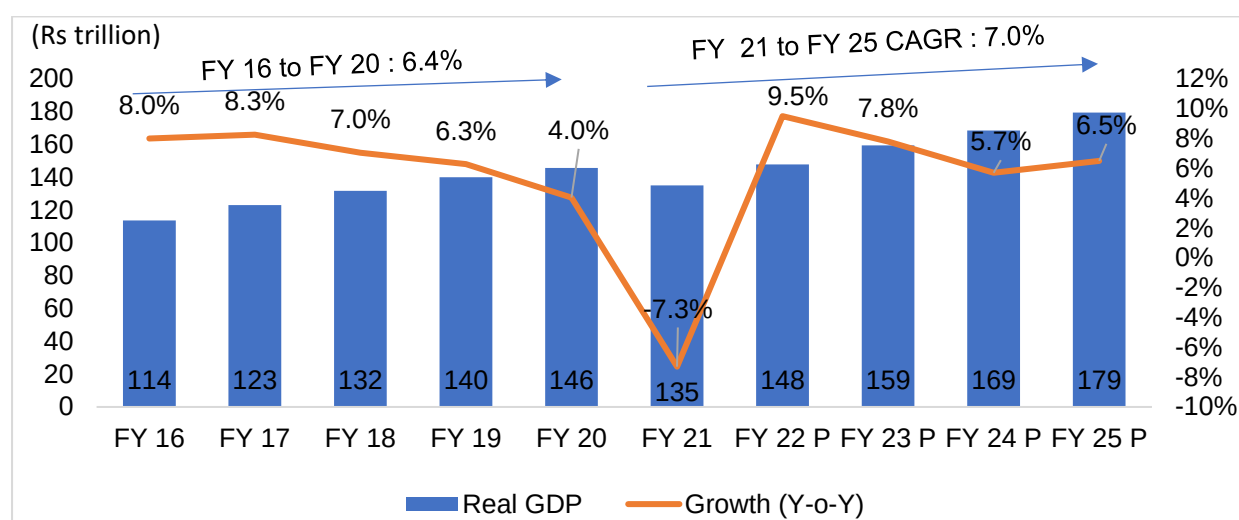
Growing restrictions on the movement of people and lockdowns in the affected countries led to demand, supply and liquidity shocks. The COVID-19 pandemic sharply slowed the Indian economy in the first quarter of Fiscal 2021, but the huge economic costs that it extracted, forced the economy to open up and get back on its feet in the second quarter of Fiscal 2021. What also helped was a sharp cutback in operating costs for corporates due to job and salary cuts, employees exercising work from home options, low input costs due to benign interest rates, crude and commodity prices. The second and third quarters of Fiscal 2021 showed consistent recovery in global trade activity, especially merchandise volumes.

The Indian economy is estimated to have shrunk by 7.3% in Fiscal 2021 on account of the pandemic. The pandemic came at the most inopportune time since India was showing signs of recovery following a slew of fiscal/monetary measures. Having said that, CRISIL Research foresees growth rebounding in Fiscal 2022, on the back of a very weak base, a counter-cyclical Union Budget for Fiscal 2022 pushing investments and some benefit from a rising-global-tide-lifting-all-boats effect. The gradual increase in vaccinations against COVID-19 is also expected to boost confidence and support stronger recovery. Even after the strong rebound, GDP would have grown merely 1% over the pre-pandemic level of Fiscal 2020.

The focus of the Indian government’s budget on pushing capital expenditure (capex) despite walking a fiscal tightrope however provides optimism and creates a platform for higher growth. Given that the focus of the budget was on investment rather than consumption push, the full impact of the expenditure will be seen in the near term via multiplier effects, and over time, through enhancement of productive capacity. To that extent, CRISIL Research believes that the budgetary provisions help raise the medium-term prospects for the economy.

This budget not only focussed on pushing central capex but also attempted to nudge state government capex. A Reserve Bank of India (RBI) study points out that an increase in capex by the central and state governments by one rupee each induces an increase in output by Rupees 3.25 and Rupees 2.0, respectively (*Source: RBI Bulletin – April 2019*).

Budgetary support and vaccines expected to boost economic growth



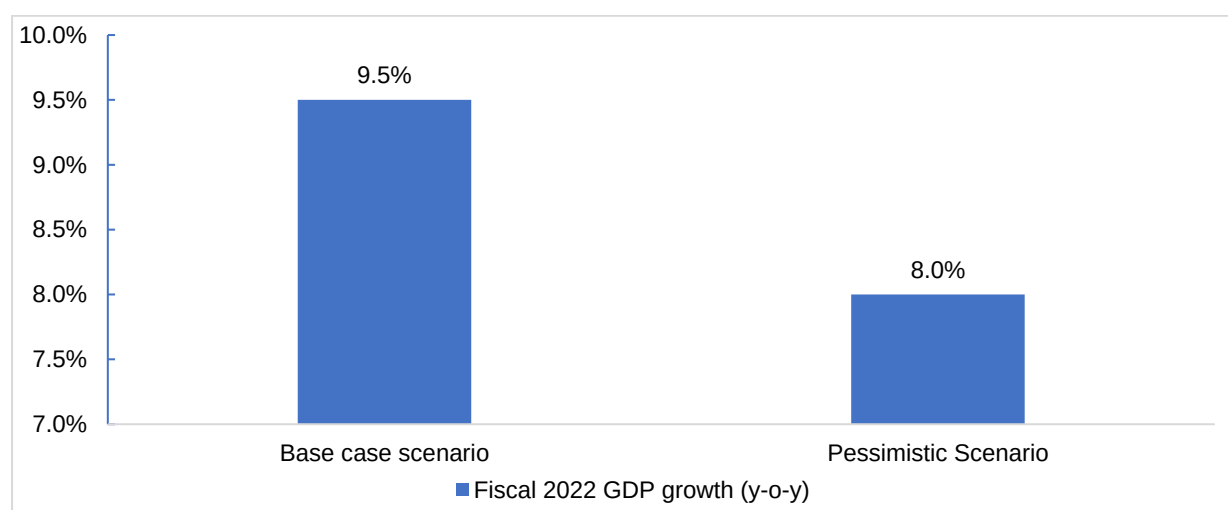
Note: E: Estimated and P: Projected

Source: National Statistics Office (NSO), IMF and CRISIL Research Estimates

The resurgence of COVID-19 infections since March 2021 forced many states to implement localised lockdowns and restrictions to prevent the spread of the infection. In the beginning of May, the country witnessed the highest number of daily COVID-19 cases being reported. While the case load has come down since then, the restrictions on economic activity and mobility imposed by various state governments in the wake of the resurgence in COVID-19 infections has led to downgrades in GDP growth estimates for the year.

CRISIL Research forecasts India's GDP for Fiscal 2022 to grow by around 9.5% in its base case scenario of 70% of the adult population being vaccinated by December 2021. The lockdowns consequent to the second wave imposed were less restrictive for economic activity as compared with last year. Manufacturing, construction, agriculture and other essential activities were permitted to continue in most states. Manufacturing sector purchasing managers' Index remained above the 50 level indicating some resilience. Other high-frequency data such as mobility indicators, traffic congestion, electricity consumption, and railway freight and toll collections also indicate resilience in economic activity as compared to the first Covid-19 wave.

GDP growth scenarios based on assumptions of case peak



Source: CRISIL Research

Prior to the onset of the pandemic, India's GDP growth slowed on account of existing vulnerabilities such as a weak financial sector and subdued private investment. However, in light of production-linked incentive (PLI) scheme, reduction in corporate tax rate, labour law reforms together with healthy demographics and a more

favourable corporate tax regime, India is expected to witness strong GDP growth when the global economy eventually recovers, supported by prudent policies.

Macroeconomic outlook for fiscal 2022

Macro variable	FY20	FY21	FY22F	Rationale for outlook
GDP (y-o-y)	4.0%	-7.3%	9.5%*	The second wave and the resultant localised lockdowns has impeded the path to economic recovery, leading CRISIL to revise down the growth forecast for Fiscal 2022 to 9.5%, from 11.0% earlier. That said, expected pick-up in economic activity post-vaccination and support from global growth would act as positives
Consumer price index (CPI) inflation (y-o-y)	4.8%	6.2%	5.8%	Inflation continues to face pressure from high international commodity prices, including edible oils and metals, which are at decadal highs and crude oil prices which remain beyond the comfort zone at over ~\$70 per barrel. Recent data has indicated firms passing on rising input costs to consumers despite weak demand conditions. We expect the pass-through to gain more steam as domestic demand strengthens in the second half of this fiscal.
10-year government security yield (March-end)	6.2%	6.2%	6.5%	The RBI's unconventional policy measures have been instrumental in keeping G-sec yields at decadal lows, at a time when the bond market is facing an unprecedented rise in Government borrowing. Supply pressures could have a bearing on yields once the RBI starts normalising liquidity. Adverse global developments such as premature withdrawal of monetary easing by US Federal Reserve could further add pressure
CAD (Current account balance)/GDP (%)	-0.9%	1.3%	-1.2%	The trajectory of COVID-19 infections, pace of the vaccination drive, and duration of state lockdowns will have an important bearing on domestic demand and, consequently, import growth. Increased prices of commodities, especially crude oil – India's largest import item – will drive imports. External demand will support exports, backed by strong economic recovery among India's major trading partners in the US, Europe, and Asia
₹/\$ (March average)	74.4	72.8	75.0	With the second wave adversely impacting India's economic recovery, and amid inflationary pressures, the rupee may weaken against the dollar. The current account balance turning into deficit (from a surplus last Fiscal), will exert further downside pressure on the rupee. Some support may be seen due to the RBI's interventions to mitigate volatility. Record high forex reserves and foreign investor inflows, owing to interest rate differential between India and global economies, will also prop up the rupee

Note: F: forecasted

Source: RBI, NSO, CRISIL Research

GDP to bounce back over the medium term

After clawing back in fiscal 2022, CRISIL Research forecasts India's GDP to grow at 6.0-7.0% per annum between fiscals 2023 and 2025. This growth will be supported by the following factors:

- Focus on investments rather than consumption push enhancing the productive capacity of the economy.
- Reforms undertaken over the past few years such as:
 - The production linked incentive (PLI) scheme which aims to incentivise local manufacturing by giving volume-linked incentives to manufacturers in specified sectors
 - Key structural reforms such as implementation of Goods and Services Tax (GST) and Insolvency and Bankruptcy Code (IBC) will begin to show its impact over the longer term
 - Reform measures aimed at enhancing financial inclusion like Pradhan Mantri Jan Dhan Yojana will broaden the base of the banking ecosystem, leading to higher lending and investment
 - Government initiatives like Digital India Initiative will aid digitalisation in the country. This will improve the efficiency in the economy leading to faster growth.
- Raft of reform measures by the government along with a more expansionary stance of monetary policy leading to a steady pick-up in consumption demand
- Policies aimed towards greater formalisation of the economy are bound to lead to an acceleration in per capita income growth.

Key Risks to Growth

- Below-par monsoons
- COVID-19 cases increasing, a third wave in Fiscal 2022
- Elevated inflation
- Premature tightening of global monetary policies
- Geopolitical developments
- Persistent stress in financial sector

India's GDP to recover sharply

India was one of the fastest growing economies in the world pre-Covid, with annual growth of around 6.7% in between 2014 to 2019. Over the past few years prior to the onset of the pandemic, India's macroeconomic situation had gradually improved with the twin deficits (current account and fiscal) narrowing and the growth-inflation mix improving and durably so. The government adopted an inflation-targeting framework that provides an institutional mechanism for inflation control, while modernising central banking.

While economic growth in 2020 has been dented due to Covid-19, we expect the economy to rebound and India to regain its tag of one of the fastest growing economies globally in the medium-term.

Going forward, rapid urbanisation, rising consumer aspiration and increasing digitisation coupled with government support in the form of reforms and policies is expected to support growth. For example, the government has recently announced production-linked incentives across identified sectors with an aim to propel the growth of India as a manufacturing destination. At a macro level, digitalization has led to various benefits like linkage to Aadhaar identity cards, direct benefit transfers and various other government benefits.

The IMF forecasts India's GDP to grow by 9.5% in calendar year 2021 due to the lower base of calendar year 2020 and approved vaccines and policy measures. At this pace of growth, India is forecasted to be the fastest growing economies in the world in 2021. Going forward as well, IMF forecasts India's GDP to grow at a faster pace than other economies.

Key growth drivers are summarized as under:

- India has second largest population
- Favourable demographics
- Growing Urbanization
- Financial services coverage to widen with increase in awareness of financial products
- RBI unleashes policies to counter Covid-19 crisis such as:

- Slashed the repo rate by 115 basis points (bps) and the reverse repo initially by 90 bps and by another 25 bps and 40 bps subsequently.
- To tide over any unwarranted volatility, the MPC also increased borrowing limits under the marginal standing facility (MSF) of the liquidity adjustment facility window from 2% to 3%. The MSF rate stands at 4.25% (down from 5.40%) as of June 2021.
- Reducing debt servicing burden through moratorium period:
- Loan restructuring:
- Enhancing liquidity:
- Supporting financial market liquidity:
- Pushing credit growth:
- Addressing rupee volatility:
- Regulatory changes:
- Measures during second wave of COVID-19:
 - Incentivised small finance banks (SFBs)
 - Enhanced the exposure limit for availing restructuring under restructuring framework 2.0 from Rs. 250 million to Rs. 500 million.

‘Aatmanirbhar’ package is a timely relief amidst the pandemic

The Aatmanirbhar’ package includes Liquidity boost for NBFCs, Collateral-free loans to MSMEs (₹3 trillion) Subordinate debt to MSMEs (₹200 billion), Equity infusion in MSMEs (₹500 billion), Clearing MSME Dues; guarantee scheme, Global companies not allowed to bid in government tenders of up to Rs 2 billion, Loan interest subvention scheme (₹15 billion), Special Credit Facility for street vendors (₹50 billion).

Aatmanirbhar 3.0 stimulus package rolled out to boost economy in November 2020

- Aatmanirbhar Bharat Rozgar Yojana:
- Emergency credit line guarantee scheme 2.0:
- PLI scheme:
- PMAY-U:
- Support for construction and infrastructure:
- Income tax relief for developers and home buyers:
- The government to invest Rs 60 billion as equity in the National Investment and Infrastructure Fund (NIIF) debt platform. The government will provide Rs 1.1 trillion to finance infrastructure projects.
- As a support to farmers, the government announced Rs 650 billion for subsidised fertilisers.
- Boost for the rural employment:
- Boost for exports:
- Capital and industrial stimulus:
- Research and development grant for Covid-19 vaccine development:

Scope of ECLGS Scheme further expanded post the COVID-19 wave

In June 2021, the government increased the overall admissible guarantee limit from Rs 3 trillion to Rs 4.5 trillion. Along with this, the limit of admissible guarantee and loan amount is increased from 20% to 40% for COVID effected sectors like Hospitality sector, Travel & Tourism sector, Leisure & Sporting sector and Civil Aviation sector, subject to a maximum of Rs.200 crores per borrower. As of July 2, 2021, Guarantees worth Rs 2,74 trillion have been sanctioned and Rs 2.14 trillion of guarantees were already disbursed.

In May 2021, the Government announced the following further modifications to the ECLGS scheme:

- The scope was expanded to cover loans up to Rs. 20 million to hospitals/nursing homes/clinics/medical colleges for setting up on-site oxygen generation plants with interest rate capped at 7.5%
- Additional ECLGS assistance of up to 10% of the outstanding loans as on February 29, 2020 to borrowers covered under ECLGS 1.0 was allowed
- Civil Aviation sector was included in the list of sectors covered
- Ceiling of Rs. 5 billion of loan outstanding for eligibility under ECLGS 3.0 was removed, subject to maximum additional ECLGS assistance to each borrower being limited to 40% or Rs. 2 billion, whichever is lower
- Borrowers who had availed loans under ECLGS 1.0 of overall tenure of 4 years comprising of repayment of interest only during the first 12 months with repayment of principal and interest in 36 months were allowed

to increase the tenure to 5 years (repayment of interest only for the first 24 months with repayment of principal and interest in 36 months thereafter)

- Validity of ECLGS was extended to September 30, 2021 or till guarantees for an amount of Rs. 3 trillion are issued. Disbursement under the scheme was permitted up to December 31, 2021

Earlier, in March 2021, the Government had made the following modifications to the scheme

- The scope of ECLGS was expanded to cover business enterprises in hospitality, travel & tourism, leisure & sporting sectors which had, as on February 29, 2020, total credit outstanding not exceeding Rs. 5 billion and were less than or equal to 60 days past due as on that date.
- The validity of ECLGS was extended up to June 30, 2021 or till guarantees for an amount of Rs. 3 trillion are issued.

Key structural reforms: Long term positives for Indian economy

- Financial inclusion
- Affordable housing, transparency to bring moderate growth in investments
- IBC a key long-term structural positive
- Reduction in corporate tax rates to boost capital base of financial institutions
- Credit penetration in India

Increasing retail penetration to support credit growth

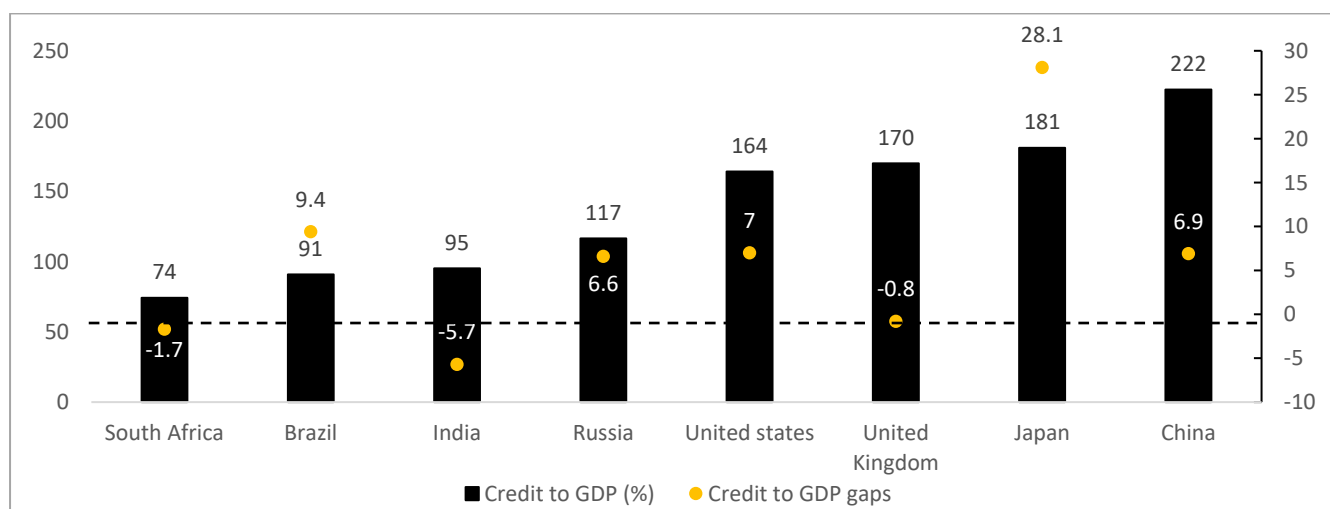
Household debt-to-gross domestic product (GDP) ratio measures the credit penetration of the household sector in an economy. India ranks one of the lowest in this parameter. However, this ratio has been increasing with increase in formalisation, rise in income levels, and improving banking penetration in the country. This is further supported by strong retail focus by banks, as this segment offers better risk-to-reward. In Q2 Fiscal 2021, the Household debt to GDP ratio rose sharply to 37.1% from 35.4% in Q1 fiscal 2021 (*household debt do not capture their indebtedness towards the non-institutional sector*). We expect this pace to continue in medium term, given huge under-penetration in the segment, and supported by rapid growth in income levels.

Credit to GDP gap to remain largely stable till fiscal 2022

During the first nine months of Fiscal 2021, Credit to GDP ratio has grown to 95.2% from 88.8% in March 2020 and further it is expected to increase due to the various liquidity measures taken by RBI. Bank credit to GDP ratio has increased from 52.6% in March 2020 to 57.2% March 2021. CRISIL research expects banking credit to growth to be around 8-9% due to economic recovery and fading out impact of COVID-19 pandemic impact. However, the Bank credit to GDP ratio is expected to normalise in fiscal in 2022 as earlier liquidity push from RBI will not be as significant as it was earlier.

Credit to GDP ratio has been observed to be one of the lowest in case of India (~95% as of December 2020) compared with countries, such as China (~222%), Russian (~117), United States (~164%), United Kingdom (~170%). Fast-paced economic growth, improving digitisation initiatives, increasing banking penetration, and government's implementation of structural reforms such as IBC, augur well for the overall credit to GDP ratio in the long term.

Overall credit to GDP ratio



Source: BIS, CRISIL Research

Increasing per capita GDP

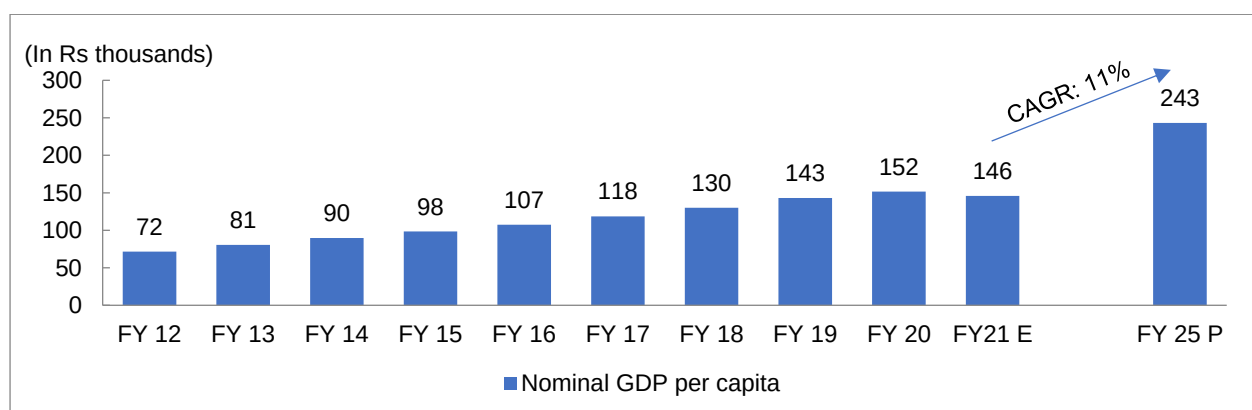
India's per capita income is estimated to have grown 8% in fiscal 2021 compared to a growth of 2.9% in the preceding Fiscal. CRISIL forecasts that the per capita income will gradually improve with a pick-up in GDP growth and sustained low inflation. This will be an enabler for domestic consumption. As per IMF estimates, India's per capita income (at constant prices) is expected to grow at 6.2% compound annual growth rate (CAGR) from Fiscals 2021-25.

Per capita income	Level in FY21 (INR thousands)		Growth at constant prices (%)									
	Curren t prices	Constan t prices	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY25 E
	146	100	3.3	4.6	6.2	6.7	6.8	5.7	5.8	2.9	-8.0	6.2*

Note – E: Estimated, (*) - 4-year CAGR growth (FY21-FY25), As per IMF estimates of April 2021

Source – Ministry of Statistics and Program Implementation (MOSPI), International Monetary Fund (IMF), CRISIL Research

Trend in nominal GDP per capita



Note: P: Projected

Source: MOSPI, World Bank, CRISIL Research

Household savings to increase

CRISIL Research expects India to continue being a high savings economy at least over the next decade. However, household savings as a percentage of GDP has been sliding since fiscal 2012, with its share in total savings falling significantly from 23.6% in fiscal 2012 to 18% in fiscal 2016. The household savings as a percentage of GDP rose to 19.6% in fiscal 2020. We expect household savings to increase further on account of an expected decline in discretionary spending during the pandemic. However, the absolute amount of savings may not increase at the same pace since GDP growth is expected to be negative in fiscal 2021.

We are also sanguine on the savings rate increasing in the medium term, as households become more focused post the pandemic-induced uncertainty on creating a nest egg for the future.

Savings rate has increased marginally

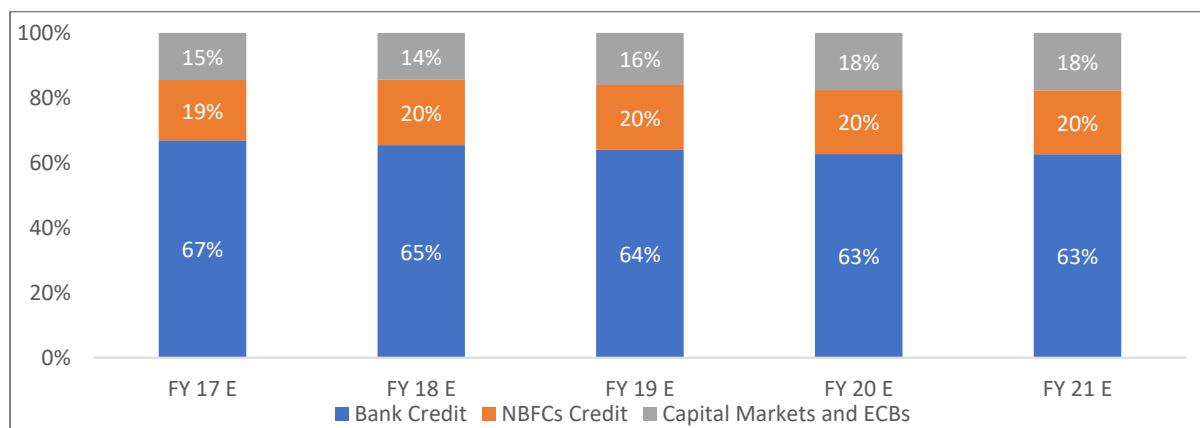
NBFC Overview

India's financing requirements have risen in sync with the economy's notable growth over the past decade. Non-banking financial companies (NBFCs) have played a major role in meeting this need, complementing banks and other financial institutions. The number of NBFCs as well as the size of the sector have grown significantly. The sector has also seen advent of many non-traditional players leveraging technology to adopt tech-based business models.

NBFCs provide financial services with respect to products as well as customer and geographic segments at the grassroots level, making them a critical cog in the financial machine. They cater to the unbanked masses in rural and semi-urban areas, and lend to the informal sector and people without credit histories. This key service has enabled the government and regulators to realise the mission of financial inclusion. At the end of fiscal 2021, NBFC assets are around at Rs 29.8 trillion and they accounted for 20% of the overall systemic credit.

Going forward, NBFCs will have to focus on their core strengths, diversify their portfolio, and create a niche with new offerings to help them grow in the competitive financial market. There is significant scope for NBFCs to not only gain market share but also enter newer areas.

NBFCs share in systemic credit growing steadily



Note: 1. Banks' credit includes outstanding of Pvt banks, public sector banks, Regional Rural Banks (RRBs), Cooperative banks and SFBs;

2. Capital market borrowing and External Commercial Borrowing (ECB) includes corporate bond, commercial papers outstanding; but excludes amount raised by banks & NBFC

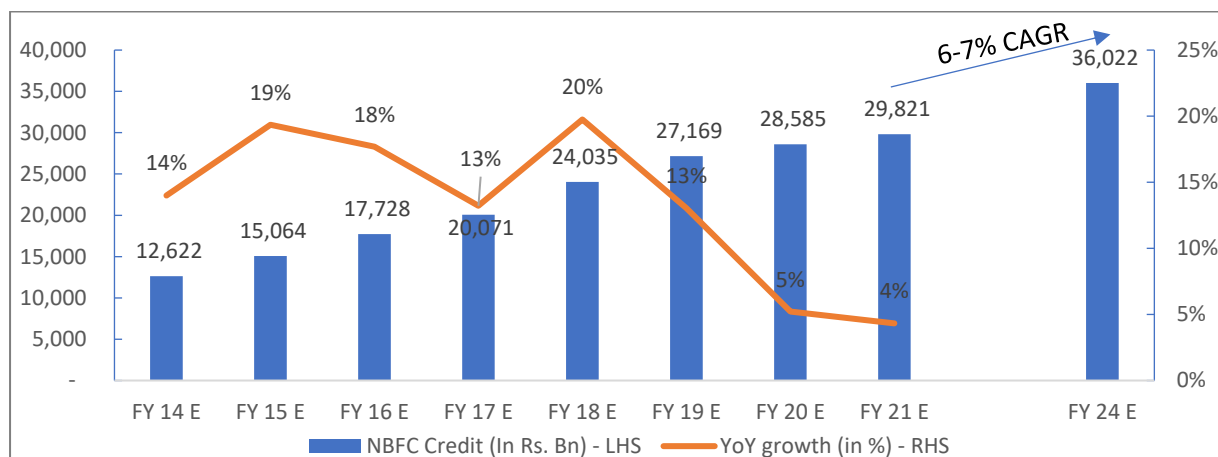
Source: RBI, SEBI, Company Reports, CRISIL Research

Growth to return in NBFC credit in fiscal 22 but at a slower pace than in the previous years

Non-banks post IL&FS fiasco in September 2018 continue to face challenging environment like sluggish economic growth environment and funding challenges for players with high ALM mismatches and gradually building asset quality pressure. Covid-19 is another major challenge for non-banks. The impact of Covid-19 would vary across non-bank's sub segments.

The outstanding credit of NBFCs expanded at a compounded annual growth rate (CAGR) of 17% between FY14 to FY19. Non-banks recorded a growth of only 4.8% CAGR in last 2 years mainly on account of slower economic growth, and funding challenges. Covid-19 has further slowdown loan book growth of non-banks in fiscal 2021 amid lockdown. CRISIL Research expects, NBFCs loan book to grow at 6-7% CAGR (FY21-FY24) in next three fiscals.

NBFCs outstanding loans grew at 13% CAGR since fiscal 2014

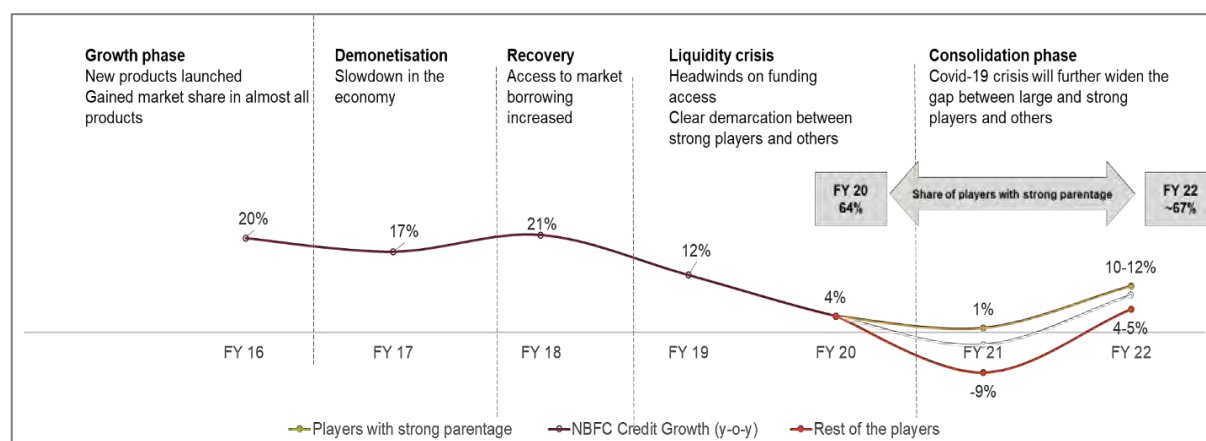


Source: RBI, CRISIL Research

Large NBFCs to gain market share at the cost of others

In the past few years, banking credit growth lagged systemic credit growth as NBFCs grew at a much higher pace. However, non-banks were afflicted with confidence crisis post IL&FS default in September 2018, followed by liquidity crisis and funding challenges for NBFCs which are not backed by large groups. CRISIL Research expects that financial institutions like banks and mutual funds will be very circumspect in lending to NBFCs, leading to which the sector is likely to go through consolidation where smaller NBFCs are absorbed into the larger ones. In respect to COVID-19, we expect:

- Players with strong balance sheets – high capital adequacy and ample liquidity – are in better position to absorb the impact of pandemic.
- Players with strong parentage will have greater access to funding sources compared with their peers and would return to growth path once the pandemic is controlled



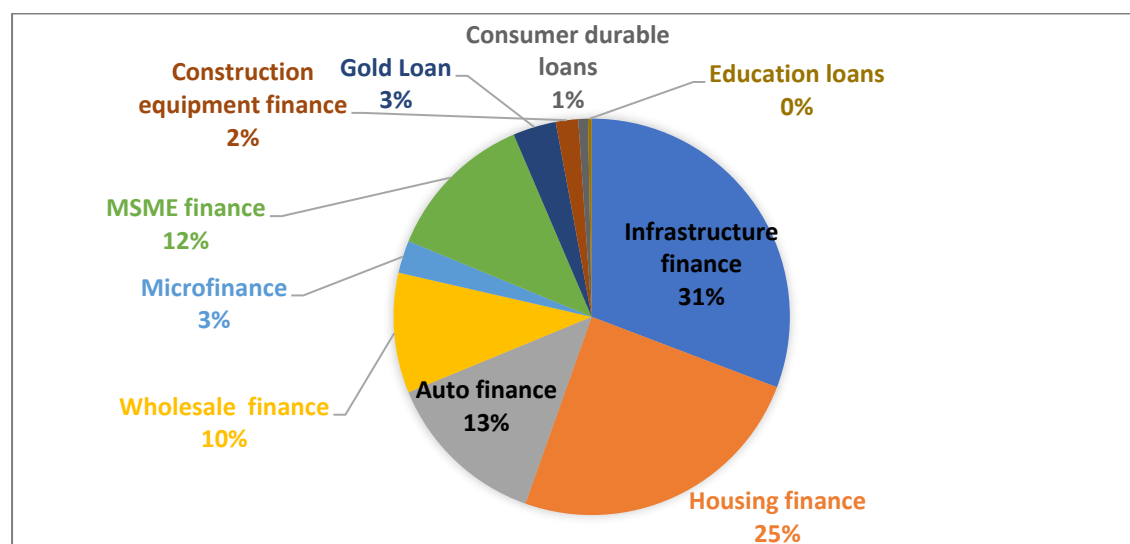
Note: (I) PFC, REC not included, (II) Includes HFCs and NBFCs (III) Large players with better credit profile: data set of 15 players, some of the prominent players in the sample set includes Housing Development Finance Corporation Ltd, LIC Housing Finance Ltd, Mahindra and Mahindra Finance Ltd, L&T Finance Ltd and Bajaj Finance Ltd

Source: RBI, NHB, company data, CRISIL Research

NBFCs present across diverse asset classes; infrastructure and housing loans are the largest segments

NBFC advances are skewed towards infrastructure and housing finance, which together constitute around 56% of overall advances. However, the share of Infrastructure finance, Gold loans, Housing finance and microfinance have recorded a marginal improvement in their share in FY21 as compare to FY20.

Infrastructure finance and housing finance accounts for ~56% of portfolio (FY21E)



Source: CRISIL Research Estimates

Competitive positioning of NBFCs in different segments

NBFC segment	Competitive positioning
Housing Finance	Competitive interest rates, better customer service; focusing on higher yielding segments like Loan against property and developer loans
Auto finance	Catering to relatively less credit worthy customers, strong presence in used vehicles, faster processing, lower documentation, customized offering
Gold loans	Higher LTV, lower turn-around-time, lower documentation, niche focus enables them offer better customer experience
LAP + MSME	Strong origination skills, superior customer knowledge, better collection mechanisms, faster loan processing, cash flow based credit appraisal
Construction equipment finance	Focus on Hirer/Retail segment, higher LTV offering, wide reach, flexibility in repayment, simple documentation, doorstep collection, lower turnaround time
Microfinance	Extensive reach, lower interest rates as compared to local money-lenders
Wholesale finance	Strong origination skills, Customized product offering and focus on real estate funding and structured products

Source: CRISIL Research

Key Enablers of Growth

- Aggressive approach to tap the underserved segment
- Niche focus
- Understanding the market and customizing product to customer needs
- Cautious lending by banks due to asset quality and capital adequacy concerns
- Higher LTV
- Lower turnaround time
- Less stringent documentation requirements

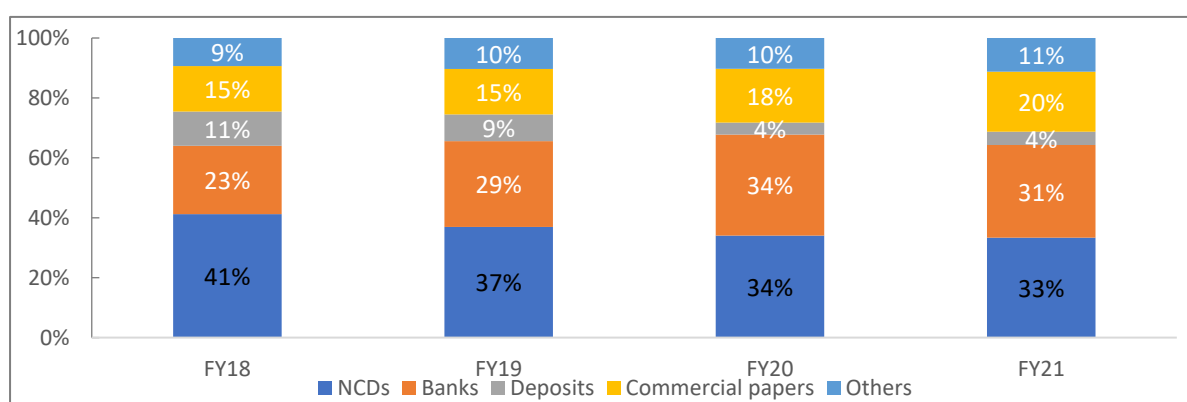
Liability/Resources profile of NBFCs

Non-banks turned to banks in the wake of low capital market funding

NBFC's borrowing mix has been changing over the past couple of years. Capital market investors have become cautious given the challenging environment and concerns over the asset quality. Investors' risk perception has increased significantly towards players with negative asset liability management mismatch. On the other hand, players with diversified sources of borrowings, and conservative approach to ALM have been able to overcome the severe liquidity crunch and volatile interest rates following IL&FS crisis. Therefore, access to the capital markets has been restricted to limited players, with others moving towards bank borrowings to meet their requirement.

This has resulted in reduction in share of non-convertible debentures (NCDs) and a corresponding increase in banks borrowings during fiscal 2019 and 2020. Furthermore, only those NBFCs with large balance sheets or parentage have been able to access the capital market funds and that too at a higher cost. Share of NCDs in the resources mix of NBFCs decreased from 41% as of March 2018 to 33% as of March 2021.

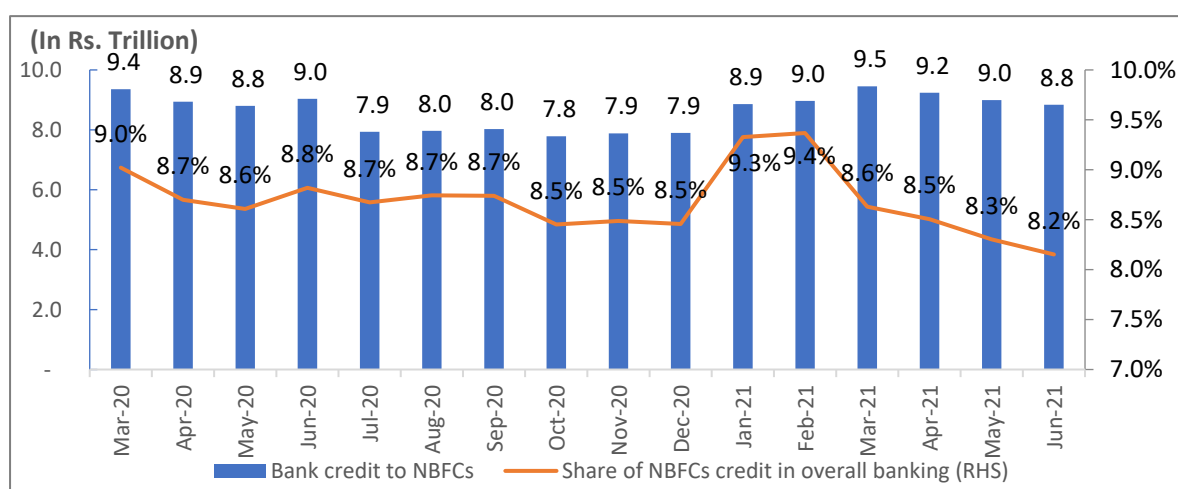
Commercial papers increased in fiscal 2021



- Others include inter-corporate borrowings, subordinated debt, borrowings from government, etc.

Source: RBI, CRISIL Research

Bank funding will be critical to support NBFCs



Source: RBI, CRISIL Research

NBFCs' liquidity crises

NBFCs grew at a strong pace in the first half of FY 2019, up approximately 17% on-year. However, the default of Infrastructure Leasing and Financial Services Limited (IL&FS) in mid-September 2018 created panic and investor confidence in lending to NBFCs dipped. This subsequently led to a spike in market rates and slowdown

in commercial paper (CP) and bond issuances for all NBFCs. Investors' risk perception increased significantly towards players with negative asset liability management (ALM) mismatch and high exposure to developer financing.

Non-banks are expected to reduce their dependence on short-term funding sources post the recent liquidity crunch, which was primarily owing to improper asset-liability maturity management. Because of limited access to funds, NBFCs shifted towards securitisation as a mechanism to raise funds to meet their liquidity requirements. Despite such challenges, well run NBFCs backed by large parent groups, vintage and strong credit rating was not affected much by the liquidity squeeze. They were able to raise funds at a relatively cheaper rate as compared to other NBFCs and continued to stay competitive by passing the reduced cost to the customers.

Key regulatory distinction between NBFC and banks

Given the importance of NBFCs in financial system, especially in accessing public funds and inter-connectedness with banking, they are subject to prudent regulations by the Reserve Bank of India as given below:

	NBFC – ND –SI	NBFC – D	Banks^(Basel-III)
Minimum net owned funds	Rs. 20 million	Rs. 20 million	N.A.
Capital Adequacy	15.0%	15.0%	11.5%
Tier I Capital#	10.0%	10.0%	9.5%
GNPA recognition	90 days	90 days	90 days
Cash Reserve ratio (CRR)	N.A.	N.A.	3.0%
Statutory liquidity ratio (SLR)	N.A.	15.0%	18.00%
Priority Sector	N.A.	N.A.	40% of advances
SARFAESI eligibility	Yes*	Yes*	Yes
Exposure norms	Single borrower: 15% (+10% for IFC)	Single borrower: 15%	Single borrower: 15% (+5% for infrastructure projects)
	Group borrower: 25% (+15% for IFC)	Group pf borrower: 25%	Group pf borrower: 30% (+10% for infrastructure projects)
Standard Asset provisioning	0.4%	0.4%	0.4%

Note: NA = Not applicable

Min. net owned funds for NBFC-MFI and NBFC - Factors is Rs 50 million, while for IFC it is Rs 300 crore

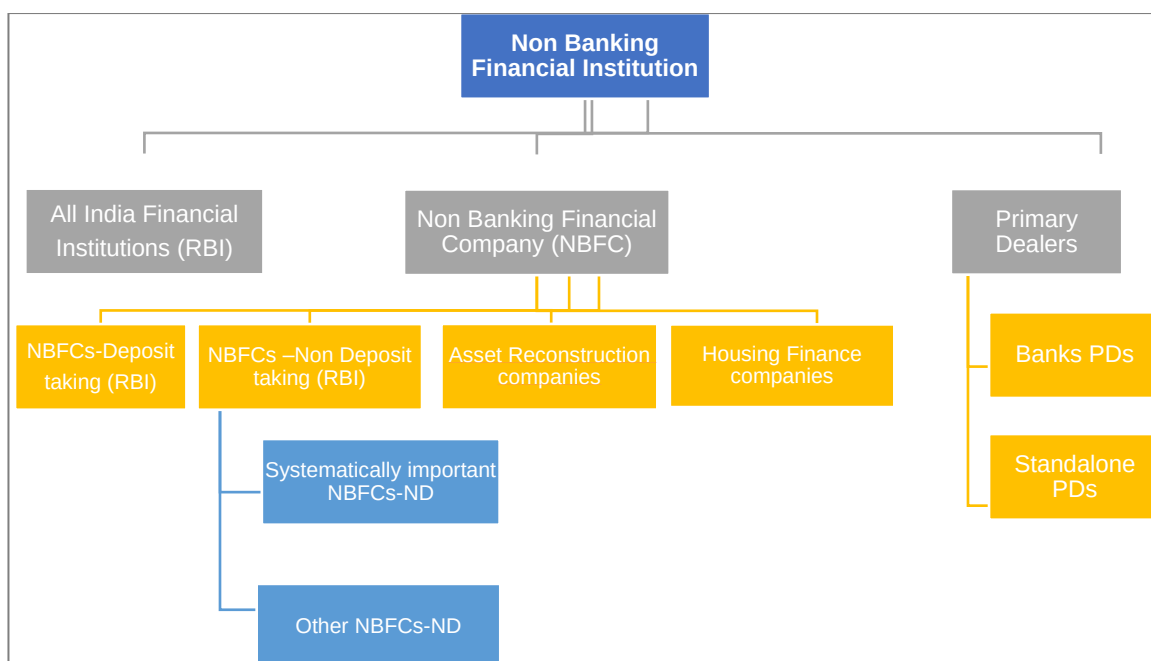
*The Ministry of Finance vide its Notification dated 24th Feb, 2020, allowed NBFCs to use SARFAESI Act, NBFCs with asset base of 100 crore or above, in respect of loans 50 lakh or above

Source: CRISIL Research

Constituents of NBFC industry in India

The Indian financial system includes banks and non-banking financial institutions. Though the banking system dominates financial services, non-banking financial institutions have grown in importance by carving a niche for themselves in under-penetrated regions and unbanked segments.

Structure of non-banking financial institutions in India



Note: The regulatory authority for the respective institution is indicated within the brackets.

All-India financial institutions include NABARD, NHB, SIDBI, and EXIM Bank.

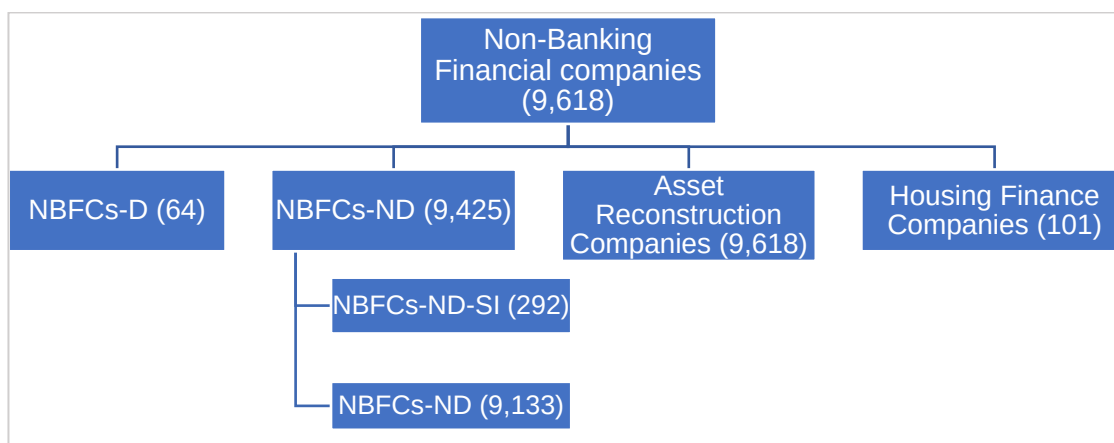
Source: RBI, CRISIL Research

Classification of NBFCs

NBFCs are classified on the basis of liabilities in to two broad categories – a) deposit taking and b) non-deposit taking. Deposit taking NBFCs (NBFC – D) are subject to requirements of stricter capital adequacy, liquid assets maintenance, and exposure norms etc.

Further, in 2015, non-deposit taking NBFCs with asset size of Rs 5 billion and above were labelled as ‘systemically important non-deposit taking NBFCs’ (NBFC – ND – SI) and separate prudential regulations were made applicable to them.

Classification of NBFCs based on liabilities



Note: Figures in brackets represent the number of entities registered with RBI as of July,2020.

Source: RBI, CRISIL Research

Key risks include

- Increasing competition
- Less creditworthy customers

- Highly susceptible to economic downturns
- Concentration risks
- Entry of small finance banks

Wholesale finance

Large ticket size loans to meet credit requirement of corporates

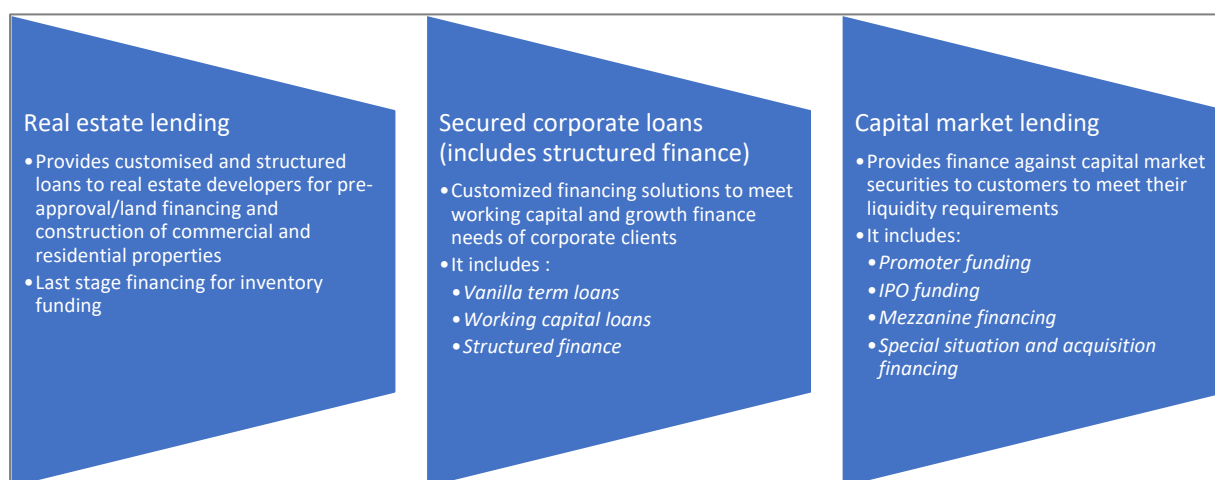
Wholesale finance represents lending services to medium-to-large-sized corporates, institutional customers, real estate developers by banks and other financial institutions. It encompasses long and short-term funding, with long-term loans accounting for majority of the loan book. Within long-term loans, the infrastructure sector comprises a significant share. While long-term loans are driven by investment cycles, short-term loans are influenced by business revenue and working capital requirement.

Banks have a higher market share in wholesale lending vis-à-vis non-banking financial companies (NBFCs). Banks extend long and short-term funding to diverse sectors. On the other hand, NBFCs have limited exposure in long-term funding, except certain public NBFCs that cater to the infrastructure sector.

For the purposes of our analysis, we have excluded lending to the infrastructure sector, and covered only loans offered to large corporates in non-infrastructure segments.

Wholesale finance NBFCs provide loans which are industry-specific (such as real estate finance), structured and customised as per the needs of the client and risk appetite of the NBFC. They offer products such as promoter funding, mezzanine funding, structured and acquisition financing, lending to real estate developers, etc. For wholesale Non-banks, developer finance (or real estate lending) accounts for ~55% of the loan book as FY21, as majority of the large players have significant exposure to the same.

Segmentation of wholesale finance offered by NBFCs is as under:



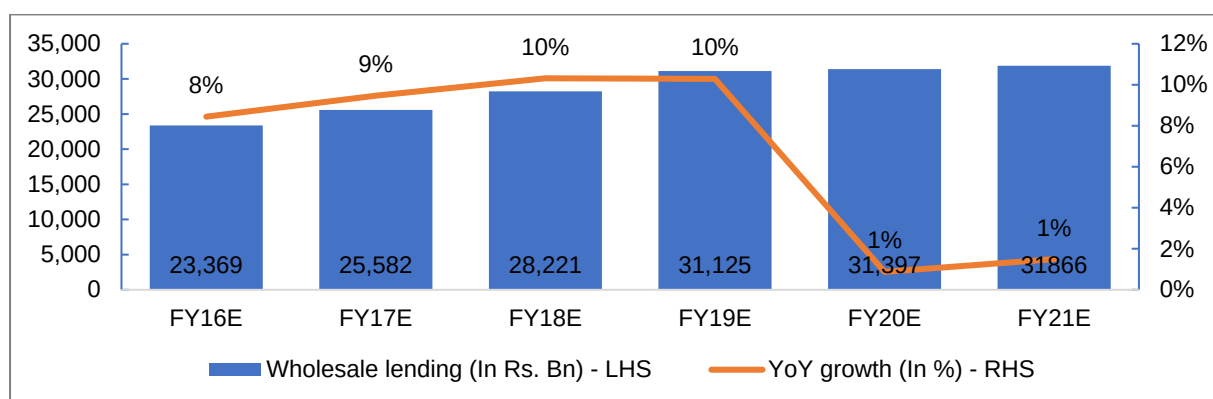
Source: CRISIL Research

Wholesale finance market expanded by 6% CAGR in the past five years

CRISIL Research estimates the market size of wholesale financing (includes lending by banks, NBFCs and housing finance companies - HFCs) to be Rs ~32 trillion as of March 2021. The market has grown at a compounded annual growth rate (CAGR) of just 6% between fiscals 2016 and 2021, reflecting the increasing caution of banks in funding corporates, given high delinquencies and capital constraints.

Banks have logged a growth of only 2% on year in FY21 in comparison with 3% YoY growth last year. The lower growth was mainly on account of muted demand from large corporates due to pandemic. On the other hand, NBFCs and HFCs have witnessed a de-growth in their wholesale lending book (de-grew by ~2% YoY in FY21). The de-growth was largely on account of funding challenges faced by NBFCs since Sept-2018 and significant slowdown in real estate sector.

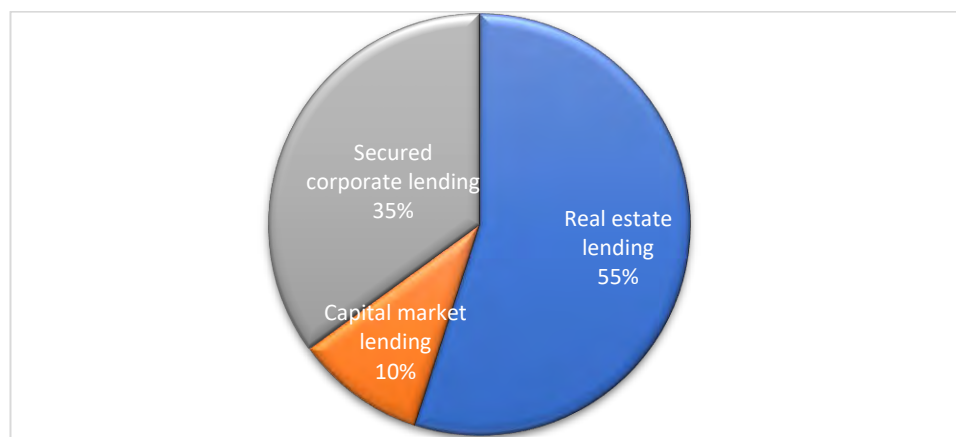
Slowdown in wholesale lending industry



E: Estimated

Source: Reserve Bank of India (RBI), CRISIL Research

Real estate financing accounts for majority share in overall wholesale credit of Non-banks portfolio (FY21E)



Source: CRISIL Research estimates, Industry

Features of Wholesale financing NBFCs

- Customised solutions
- Lower turnaround time
- Slow decision-making process in public sector banks
- Strong client relationships

Concentration risk inherent in wholesale lending albeit strong risk management and processes in place

- Chunky portfolio
- Cyclical in real estate sector.
- Market volatility
- Risk associated with developer lending

NBFCs mitigate the risk in high ticket size loans by adopting stringent structuring of financial product offered and putting in place adequate covenants. Some measures commonly adopted are:

- Collateral cover of approximately 2-2.5 times and some amount of cash cover as well
- Cross collateralisation with personal assets of the promoter
- Securing escrow against project cash flows
- Micro market level risk assessment, especially for developer finance
- Stringent, regular monitoring of projects

NBFCs also very often sell loans originated by them to other financiers (banks as well as other NBFCs) to mitigate the risks taken on their balance sheet.

MSME Finance

Brief overview of MSMEs in India

MSMEs complement large corporates as suppliers and directly cater to end-users. The MSME sector contributes to the country's socioeconomic development by providing huge employment opportunities in rural and backward areas, reducing regional imbalances, and assuring equitable distribution of national wealth and income. The segment contributed to ~30% of the gross domestic product (GDP) as of fiscal 2021, thus supporting the country's economic development and growth.

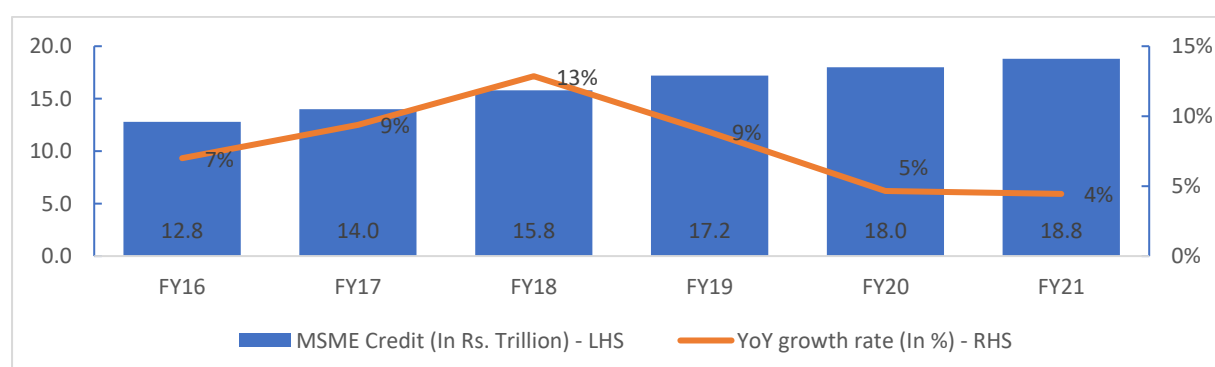
The Reserve Bank of India (RBI) has adopted the definition of MSMEs in line with the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. This definition is based on investments in plant and machinery in the manufacturing and services sectors.

However, the government has amended to the MSMED Act, to have a single definition for manufacturing and services. Below is the old and revised MSME classification.

New MSME definition removed distinction between manufacturing and services, revised investment thresholds upwards and introduced an additional criteria of turnover of entity

Old and Existing definition of MSMEs			
Old MSME classification			
Criteria: Investment in plant and machinery or equipment			
Classification	Micro	Small	Medium
Manufacturing enterprises	Investment < Rs 2.5 million	Investment < Rs 50 million	Investment < Rs 100 million
Services enterprises	Investment < Rs 1 million	Investment < Rs 20 million	Investment < Rs 50 million
Revised MSME classification			
Composite Criteria : Investment and annual turnover			
Classification	Micro	Small	Medium
Manufacturing and Services enterprises	Investment < Rs 10 million and Turnover < Rs 50 million	Investment < Rs 100 million and Turnover < Rs 500 million	Investment < Rs 500 million and Turnover < Rs 2.5 billion

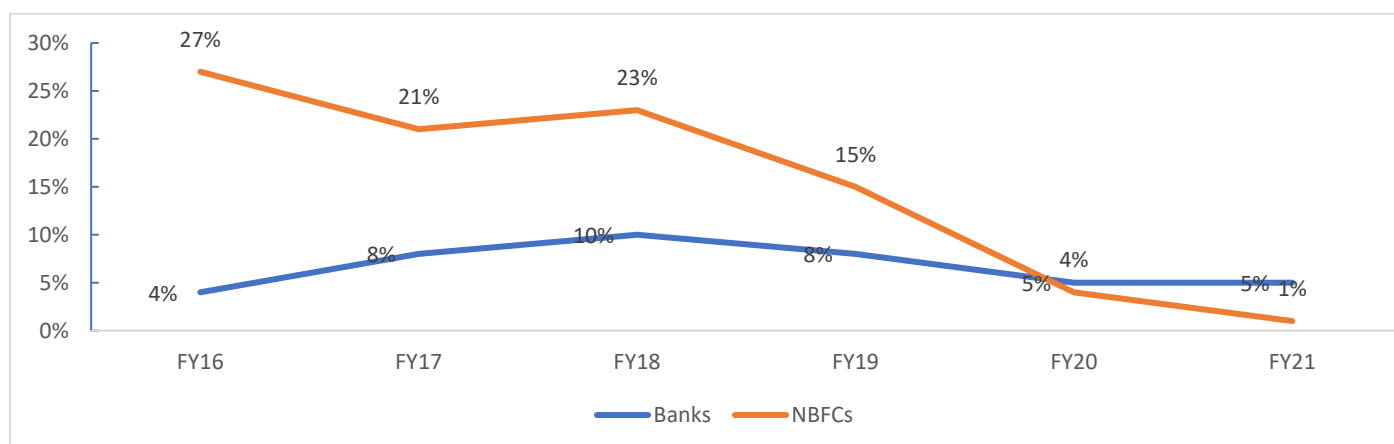
MSME credit growth to improve in medium to long term



Note: Estimated basis

Source: Company disclosure, RBI, CRISIL Research

Non-banks lag banks in MSME credit in fiscal 2021



Note: E: Estimated, P: Projected

Source: CRISIL Research

Growth drivers

- **Low credit penetration**
- **Five forces that will propel the MSME market**
 - Increased data availability and transparency
 - Reduction in Risk premium due to information asymmetry
 - Increasing competition with entry to new players and partnerships between them
 - Reduction in TAT and increased use of technology
 - Government initiatives addressing structural issues in MSME Market
- **Government initiatives**
 - GST to boost demand in MSME lending
 - Credit Guarantee Fund Scheme extended to cover NBFCs
- **Government initiatives addressing structural issues in the MSME market**
 - **Udyog Aadhaar memorandum for Paperless and online registration process for MSMEs**
 - **Stand-up India**
 - **Make in India**
 - **GST:** Formalisation of MSME with GST
 - **Mudra loans:** To fulfil funding requirement of MSMEs.
 - **59-minute loan:** Online marketplace that provides in-principle approval to MSME loans up to Rs. 10 million in 59 minutes.
 - **UPI 2.0:** Real-time system for seamless money transfer from account.
 - **TReDS:** Institutional mechanism to facilitate financing of trade receivables of MSMEs from corporates and other buyers through multiple financiers.

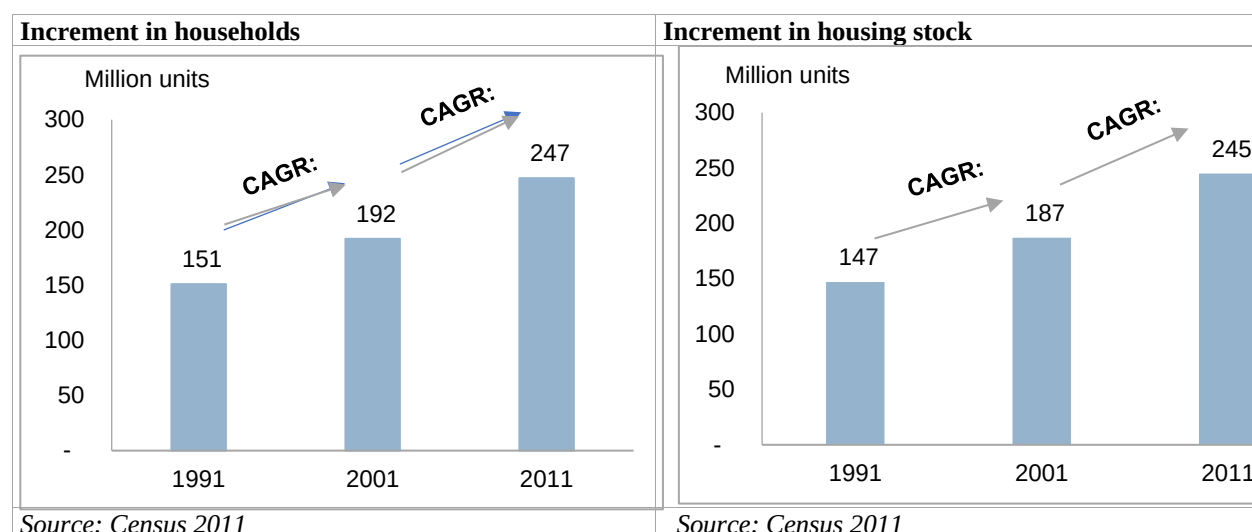
Housing finance

India's Housing Finance Market

Total home loans outstanding in the country was ~Rs 20.4 trillion as of fiscal 2020, more than double the figure five years ago; this effectively translated into home loans outstanding logging a healthy 16% CAGR over fiscals 2015 to 2020. However, in fiscal 2021, the pace slowed, led by a decline in credit growth across HFCs following the Covid-19 outbreak. During the year, home loans outstanding (banks and non-banks) grew by 9% on year.

Housing stock

As per Census 2011, the number of households increased from 192 million in 2001 to 247 million as of 2011, at a CAGR of 1.3%. During the same period, housing stock increased from 187 million (2001) units to 245 million (2011). Out of these 245 million units, about 61 million units are obsolete, very congested or non-serviceable.



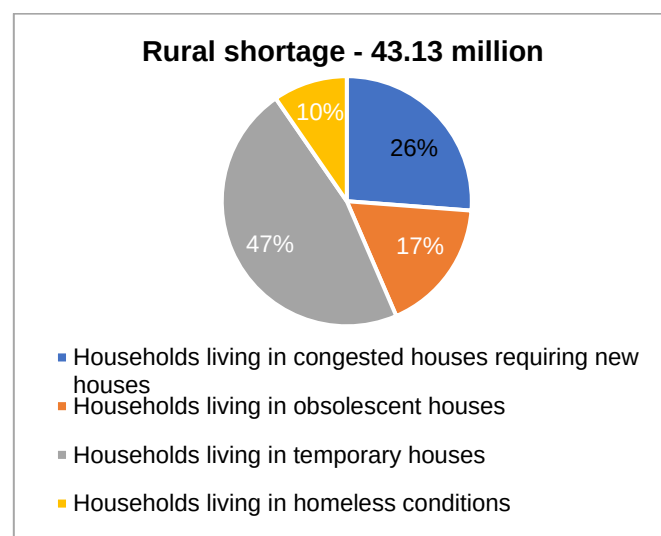
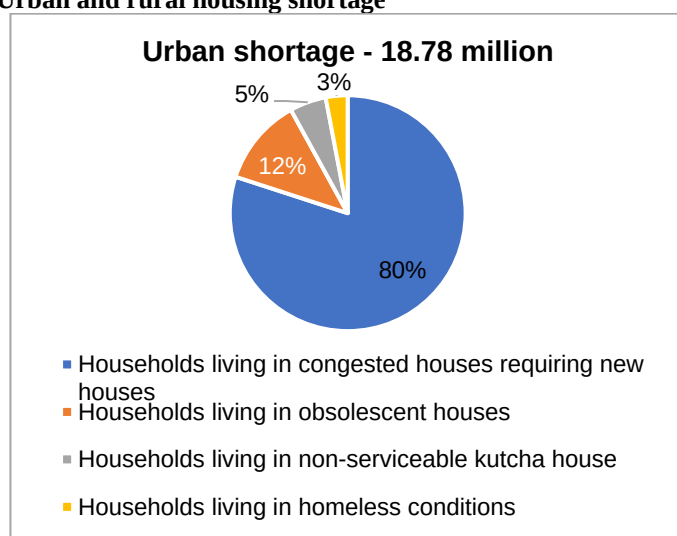
Housing shortage in India

Despite the constant focus on the housing segment, housing in India is far from adequate. The shortage of housing in India has been a perpetual problem, deterring the economic growth of the country.

In its Twelfth Five Year Plan (2012-2017), the government accorded this issue utmost importance and focused on increasing the amount of housing units available both in the urban as well as the rural sector. As per the estimates of the Twelfth Five Year Plan, the shortage of housing in the urban segment of the society stood at 18.78 million. The economically weaker section (EWS) accounts for three-fourths of the shortage and the lower income group (LIG) approximately accounts for a quarter of housing shortage. In 2017, the estimate of housing shortage was revised downwards to ~10 million units based on assessments that were carried out since 2011.

The erstwhile Planning Commission and Ministry of Rural Development, Government of India, has taken official initiative to assess the quantum of housing shortage in rural India. As per the estimates of the Twelfth Five Year Plan, the shortage of housing in the rural segment of society stood at 43.13 million.

Urban and rural housing shortage



Note: The above data is as per the estimates of the Twelfth Five Year Plan (2012-17)

Source: NHB, CRISIL Research

Growth momentum of HFCs to pick up from fiscal 2022 onwards

CRISIL Research expects outstanding book of HFCs in home loans segment to rise due to increase focus by lenders who consider retail loans to be less risky along with demand side support and expected to grow at 8-10% in fiscal 2021.

Market share of HFCs to decline marginally

CRISIL Research expects banks' home loan growth to outpace that of HFCs for the first time in the past five years. Banks are expected to gain 300-400 basis points (bps) market share from HFCs over the medium term.

Growth Drivers

Government initiatives

- PMAY-U
- PMAY-G
- Special financing window
- Relaxation of ECB Guidelines
- Tax incentive
- RERA
- GST
- EPF corpus withdrawal

Regulatory Framework

- Regulatory authority of HFCs to shift from NHB to RBI
- Reduced risk weights and SAP on home loans
- SARFAESI: Allowing HFCs to access SARFAESI has helped them to accelerate the recoveries
- Tax holiday for affordable housing developers
- Infrastructure status to ease financing for affordable housing developers
- NHB refinance: The NHB refinancing schemes help HFCs lower their borrowing costs
- PSL eligibility for home Loans

Other Factors

- Rising urbanisation and nuclearisation
- Rising Income levels
- Rising independent housing demand

Key Risks

- Valuation risk
- Delay in approval of projects
- Liquidity risk
- Inefficiency of data
- Employee attrition
- Title issues or fraud

K12 Financing

In India, the education industry can broadly be classified into two categories: formal and non-formal. The formal category comprises kindergarten to grade 12 (K-12) school education, and higher education (including graduation and post-graduation courses). The formal category is heavily regulated by the government and profits earned here cannot be distributed to the providers of capital as dividend or otherwise. The non-formal category largely comprises segments such as pre-schools, coaching and test prep, vocational training, digital education and publishing.

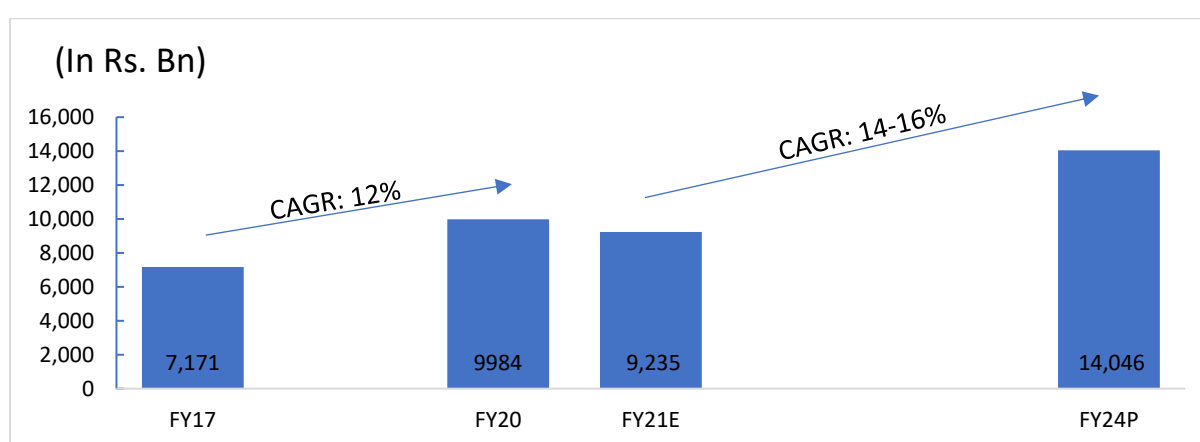
Covid-19 hits the informal education segment in FY21; Growth to bounce back in medium to long term

India's education industry is estimated at Rs. 9,200 billion in FY20, with the formal K-12 and higher education segments cornering the lion's share of the market. The industry grew at 12% CAGR (compound annual growth rate) from FY17 to FY20, supported by healthy growth across most segments. However, in FY21, growth rate in formal sector is estimated to decline by 1-5% and non-formal segments – preschools, coaching, and vocational education – estimated to decline in the range of 35-40% on account of moderation in fees and lower enrolments in the segment. Overall in FY21, the industry decline by 5-10% primarily because of lower enrolments and moderation in fees.

In the higher education category, Covid-19 has delayed graduation enrolments due to postponement of exams in the category.

Going forward, CRISIL Research expects the industry will grow at a CAGR of 14-16% over FY21 – FY23 on account of expected growth in enrolments coupled with fee hike in medium to long term.

India's education industry trend



Note: E: Estimated, P: Projected

Source: CRISIL Research

Covid-19 shifts education sector online

Both formal and non-formal segments have shifted to online mode and conducting the classes through online channels. Mode of communication has changed from offline to online mode, however the teacher student interaction and ratio is maintained in most of the institutes. Institutes are using online applications to conduct classes and exams.

A combination of offline recorded videos and online lectures is used by most of the institutes. Few other institutes which are not able to adopt to the online mode are dependent on study material which is distributed and collected on specific days.

Market size of K12 to be driven by enrolments in private unaided sector, restricted by limited/ no fee hike in FY22

The K-12 industry comprises private aided and unaided, and public/government segments for estimation of the market size and growth prospects. While the government provides support to the public and private aided segments in the form of financial and non-financial aid, the private unaided segment is run and managed wholly by trusts/societies and private entities.

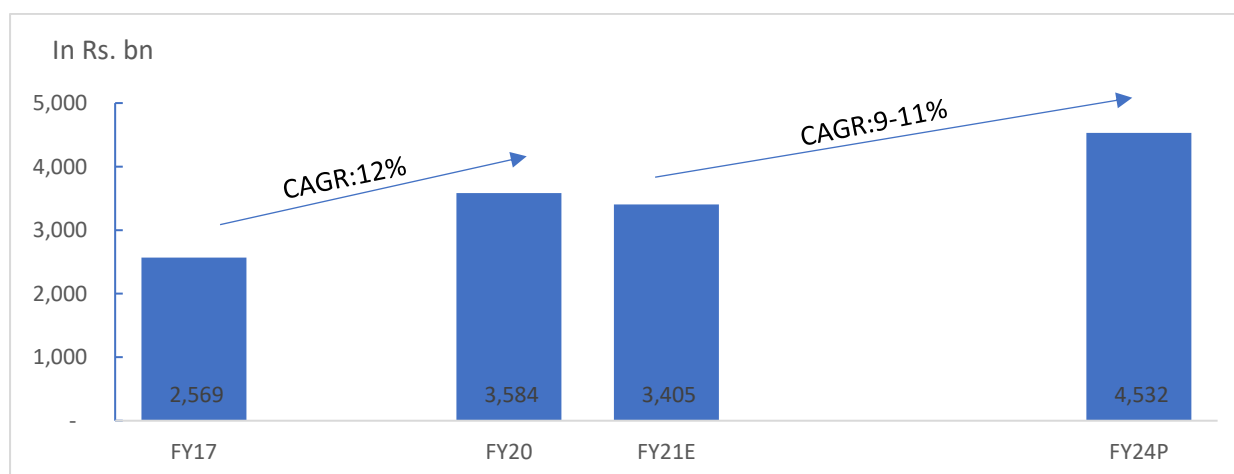
The overall K-12 industry is estimated to grow at a CAGR of 12% from FY17 to FY20 to ~Rs 3,584 billion, primarily driven by the growth of the private unaided segment. Private players typically are characterised by good liquidity position and are likely to be unaffected during pandemic. However, the HRD minister has advised schools not to increase fees during FY21 and most of the institutes have not increased fees in fiscal 2021. The institutes have also provided flexible fee plans to parents during the pandemic period. In fiscal 2021, the K-12 education industry is estimated to be ~3,400 billion.

Going forward, during FY21 to FY24, we expect the growth to be at 9-11% CAGR to reach ~Rs 4,500 billion. The private unaided segment is expected to grow at ~10-12% CAGR during the same period, driven by 6-8% annual growth in fees along with 5-7% annual growth in enrolments.

Growth Drivers

- Rapid urbanisation
- Rising household spending on education
- Demographic profile
- Low penetration in education gives room for growth and expansion
- Private segment characterized by addition in institutes as well as enrolments

K12 segment growth to be driven by private players



Note: E: Estimated, P: Projected

Source: CRISIL Research

Capital Markets

Overview

The Indian Capital Markets witnessed strong performance during the last five years. The market capitalization of National Stock Exchange (“NSE”) grew at 16.9% CAGR during March 2016 to March 2021. The number of companies traded on BSE (Cash Segments) increased from 2,721 in Fiscal 2016 to 4,005 in Fiscal 2021. The total Investor accounts increased at 15.9% CAGR during the period from 25.4 million accounts in March 2016 to 55.1 million accounts in March 2021.

The turnover in the cash market and equity derivatives market grew at a stupendous 27.5% CAGR and 59.0% CAGR respectively during Fiscal 2016 to Fiscal 2021. The growth was primarily driven by the increase in retail participation due to ease of trading through mobile applications.

Despite the Covid-19 Pandemic (On 12th March 2020, the World Health Organization declared Covid-19 as a ‘Global Pandemic’) the domestic as well as global markets saw strong performance in Fiscal 2021 post a steep correction during January 2020 to March 2020. Dow Jones Industrial Average (“DJI”) corrected a steep 37% from its highs of January 17 2020 to its lowest on March 23 2020. The S&P BSE Sensex as well as Nifty 50 plummeted to their lowest levels on March 23 2020, both indexes dropping ~38% from its peak achieved in January 2020. However, the domestic as well as global markets saw a steep recovery from the lows of March 2020.

The recovery was led by the stimulus announced by the developed economies to fight the economic impact of Covid-19 induced lockdowns. The US Federal Reserve dropped the federal fund rates by 150 bps to 0-0.25 bps in March 2020. Further, the US Federal Reserve also announced purchase of treasury and agency securities of up to US \$700 billion. Domestically, the Reserve Bank of India (“RBI”) reduced the repo rate by 75 bps in March 2020 and further 40 bps to 4% in May 2020. Further, in-order to ensure adequate liquidity in the markets, RBI also announced on tap.

Long-term repo operations (TLTRO) of up to INR 1,00,000 Crore with tenors of up to 3 years.

Both the indices – BSE Sensex and Nifty 50 rose 68.0% and 70.9% during April 2020 to March 2021. During this period, the Indian Broking Industry added 8.1 Million active clients, an increase of 75% on-year basis. The rally in the domestic market was also supported by the strong FII buying from May 2020 onwards.

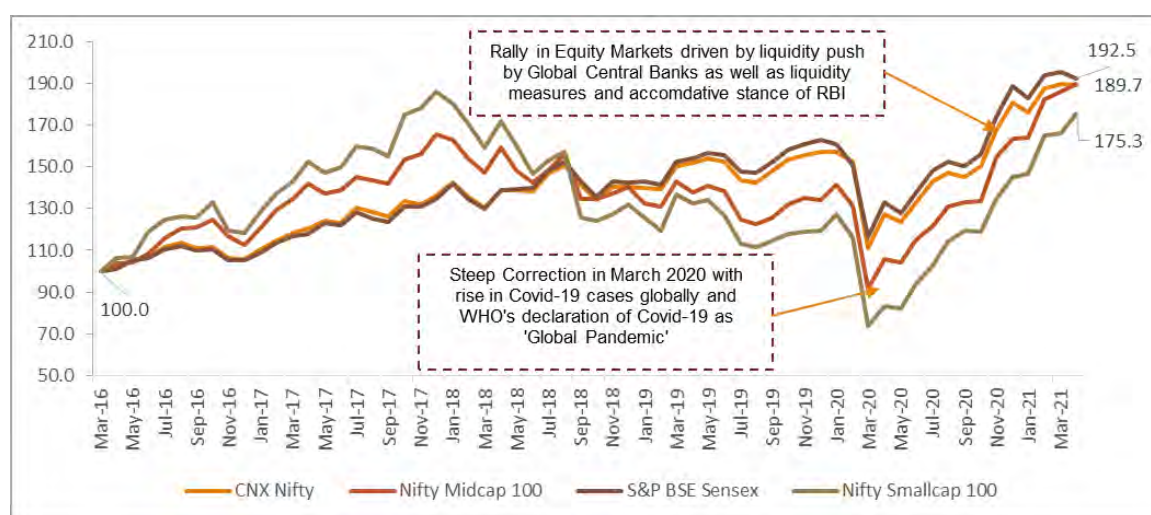
Corporates, too, tapped the capital markets for raising capital through equity and debt. During April 2020 to February 2021, corporates raised INR 246.8 billion through primary markets.

Going forward as well, the performance of capital markets is likely to be supported by global and domestic factors such as:

- Accommodative stance of global Central Banks in-order to claw back growth lost due to Covid-19 Pandemic
- Domestically, the Reserve Bank of India in its recent Monetary Policy Committee meeting held between February 3-5 2021, decided “to continue with the accommodative stance as long as necessary – at least during the current financial year and into the next financial year – to revive growth on a durable basis and mitigate the impact of COVID-19 on the economy, while ensuring that inflation remains within the target going forward.”
- The bond yields – globally and domestically – are unlikely to see a steep rally on account of the accommodative stance of Global Central Banks.

Further, the open Market operations by RBI may also ensure against uptick in G-sec yields despite the Government’s planned borrowing programme for FY 22

Equity Benchmarks recovered swiftly post plummeting in March 2020



Source: NSE, BSE

Note: ¹All Indices indexed to 100 in March 2016

Types of products offered by exchanges

Exchanges offer a variety of products to investors, sold via brokerage firms or data vendors. Below is the list of products provided by the exchange.

Cash Market	Products: Equities, ETF, MF, SLBS, OFS; Services: Settlement Guarantee	Proprietary, Retail and Institutional; Participants - Domestic & Foreign
Derivatives	Products: Equity Derivatives (Index & Stock), Currency Derivatives, Interest Rate Futures, Derivatives on Global Indices & Volatility; Services: Settlement Guarantee	Proprietary, Retail and Institutional; Participants - Domestic & Foreign

Commodity	Products: Commodities (including agriculture, metals, oil, gold, etc.), Commodity derivatives, Commodity options Services: Settlement Guarantee	Proprietary, Retail and Institutional; Participants - Domestic & Foreign
Debt Market	Products: Debt securities, Corporate bonds, Govt. securities & T bills; Services: Clearing and Settlement, Risk Management, Connect NSE, Corporate bond database	Proprietary, Retail and Institutional; Participants - Domestic & Foreign
Data and Information Vending	Products: Online Real Time Data Feed, 15-Min delayed, 5 minutes, 2 minutes and 1-minute Snapshot Data, EOD data, Historical Trade & order and Corporate Data; Services: Providing data feed	Data vendors, researchers, TV channels, financial websites, software and algorithm developers
Index Services	Products: Equity Index- BSE SENSEX, NIFTY, NIFTY 100, NIFTY Bank indices etc. and Debt Index; Services: Index IP Licensing and Customized Index solution	AMCs, ETF issuers, insurer, NBFCs, investment banks, stock exchanges and AIFs

Loan against Shares (LAS)

Under LAS, a loan is disbursed against the security of listed equity shares, debentures, bonds or mutual funds to individuals, stock and share brokers and market makers. Loans are extended against only those securities that are a part of the approved list maintained by the company. In addition to the banks, LAS can be granted by NBFC-ND-SI and NBFC-ND.

LAS offers an opportunity to leverage on investments in shares for loans to meet unforeseen expenses. LAS can be availed for any personal and/or business purposes and this has to be declared at the time of origination. However, unlike LAP (loan against property) disbursements, the end-use of LAS is restricted. It cannot be sanctioned for:

- Inter-corporate investments or
- Acquiring controlling interest in company / companies.
- Advances to the bank's directors against its equity shares.
- Advances to bank employees/employee trusts set up by them for the purpose of purchasing their (banks') own shares under ESOP/ IPO or from the secondary market. This prohibition will apply irrespective of whether the advances are unsecured or secured.
- Share and stock brokers not registered with SEBI and who do not comply with capital adequacy norms prescribed by SEBI / stock exchanges.

The above-mentioned restrictions are as per RBI guidelines applicable only to banks.

- *RBI guidelines on exposure norms for banks*

As per RBI guidelines, loans against security of shares, convertible bonds, convertible debentures and units of equity oriented mutual funds should not exceed the limit of Rs 10 lakh if the securities are held in physical form and Rs 20 lakh per individual if the securities are held in demat form. For subscribing to IPOs, loans given to individuals will not exceed Rs 10 lakh. Banks may extend finance to employees for purchasing shares of their own companies under ESOP to the extent of 90 per cent of the purchase price of the shares or Rs 20 lakh, whichever is lower.

- *RBI clamped restrictions on lending against securities for NBFCs*

In August 2014, to curb potential volatility on stock markets due to bad loans, RBI put limits on the amount that NBFCs can lend against shares pledged as collateral. Now NBFCs will be required to maintain a loan-to-value ratio of 50%. Prior to the regulation, there was no cap on LTVs on NBFCs unlike banks. Also, now NBFCs can only accept Group 1 shares as collateral for loans amounting to Rs.5 lakhs and above. Group 1 shares are those that were bought and sold on at least 80% of the trading days in the previous 18 months on the stock exchanges, and the average cost incurred due to a price decline is less than 1%.

Potential Drivers for growth

- Performance of the equity markets

- Instant liquidity and easy to borrow
- Interest accrues only on outstanding amount
- Exhaustive list of approved securities
- Liquid nature of collateral and high collateral cover

Debt Capital Market

The Indian debt capital market is a market meant for trading (i.e.... buying and selling) fixed income instruments. Fixed income instruments could be securities issued by Central and State Governments, Municipal Corporations, Governments bodies or by private entities. The Indian debt market in India comprises broadly into following categories:



Source: CRISIL Research

The corporate bond market has witnessed a good growth in the past, with the number of issuers raising funds as the banking system continued to grapple with rising non-performing assets. Yet, the market in India remains small, accounting for just ~16.5% of the nominal GDP in FY21.

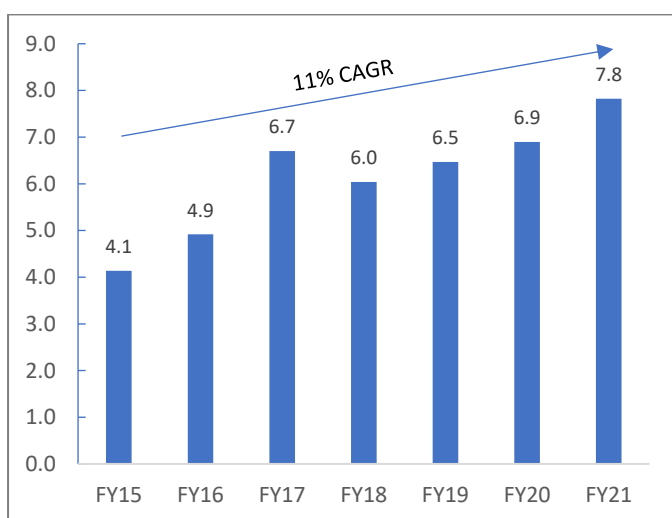
Over the past few years, some significant reforms have been undertaken to develop the bond market in India. In August, 2016, a committee headed by former RBI Deputy Governor had made a series of recommendations for domestic debt capital market, including changes in regulations, policies, market infrastructure, and improved innovations in the field. With continuous efforts in the field, the domestic corporate bond market outstanding increased ~2.06 times in between FY15 and FY21.

However, the corporate bond issuances slumped in FY18 and FY19 due to rising interest rates making borrowing from bonds market less attractive as compared to loans markets. The issuances were further reduced due to negative market sentiments on account of default in few large NBFCs FY19.

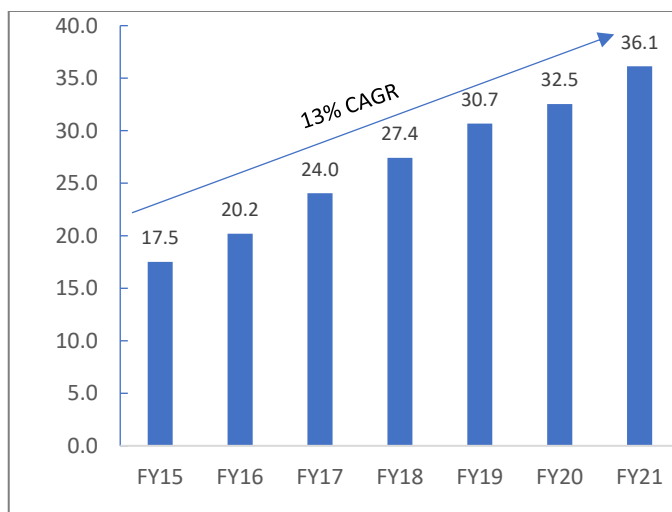
The new bond issuances witnessed a significant de-growth of ~22% on Year, in April 2020. Financial companies, which forms major share in overall corporate bond issuances, are facing major challenges in raising funds from debt capital market mainly on account of significant increase in investor risk aversion post ILF&S crises and slowdown in economy amidst COVID-19.

In Fiscal 2020 and Fiscal 2021, the corporate bond issuance surged due to surfeit of liquidity, benign interest rate cycle and regulatory push. Companies seemed to have turned to bond market to refinance existing loans and to reduce their loan burden during the pandemic.

Corporate bond Issuances (In Rs. trillion)



Corporate bond outstanding (In Rs. trillion)



Source – SEBI, CRISIL Research

The new bond issuances witnessed a significant de-growth of ~22% on Year, in April 2020. Financial companies, which forms major share in overall corporate bond issuances, are facing major challenges in raising funds from debt capital market mainly on account of significant increase in investor risk aversion post ILF&S crises and slowdown in economy amidst COVID-19

Key growth drivers

- Capex funding, primarily for infrastructure
- Financial sector issuances to grow with credit growth and market opening up to relatively lower rated issuers
- Capital intensive non-infra sectors will raise funding for capital expenditure
- Measures to enhance participation for more and more entities in both primary and secondary markets

Key risks

- Economic downturn and volatility in the market will hamper the new bond issuances
- Expected deep global recession

Growth drivers for Capital Markets

- Favourable demographics to aid capital markets growth
- Low penetration and favourable government policies will lead to increase in investments in capital markets

- Moderate penetration of equity leaves further scope for growth
- Mutual funds net inflows to strengthen as investors hunt for higher returns in capital markets
- Benign interest rate cycle to boost inflows into capital markets
- Inherent demand for funds to push corporate debt and equity issuance
- Rise in demat accounts and companies trading in demat format
- Financial inclusion programs to open bulk of population to capital markets
- Technology advancement
- Margin trading facility

Key risks related to capital markets business

- India's sovereign credit rating one step away from junk
- The threat of COVID-19 Third wave might lead to slowdown in global economy and Indian economy
- Political instability or shift away from the pro-growth policy
- Sharp increase in interest rates can make the debt market more attractive and impact flows in the equity market
- Any downturn or volatility can hamper retail equity flows into capital markets

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read “Forward-Looking Statements” on page 11 for a discussion of the risks and uncertainties related to such statements and also “Risk Factors” on page 12 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise indicated, the financial information included herein is based on our Reformatted Standalone Financial Information and Limited Review Financial Results. For further information, see “Financial Information” on page 141.

Overview

Our Company is a “Systemically Important Non – Deposit Taking NBFC” (NBFC-ND-SI) registered with the Reserve Bank of India and operates under the “JM Financial” franchise. Incorporated as J.M. Lease Consultants Private Limited on July 10, 1984, our Company has broadened its services from lease syndication and vehicle leasing to offering financial solutions through lending, syndication, participation in lending for securities issuance and distribution.

We are focused on offering a broad suite of loan products which are customized to suit the needs of the corporates, institutions, SMEs and individuals. Our Company broadly operates under the following verticals viz. (i) Bespoke financing; (ii) Real estate financing; (iii) Capital market financing; (iv) Retail mortgage financing; and (v) Financial institution financing.

- *Bespoke financing* – This vertical caters to corporates and includes all types of bespoke lending to companies across various sectors, promoter financing against listed / unlisted securities and property collateral, acquisition financing, subordinated or mezzanine financing, other secured lending and syndication.
- *Real estate financing* – Our real estate financing segment includes loan against land, loan against project at early stage, project funding, loan against ready residential / commercial property and loan against shares.
- *Capital market financing* – Our capital market financing segment includes loans against securities, margin trade financing, arbitrage, buy now sell later, ESOP financing, broker financing, public offer financing and personal loans.
- *Retail mortgage financing* – Under this segment, our Company offers home loans, education institutions loans and loan against property. Loans under this segment are primarily provided against collateral of property and receivables.
- *Financial institution financing* – Under this segment, our Company offers loans to RBI registered financial institutions (NBFCs, MFIs, etc) against the receivables in their loan book. The funds shall be used for onward lending to their customers, working capital requirements, refinancing and/or any other purpose as acceptable to our Company.

In addition to the above, we have ventured into digital led real estate broking/consulting business under the brand name “Dwello”. Our Company, through Dwello, operates primarily in the residential real estate segment and assists buyers during all the stages of their real estate buying cycle. Further, we have entered in the housing finance business through our Subsidiary, JMFHL. JMFHL has been granted a license to operate as a housing finance company by the National Housing Bank of India in Fiscal 2018. The focus of our housing finance business would be to provide home loans to retail customers with a focus on affordable housing segment. We have also entered into the institutional fixed income business. The focus of the business is on mobilizing debt capital for corporates by way of distribution to various investor segments, sales and distribution in secondary bond markets and credit research.

Competitive Strengths

Diversified product mix, strong franchise and well positioned to benefit from industry trends

We have a diversified product mix encompassing loans to various corporates, individuals, institutions and SMEs. We have also ventured into housing finance, digital led real estate broking/consulting and institutional fixed income businesses to capitalize on the opportunities in these segments and further diversify our loan portfolio and income streams. We believe that our diversified financial products and services platform enables us to develop and maintain strong relationships with clients and customers across our businesses and leverage such relationships to generate business. We believe that these diversified offerings have helped us gain more visibility as a financial services organisation, and thereby improving our recall value with our client base. We are focused on risk adjusted profitable growth, superior asset quality and ROE. We believe that our client oriented approach, together with our ability to capitalize on emerging market trends, has enabled us to develop a consistently profitable and sustainable business model.

We believe that our extensive presence across the rapidly growing financial services industry in India has enabled us to sustain our businesses across different verticals. In addition, our significant experience and established corporate relationships also enables us to access specialist industry expertise to benefit our businesses. We expect our businesses to benefit from the increased activity in the Indian capital markets, growing trend of increased household savings moving towards financial assets, structural reforms being implemented in India, and industry growth across our business verticals.

Consistent track record of profitability

We believe that our diversified business model provides multiple growth opportunities and enables us to manage short-term volatility in our business cycles to ensure growth and profitability.

We believe that the diversity of our businesses, strong franchise, client segments and geographies has enabled us to ensure a stable and sustainable financial performance, reflected in our revenues and profitability. We recorded total revenue / income of ₹ 933.55 crore, ₹ 840.71 crore, ₹ 660.65 crore and ₹ 139.48 crore in Fiscal 2019, Fiscal 2020, Fiscal 2021 and for the three month period ended June 30, 2021, respectively. We recorded pre-provision (impairment on financial instrument) operating profit of ₹ 308.94 crore, ₹ 291.60 crore, ₹ 237.16 crore and ₹ 45.68 crore, in Fiscal 2019, Fiscal 2020, Fiscal 2021 and for the three month period ended June 30, 2021 respectively. We recorded profit before tax of ₹ 315.76 crore, ₹ 230.68 crore, ₹ 181.70 crore and ₹ 25.68 crore, in Fiscal 2019, Fiscal 2020, Fiscal 2021 and for the three month period ended June 30, 2021 respectively. We recorded profit after tax of ₹ 204.30 crore, ₹ 160.13 crore, ₹ 137.63 crore and ₹ 23.86 crore, in Fiscal 2019, Fiscal 2020, Fiscal 2021 and for three month period ended June 30, 2021 respectively. Our ROA was 3.07%, 2.78% (adjusted for Covid 19 related provisions 2.99%), 2.54% (adjusted for Covid 19 related provisions 3.41%) and 1.75% (adjusted for Covid 19 related provisions 1.93%) in Fiscal 2019, Fiscal 2020, Fiscal 2021 and the three months period ended June 30, 2021 (on an annualized basis), respectively. Our ROE was 13.50%, 9.80% (adjusted for COVID-19 related provisions 10.51%), 7.78% (adjusted for Covid 19 related provisions 10.44%) and 5.20% (adjusted for COVID 19 related provisions 5.73%) in Fiscal 2019, Fiscal 2020, Fiscal 2021 and the three months period ended June 30, 2021 (on an annualized basis), respectively.

Robust lending book profile and asset quality

Our activities are primarily focused on bespoke financing, real estate financing, capital markets lending, retail mortgages and financial institution financing as reflected in our aggregate loan book. Our aggregate loan book (excluding episodic financing) was ₹ 5,226.59 crore, ₹ 3,678.82 crore and ₹ 3,047.54 crore as of March 31, 2019, 2020, 2021, respectively and ₹ 3,228.11 crore as of June 30, 2021. As on June 30, 2021, we had given secured loans amounting to ₹ 4,132.01 crore (which includes episodic financing of Rs.944.84 crore) and unsecured loans amounting to ₹ 40.94 crore. As of June 30, 2021 99.02% of the loan book was secured and 0.98% of the loan book was unsecured.

We continue to manage the credit risks associated with our lending business through a diversified credit portfolio. Our loan approval and administration procedures, as well as our collection and enforcement procedures are designed to ensure consistent recovery and minimize delinquency. In particular, we have developed customized credit analysis procedures for each vertical. We analyze past financial information and the applicant's business performance to assess their ability to repay loans. In addition to document verification and credit bureau reports, we conduct site verifications, interviews, as well as market and banking reference checks on the applicant, co-

applicant and guarantor, as applicable. Other measures adopted to assess institutional borrowers include the viability of their business and financing products, the credit history of such institutions, the reputation and experience of the relevant promoters and founders of such institutions, as well as their credit, collection and other operational procedures and policies. In particular, for our developer/ real estate financing business, we endeavor to maintain our position as senior secured lender at all times, by avoiding entering into consortium arrangements. In most cases, micro market surveys are conducted and the lending is largely to residential projects and developers that are not subject to any concentration risks. We also have stringent eligibility criteria for borrowers in this segment, including having achieved certain minimum delivery records, experience, and commercial presence.

Our Gross NPAs were ₹ 3.69 crore, ₹ 4.56 crore, ₹ 57.27 crore and ₹ 55.50 crore in Fiscal 2019, Fiscal 2020, Fiscal 2021 and in the three month period ended June 30, 2021, respectively, while Net NPAs were ₹ 3.33 crore, ₹ 2.81 crore, ₹ 33.33 crore and ₹ 31.44 crore in such periods. Gross NPAs were 0.07%, 0.12%, 1.86% and 1.72% (including Episodic financing the GNPAs stood at 1.33% as of June 30, 2021) of our gross loan book as of March 31, 2019, 2020, 2021 and June 30, 2021, respectively, while Net NPAs were 0.06%, 0.08%, 1.09% and 0.98% (including episodic financing the Net NPAs stood at 0.76% as of June 30, 2021) of our gross advances as of such dates.

The following table sets forth certain key performance indicators as of the dates or for the periods indicated, as applicable:

(₹ crore, except ratios and percentages)	As at March 31, 2019	As at March 31, 2020	As at March 31, 2021	As at June 30, 2021
Loan Book:				
Bespoke financing	2,314.40	1,710.79	1,278.41	1,477.89
Real estate financing	1,758.16	1,167.33	733.13	665.34
Capital market financing	772.33	373.82	622.07	582.86
Retail mortgage financing	326.50	382.28	405.35	382.03
Financial institution financing	55.20	44.60	8.58	120.00
Total	5,226.59	3,678.82	3,047.54	3228.11
Episodic financing	-	-	33.25	944.84
Loan book (including episodic financing)	5,226.59	3,678.82	3,080.79	4,172.95
Gross non-performing assets	3.69	4.56	57.27	55.50
Gross non-performing assets as percentage of loan book (%)	0.07%	0.12%	1.86%	1.72% **
Net non-performing assets (NNPA)	3.33	2.81	33.33	31.44
Net non-performing assets as Percentage of loan book (%)	0.06%	0.08%	1.09%	0.98% **
Capital adequacy ratio (%)	25.45	31.93	34.96	33.84
Tier I ratio (%)	24.87	31.25	33.71	32.59
Debt / Equity #	2.90	2.08	1.92	1.37
Net Debt / Equity #	2.53	1.38	1.05	1.03

**After excluding episodic financing book of ₹ 944.84 crore as of June 30, 2021.

Debt excludes borrowing for episodic financing of ₹ 949.55 crore as of June 30, 2021.

Ratios ⁽¹⁾	Fiscal 2019	Fiscal 2020	Fiscal 2021	Three months ended June 30, 2021
Yield (%)	12.60%	13.29%	13.29%	13.02%
Cost of Borrowing (%)	9.00%	9.74%	9.52%	8.97%
Net Interest Margin (%)	4.60%	4.54%	5.00%	4.60%

(1) Calculated on an annualized basis and are excluding episodic financing

Diversified funding sources and strong credit profile

Our Company's funding requirements are met through credit facilities from banks, issuance of redeemable non-convertible debentures and commercial papers. We have access to funds from multiple classes of credit providers. We have accessed funds from public sector banks, private commercial banks, high net worth individuals, corporates, NBFCs, retail investors, insurance companies, employees provident fund, employees pension funds, and mutual funds. We believe that we have developed and maintained stable long term relationships with our lenders and established a track record of timely servicing of our debt obligations. We believe that our quality of

loan portfolio, stringent credit appraisal, credit rating and risk management processes allow us to borrow efficiently in the market. The following table sets forth our long term and short term borrowing profile by instrument type as of the dates indicated:

	As at March 31, 2019		As at March 31, 2020		As at March 31, 2021		As at June 30, 2021	
	Amount	Percentage of Grand Total	Amount	Percentage of Grand Total	Amount	Percentage of Grand Total	Amount	Percentage of Grand Total
	(₹ crore)	(%)	(₹ crore)	(%)	(₹ crore)	(%)	(₹ crore)	(%)
Term loans	961.18	21.25%	798.46	22.44%	244.79	6.98%	180.68	5.19%
Non-convertible debentures**	2,364.15	52.26%	2,438.48	68.54%	2,789.51	79.52%	2,000.39	57.41%
Finance lease obligation	0.32	0.01%	0.57	0.02%	0.25	0.01%	0.17	0.01%
Total	3,325.66	73.52%	3,237.51	91.00%	3,034.54	86.50%	2,181.24	62.60%
Cash credit & bank OD	47.38	1.05%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Commercial papers	1,123.23	24.83%	293.01	8.24%	446.39	12.72%	328.36	9.42%
Commercial Papers –Episodic Financing*	-		-		-		949.55	27.25%
Inter corporate deposit	27.15	0.60%	27.05	0.76%	27.12	0.77%	25.40	0.73%
Total	1,197.76	26.48%	320.04	9.00%	473.51	13.50%	1,303.30	37.40%
Grand Total	4,523.42	100.00%	3,557.57	100.00%	3,508.06	100.00%	3,484.54	100.00%

*in June 2021, excluding commercial papers for the episodic funding, long term borrowing to total borrowing ratio is 86.05% and short term is 13.95%

**Includes the NCDs issued pursuant to public issue, private placement and market linked debentures.

We believe our strong credit rating allows us to borrow funds at competitive rates from diverse sources, reflected in our reduced cost of funds. Our credit ratings have not seen any downgrade. Additionally, we are subject to capital adequacy ratio (“CAR”) and liquidity coverage ratio (“LCR”) requirements which are prescribed by the RBI. We are currently required to maintain a minimum 15.0% as prescribed under the prudential norms of the RBI under the Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 based on our total capital to risk weighted assets as part of our governance policy. We generally maintain capital adequacy higher than the statutorily prescribed CAR. As at March 31, 2021, our capital adequacy ratio, which was computed on the basis of the applicable RBI requirements, was 34.96%, as compared to the minimum capital adequacy requirement of 15.0% as stipulated by the RBI and as at June 30, 2021 CRAR was 33.84%, of which Tier I capital was 32.59%. We believe that our high capital adequacy gives us significant headroom to grow our business. Our liquidity coverage ratio stood at 131.10% as of June 30, 2021 as compared to the RBI requirement of 30%.

Long standing partnership with clients

We believe that our longstanding operations in the financial services industry in India with JM Financial, its subsidiaries and affiliates has resulted our Company as an established and reputable player in the financial services industries. We believe that our Company’s client-oriented approach has enabled it to develop strong relationships across our client base. This is attributable to our consistent liaisons with our customers, and their recognition of our constant efforts to improve and customize our services to them. We believe that the established franchise and trusted partnership with our clients has enabled us to ensure a track record of strong financial and operational performance.

We believe that our track record has helped us build a reputable franchise, owing to our commitment to quality, reliability and timeliness of services offered.

Experienced senior management team

We believe that the considerable experience of our Board and senior management team in the financial services sector is a significant competitive advantage that has enabled us to successfully diversify and grow a profitable

and sustainable business model. Mr. Vishal Kampani, Managing Director of our Company, has garnered considerable experience as a senior investment banker, and has continued to shape our businesses and focused on improving profitability while strengthening our diversified businesses. The Board is supported by a professional and experienced senior management team that has extensive experience in the banking and financial services sector, which has enabled us to develop strong relationships with our major clients and the financial industry network. Each of our businesses is supported by a dedicated team of managers with specialized professional expertise.

For further information on our management team, see “*Our Management*” on page 125 of this Shelf Prospectus.

Our Strategies

Continue to focus on risk adjusted profitability and sustainable growth

We believe there is significant growth and additional revenue opportunities in offering additional products across the financial services industry and expanding customer access to such products and services. We continue to focus on profitability as a key factor driving our business decisions. We are strategically focused on market opportunities within the financial services sector that enable us to focus on higher risk adjusted profitability. We have developed and implemented stringent credit appraisal processes and standards to manage risks associated with our operations.

Diversify our assets and liabilities

We intend to diversify our assets by strategically focusing on adjacent high growth and profitable lending businesses and further expand our lending and other businesses. We intend to continue to expand our product portfolio to address the diverse financial needs of our customers and capitalize on emerging industry opportunities. In particular, we intend to increase our focus on capital market lending, financial institution financing, bespoke finance, retail mortgage, real estate broking/consulting, institutional fixed income business. We intend to grow our housing finance business with a focus on affordable housing segment through our subsidiary, JMFHL. We expect that our diverse revenue streams will reduce our dependence on any particular vertical and spread our risk exposure.

We intend to continue to focus on developing a diversified funding model to achieve optimal cost of funds while balancing liquidity and concentration risks. As our cost of borrowings is determined by our credit ratings, financial discipline and business performance, we intend to source funding at competitive rates. In particular, with respect to our credit business, a decrease in cost of borrowings will enable us to price our products in a more competitive manner. We intend to further diversify and strengthen our profile, strategically adding additional funding resources.

Strengthen our credit profile

In order to diversify our operations and our risk profile, we intend to increasingly focus on financial institution financing, capital market financing, bespoke financing, retail mortgage and market opportunities in other businesses. Our borrowers in the capital market financing segment are largely retail and HNI customers. We also intend to further strengthen and develop our housing finance business focused on the affordable housing segment. As an integral part of our strategy to increasingly focus on the above mentioned segments, we continue to introduce measures to further improve our credit approval processes, revise our credit policies regularly to address customer requirements and market and regulatory developments, and streamline distribution channel in our capital markets lending business and be able to achieve robust asset quality. We believe that our strategic focus would enable us to diversify our risk profile, increase interest income, net interest income and fee income, improve capital utilization efficiencies, eventually may result in superior credit ratings and lower cost of funds. We also believe that expanding our customer base shall allow us to generate significant opportunities for cross selling our wider range of products and services.

Leverage wide customer base across different verticals

We continue to leverage the wide customer base of JM Financial, its subsidiaries and affiliates by cross-selling products across different business segments. We believe we can thereby provide more attractive products and services to our customers while achieving superior operating leverage. We continue to focus on leveraging our relationships and significant expertise garnered from our fund-based businesses. In order to achieve this, we intend to engage dedicated relationship managers assigned to specific corporate groups and other customers. While the

relationship managers engage with our customers to address their specific requirements, our internal products teams assist in developing customized solutions for such customers.

We continue to engage with promoters and HNIs that are associated with JM Financial, its subsidiaries and affiliates' investment banking and securities business and wealth management business to promote our lending products. Similarly, we propose to leverage our existing relationships with clients to promote our group's investment banking, securities and wealth management products. We believe that our group's extensive presence across financial services provides us with substantial opportunity to grow and synergize our businesses further. We also believe that strengthening our customer relationships across businesses and broadening our customer base will assist in improving our profitability.

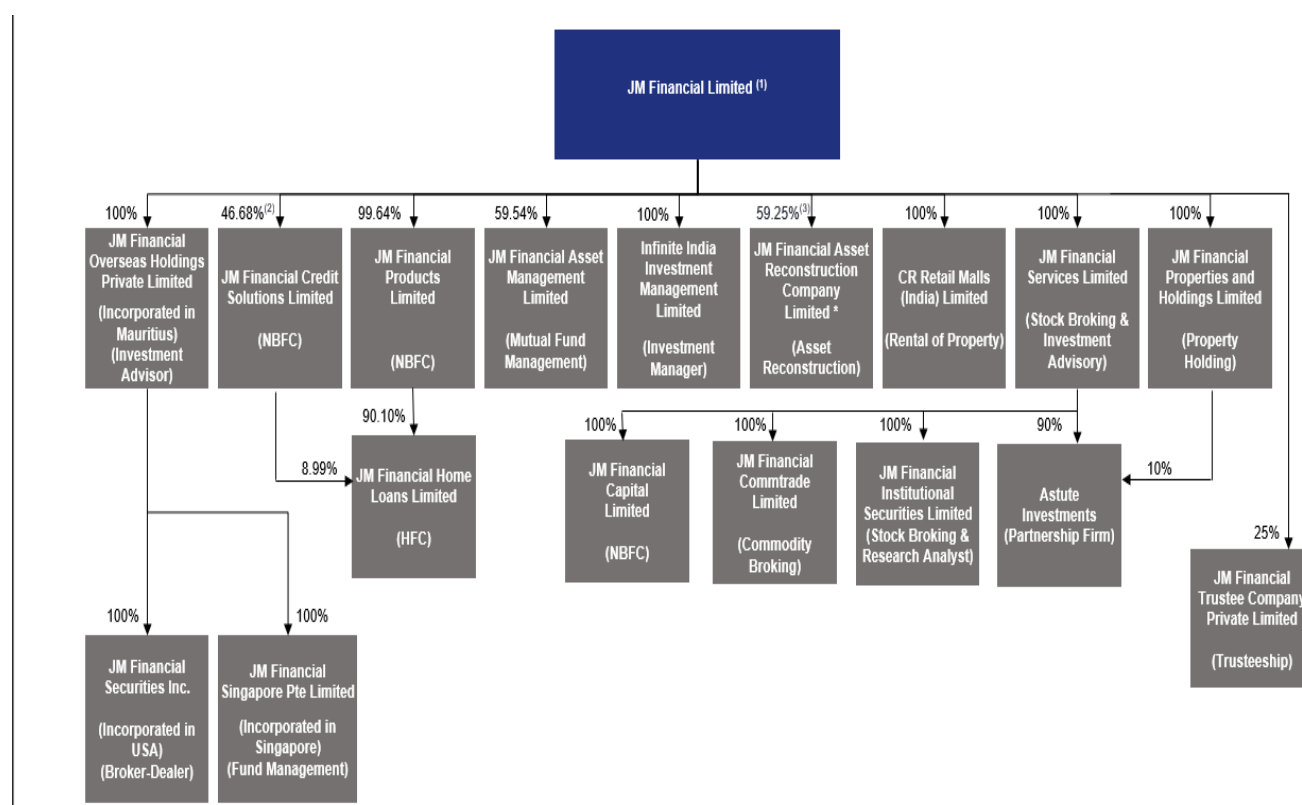
Focus on technology to manage and grow our business

As we continue to expand and scale up our existing businesses and enter into new businesses, we continue to focus on further developing and integrating technology to support growth, facilitate synergies between our businesses and thereby improve the quality of services. We are exploring the use of technology to reduce time to market and also control operating costs in the new businesses.

As our customer base increases, we will have access to an increasing amount of data. We intend to continue investing in our analytics capabilities to ensure that we are able to gain actionable insights from such data.

Corporate Structure

The chart below sets out the corporate structure as on June 30, 2021:



Includes trusts where there is a controlling interest

1. Largely Investment Bank and balance others
2. JM Financial Limited controlled entity with effective ownership of 46.68%
3. Investment in Compulsorily Convertible Debentures (CCD) not considered.

Our business verticals

Bespoke Financing

Our bespoke financing portfolio includes the following products –

Structured Lending – We offer loans to operating companies towards working capital funding, funding growth capex / inorganic expansions / acquisitions, general corporate purposes including replacement of existing secured / unsecured debt, etc. Objective of such financings is to offer flexible options in terms of tenor, repayment profile, security structure and other terms to facilitate business growth and improve liquidity position of companies. Such loans are primarily repaid from cash flows of the borrower and/or sale of assets, equity fundraising, debt refinancing etc. Each such transaction shall be bespoke and the debt package is customized to meet borrower requirements. We offer efficient financing structures to companies for short tenor structured as a bridge to IPO or private equity infusion; alternately, structured debt financing can be a medium term solution for such companies to raise capital without equity dilution.

Promoter Financing – We offer financing to promoters or their holding / investment companies against listed or unlisted equity / preference shares, mutual fund units, securities or mortgage of residential / commercial properties or other real-estate to meet their strategic requirements i.e. equity funding for acquisitions or capex, stake accretion in group companies, investments / equity infusion / on-lending in companies, buying out of other shareholders, refinancing and such other purposes as acceptable to our Company.

Acquisition Financing – We offer rupee financing solutions to companies acquiring domestic assets, where banks are restricted by regulation from providing financing for the equity investment.

Mezzanine Financing – We also offer subordinated debt or preferred equity instrument that represents a claim on a company's assets.

Debt Syndication – We also have a team which does syndication for fixed income paper.

Real Estate Financing

Our real estate financing portfolio includes the following products –

Loan against land – Our Company undertakes loans to real estate developers for acquiring land parcels or against a land parcel which may already be owned by the developer. This product is generally available to groups which are financially sound and enjoy a high credit score as per our internal rating mechanism. The repayment of such loans is expected from group cash flows or refinancing of the loan by another financial institution.

Loan against project at early stage – Our Company lends to developers against projects which currently are at land stage but are awaiting approvals. The loans are repaid through cash flows of the project to be constructed on the land funded initially.

Project Funding – We offer loans to developers against ongoing residential/commercial projects. These loans are mainly given to fund the development of the project and/or refinance the existing lender and give an additional loan for meeting project costs. The project costs also include costs to be incurred to procuring TDR or payment of premiums to get further approvals of these projects.

Loan against ready residential / commercial property – We also provide loan against mortgage of ready possession residential/commercial units in the completed projects. In such type of projects, the occupation certificate is received and there is a time lag between project completion and sales of the entire project.

Loan against shares – Our Company offers loans to real estate developers against security of listed/unlisted shares to meet the funding requirements of the group across the ongoing or upcoming projects of the group.

Capital Market Financing

Our capital market financing portfolio includes the following products –

Loans against Securities – These loans facilitate our clients to capitalize on their investments by providing liquidity against investments in shares, mutual funds, and bonds, without the need to sell such securities. The product includes a portfolio of loan against mutual funds, loan against shares, loan against securities and loan against bonds. Loans may be business loans, or loans to meet short term working capital requirements or personal obligations.

Margin Trade Financing – These loans facilitate our clients to participate and to fund their settlement obligations of the stock exchanges. This facilitates a client to make investments in equity markets without having to deploy cash collateral towards the investment. A client can also take a leveraged position on the basis of the client's existing investments. A loan is granted as a short-term working capital demand loan against an approved list of shares and mutual funds.

Arbitrage – This product enables to take the spread benefit between the cash and future and options / derivatives positions, both in equities and commodities, where the position would be hedged.

Buy now Sell later – This product is offered to take benefit from spread on gap opening.

Employee Stock Option (ESOP) Financing – ESOP funding is offered to the employees of various corporates to finance their employee stock options of the approved portfolio value, eliminating the need to arrange liquidity for this purpose while exercising ESOPs.

Broker Financing – In cases where the client is an existing stock broker, it may avail financing to meet working capital requirements against the collateral of its existing investment.

Public Offer / Episodic Financing – It enables clients to participate in an IPO/FPO of securities (equity and debt), by giving a small margin and the balance is funded by us. This facility grants leverage to the retail, HNI and non-institutional clients to apply for a larger application size in public issues and procure higher allotments. IPO/FPO financing is for extremely short tenures and is strictly advanced for the limited purpose of financing an application for an IPO subscription.

Personal Loans – This product is offered to individual categories of borrowers with or without any collateral for the purpose of individual short-term personal needs as may be acceptable to our Company including to meet their various personal expenses / cash flow requirement and his/her tax liabilities.

Retail Mortgage Financing

Our retail mortgage financing portfolio includes the following products –

Home loans and Loan against Properties: The housing finance business is focused on providing home loans to retail customers, particularly within the affordable segment. The business is relatively nascent. We also provide loan against property (LAP) primarily to customers against their residential or commercial property.

Education Institutional Lending –The education institutions lending is focused on lending to K12 schools. This loan is typically collateralized against the mortgage of immovable property in the form of equitable or registered mortgage and is governed by a credit assessment framework covering parameters important to education institution segment. The use of funds is primarily for brown field expansion and working capital purposes and/or any other specific education linked purpose as represented and found acceptable to the sanctioning authorities.

Financial Institution Financing

Under this segment, our Company offers loans to RBI registered financial institutions (NBFCs, MFIs, etc) against the receivables in their loan book. The funds are then typically used for onward lending to their respective customers, working capital requirements, refinancing and/or any other purpose as acceptable to our Company.

Institutional Fixed Income

We have recently entered into the institutional fixed income business. The focus of the business is on mobilizing debt capital for corporates by way of distribution to various investor segments, sales and distribution in secondary bond markets and credit research.

Dwello

We have ventured into the technology led real estate broking/consulting business under the brand name “Dwello” wherein we assist the buyers in various stages of the transaction. We have a presence in Mumbai and Pune. We operate primarily in the residential real estate segment and charge the developers an agreed brokerage on completion of a transaction. We have a team of real estate consultants who assist the buyers during all the stages of their real estate buying cycle including finalization of the requirements, options to conduct site inspection and getting the buyers suitable value for the properties in the primary residential real estate segment. We also intend to evaluate options to the buyers through detailed customized research reports for the buyers.

Our Subsidiary

JMFHL, the subsidiary of our Company has obtained a license to operate as a non-deposit taking housing finance company from the National Housing Bank on November 17, 2017 for its housing finance business. The focus of our housing finance business would be to provide home loans to retail customers with a focus on affordable segment. At present, we intend to engage a combination of internal and external sources to source customers for this segment. We also propose to utilize technology to improve credit approval processes and reduce cost and streamline operations. In addition to the non – housing loans, we offer customised housing loan plans to suit our customers’ needs, by reaching out to home buyers typically not served by banks and the housing finance companies. We provide secured finance primarily to individuals, partnership firms and companies for the purchase, self-construction, improvement and extension of homes, new and resalable flats, balance transfer and top up loan, commercial properties and plots. Generally, we determine the actual loan amount for each loan by taking into account various factors including the property value, repayment capacity, age, educational qualifications, stability and continuity of income, number of dependents, co-applicant’s income, assets, liabilities and historical savings habits. Loans are generally repaid in EMI. The size of the EMI depends on the quantum of loan, interest rate and tenure of loan. As of June 30, 2021, our aggregate loan book was ₹ 447.53 crore.

The following table sets forth certain information relating to the financial and operating performance indicators of JMFHL on a standalone basis:

(₹ in crore)				
Particulars	Fiscal 2019	Fiscal 2020	Fiscal 2021	As at June 30, 2021
Loan Book (Gross)	202.60	309.49	431.46	447.53
Average Ticket Size	0.12	0.12	0.11	0.11
Number of Branches	14	27	32	40
NIM	5.01%	8.42%	7.20%	7.06%

Processes

Loan Origination and Evaluation

An origination team sources potential customers. The origination team identifies and directly meets with clients for deal origination and receives preliminary information such financial statements for three years, outstanding debt, debt maturity profile, details of the business, collaterals, etc. After evaluating and clearing the information provided by the client, our origination team generates an in – principle credit memo which is referred to the credit committee of the Board. The origination team, post approval of the memo, undertakes a detailed credit assessment of the borrower along with security / collateral assessment and prepares a credit memo which captures details such as nature of the proposed facility, facility amount, interest rate, tenor, repayment mechanism, put/call option, end use of funds, etc. The risk team independently prepares a risk note on the client / project and presents it to the credit committee for further deliberation. The credit memo along with the risk note is presented to the credit committee for relevant commercial terms to be finalized.

Credit Appraisal and Loan Disbursal

We have set up a stringent credit assessment processes in order to maintain asset quality. Post receipt of the approval from our credit committee, wherever applicable, the KYC requirements are fulfilled to ensure compliance with the guidelines prescribed by RBI. Thereafter, a sanction letter or a term sheet is executed and other facility and security documents are subsequently executed by the parties. The relationship manager ensure the completion of the documentation and conditions precedent before disbursal of the loan amount. The customer is provided with the executed copy of the loan documents. Margin money and other charges are collected prior to any loan disbursements. The disbursing officer retains evidence of the applicant's acceptance of the terms and conditions of

the loan as part of the loan documentation. Prior to the loan disbursement, our officer ensures that a KYC checklist is completed by the applicant. The officer verifies the information that has been provided and includes the records in the loans file.

Loan Monitoring

We actively monitor our accounts by conducting analyst calls and quarterly performance reviews with the credit committee for each transaction, to assess compliance with covenants and examine business updates. We monitor the completeness of documentation and the creation of security through regular visits to the business outlets by our 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. Our regional directors review collections regularly and personally contact customers that have defaulted on their loan payments. Our regional directors are assisted by our officers who are also responsible for the collection of instalments from each customer that are serviced by them. We also review sector reports and track borrower peers to understand the relative performance of such borrower. This is supported by tracking the share price movement, value of the collateral and initiating top-ups if required. We also use research reports and track developments in relevant ratings. We believe that our close monitoring of debt servicing enables us to maintain high recovery ratios and maintain satisfactory asset quality.

Closure of Loan

On the final repayment of the loan amount, our team ensures that all the components of the loan are received from the client.

Key Performance Indicators

The following tables set forth certain information relating to the financial performance and key performance indicators on a standalone basis:

Parameters	March 31, 2019	March 31, 2020	March 31, 2021	June 30, 2021
Balance sheet				
Net Fixed assets	8.14	86.48	73.17	69.97
Current assets	2,753.53	3,012.24	3,720.74	3,578.88
Non-current assets	3,359.02	2,284.45	1,660.32	1,833.96
Total assets	6,120.69	5,383.16	5,454.23	5,482.81
Non-Current Liabilities				
Non -Current Liabilities (including maturities of long-term borrowings and short-term borrowings)	2,395.88	1,851.14	2,035.79	1,361.13
Financial trade payables, and other financial liabilities)	-	76.24	73.17	67.55
Provisions	1.46	2.04	2.15	2.66
Deferred tax liabilities (net)	-	-	-	-
Other non-current liabilities	0.71	1.75	2.10	2.07
Equity (equity and other equity)	1,560.25	1,707.27	1,828.77	1,852.68
Current Liabilities (Including maturities of Long term borrowings)	2,127.54	1,706.43	1,472.27	2,123.41
Financial (trade payables, and other financial liabilities)	25.88	30.27	33.88	0.12
Provisions	1.85	1.92	1.76	1.97
Current tax liabilities (net)	0.31	2.79	0.93	7.35
Other current liabilities	6.80	3.32	3.41	63.86
Total equity and liabilities	6,120.69	5,383.16	5,454.23	5,482.81
Profit and Loss				
Total revenue	933.55	840.71	660.65	139.48
From operations	933.20	837.45	657.53	138.27
Other income	0.35	3.26	3.12	1.21
Total Expenses	617.79	610.03	478.95	113.80
Total comprehensive income	204.40	160.15	137.83	23.91
Profit / loss				
Other comprehensive income	0.10	0.02	0.20	0.05

Parameters	March 31, 2019	March 31, 2020	March 31, 2021	June 30, 2021
Profit / loss after tax	204.30	160.13	137.63	23.86
Earnings per equity share:				
Continuing Operations				
(a) Basic	3.75	2.94	2.53	0.44
(b) Diluted	3.75	2.94	2.53	0.44
Discontinued operations				
(a) Basic	-	-	-	-
(b) Diluted	-	-	-	-
Total Continuing and discontinued operations				
(a) Basic	3.75	2.94	2.53	0.44
(b) Diluted	3.75	2.94	2.53	0.44
Cash Flow				
Net cash generated from operating activities	1,664.30	2,111.33	714.08	-*
Net cash used in from investing activities	(432.38)	(726.36)	(189.45)	-*
Net cash used in financing activities	(1,285.29)	(1,480.71)	(398.41)	-*
Cash and cash equivalents	142.38	46.64	172.86	4.53
Balance as per statement of cash flows	142.38	46.64	172.86	-
Additional information				
Total equity (net worth)	1,560.25	1,707.27	1,828.77	1,852.68
Cash and Cash Equivalents	142.38	46.64	172.86	4.53
Current Investments	379.86	1,167.41	1,368.34	525.32
Assets Under Management (Gross) (including episodic financing)	5,226.59	3,678.82	3,080.79	4,172.95
Off Balance Sheet Assets	-	-	-	-
Total Debts to Total assets	73.90%	66.09%	64.32%	63.55%
Interest Income	853.70	701.75	513.04	105.96
Finance cost	521.96	453.17	323.27	70.84
Interest service coverage ratio	1.60	1.51	1.56	1.36
Provisioning & Write-offs	(5.00)	60.92	57.28	20.00
A) Impairment on financial instrument	(6.82)	60.92	55.46	20.00
B) Write-offs	1.82	-	1.82	-
Bad debts to Account receivable ratio	0.03%	-	0.06%	-
Gross NPA (%) (excluding episodic financing)	0.07%	0.12%	1.86%	1.72% ^{\$}
Net NPA (%) (excluding episodic financing)	0.06%	0.08%	1.09%	0.98% ^{\$}
Tier I Capital Adequacy Ratio (%)	24.87%	31.25%	33.71%	32.59%
Tier II Capital Adequacy Ratio (%)	0.58%	0.68%	1.25%	1.25%

^{\$} after excluding episodic financing of ₹ 944.84 Crore as of June 30, 201, with episodic financing GNPA 1.33% & NNPA 0.76%)

*Cash flow not required to be prepared for the quarter ended June 30, 2021.

The following tables set forth certain information relating to the financial performance and key performance indicators on a consolidated basis**:

Parameters	March 31, 2019	March 31, 2020	March 31, 2021
Balance Sheet			
Net Fixed assets	12.71	94.85	80.54
Current assets	2,766.59	3,035.19	3,826.69
Non-current assets (Excluding Net Fixed Assets)	3,434.99	2,426.50	1,902.46
Total assets	6,214.29	5,556.54	5,890.69
Non-Current Liabilities			
Non -Current Liabilities (including maturities of long-term borrowings and short-term borrowings)	2,420.39	1,954.49	2,266.37
Financial (Trade payables, and other financial liabilities)	-	1.75	2.10
Provisions	1.60	2.55	2.81
Deferred tax liabilities (net)	-	-	-
Other non-current liabilities	1.07	81.14	75.91
Equity (equity and other equity and non-controlling interest)	1,553.24	1,699.72	1,870.43

Parameters	March 31, 2019	March 31, 2020	March 31, 2021
Current Liabilities (Including maturities of Long term borrowings)	2,199.63	1,772.95	1,542.74
Financial (Trade payables, and other financial liabilities)	28.71	34.93	42.06
Provisions	2.17	2.54	2.17
Current tax liabilities (net)	0.31	2.79	0.93
Other current liabilities	7.15	3.68	4.16
Total equity and liabilities	6,214.29	5,556.54	5,809.68
Profit and Loss			
Total revenue	944.82	882.50	713.33
From operations	942.98	875.59	706.89
Other income	1.84	6.91	6.44
Total Expenses	635.66	653.36	531.12
Total comprehensive income	197.80	159.31	137.03
Profit / loss			
Other comprehensive income	0.09	-0.10	0.36
Profit / loss after tax	197.70	159.41	136.67
Earnings per equity share:			
Continuing Operations			
(a) Basic	3.63	2.93	2.51
(b) Diluted	3.63	2.93	2.51
Discontinued operations			
(a) Basic	-	-	-
(b) Diluted	-	-	-
Total Continuing and discontinued operations			
(a) Basic	3.63	2.93	2.51
(b) Diluted	3.63	2.93	2.51
Cash Flow			
Net cash generated from operating activities	1,478.28	2,017.59	608.47
Net cash used in investing activities	(348.45)	(698.07)	(192.47)
Net cash used in financing activities	(1,191.15)	(1,408.39)	(221.83)
Cash and cash equivalents	147.02	58.15	252.32
Balance as per statement of cash flows	147.02	58.15	252.32
Additional information			
Equitable attributable to owners (net worth)	1,552.04	1,698.23	1,850.41
Non-Controlling Interest	1.20	1.49	20.01
Cash and Cash Equivalents	147.02	58.15	252.32
Current Investments	379.86	1,167.41	1,368.34
Loan book	5,429.33	3,987.85	3,510.66
Off Balance Sheet Assets	-	-	-
Total Debts to Total assets	74.35%	67.08%	65.57%
Interest Income	862.11	738.09	560.94
Finance Cost	524.82	466.40	341.76
Interest service coverage ratio	1.59	1.49	1.53
Provisioning & Write-offs	-3.72	63.30	63.29
A) Impairment on financial instrument	-5.54	63.30	61.47
B) Write-offs	1.82	-	1.82
Bad debts to Account receivable ratio	0.03%	0.00%	0.05%

Asset and Liability Management

Our business requires significant working capital and, accordingly, our liquidity management is a critical function. We have adopted the asset management liability policy to ensure prudent management of assets and liabilities for our Company. We monitor our asset liability through an asset liability management committee at entity level. Our asset liability is monitored on a daily basis by the management team to track our inflows and outflows. Since we have a mixed lending portfolio comprising short-term and long-term loans, we make efforts to match the maturity of liabilities with the maturity of assets. For this purpose, we undertake entity level asset liability management function periodically. The group level asset liability management committee meets on a weekly basis to review

liquidity reports and monitor our asset liability. We also focus on enterprise-wide risk management to ensure optimum returns and capital preservation.

For details in relation to the NBFC-related disclosures as required in the SEBI NCS Regulations, for Fiscal 2021, please see “*Other Regulatory and Statutory Disclosures*” on page 311 of this Shelf Prospectus.

Capital Adequacy Ratio

We are subject to the capital adequacy requirements of the RBI. As per the RBI regulations, we are required to maintain a capital adequacy ratio of minimum 15% of which Tier I capital should be minimum of 12%. The following table sets out the capital adequacy ratios on a standalone basis, as of the dates indicated:

	Fiscal 2019	Fiscal 2020	Fiscal 2021	June 30, 2021
Tier I Capital	1,482.50	1,658.63	1,768.42	1,772.89
Tier II Capital	34.36	36.35	65.57	68.07
Total Capital	1,516.86	1,694.98	1,833.99	1,840.96
Total Risk Weighted Assets	5,961.92	5,307.07	5,245.73	5,440.77
Capital Adequacy Ratio (as a Percentage of Total Risk Weighted Assets (%))				
Tier I Capital	24.87%	31.25%	33.71%	32.59%
Tier II Capital	0.58%	0.68%	1.25%	1.25%
Total Capital	25.45%	31.93%	34.96%	33.84%

Our Credit Ratings

Our present credit ratings are set forth below:

Agency	Instrument	Rating
ICRA	Long term Market Linked Debentures (Principal Protected)	PP-MLD [ICRA]AA (Stable)
	Long -term Bank Lines	[ICRA] AA (Stable)
	Commercial Paper (CP) Programme	[ICRA] A1+
	Non – convertible debentures	[ICRA] AA /Stable
CRISIL	Total Bank Loan Facilities	CRISIL AA / Stable
	Non – convertible debentures	CRISIL AA / Stable
	Commercial Paper	CRISIL A1+

Risk Management

Risk management forms an integral part of our business operations and monitoring activities. We are exposed to various risks related to our businesses and operating environment. Our objective is to evaluate and monitor various risks that we are subject to and follow stringent policies and procedures to address these risks. Our Risk Management Committee assists the Board in addressing various risks and discharging duties relating to corporate accountability. We have formulated comprehensive risk management policies and processes to identify, evaluate and manage risks that are encountered during conduct of business activities in an effective manner. A documented, systematic assessment of processes and outcomes surrounding key risks including internal control is undertaken periodically. The Board reviews the effectiveness of risk management systems in place and ensures that they are effectively managed. Additionally, independent internal audit firms are appointed to review and report on the business processes and policies in all operating companies. Reports of internal auditors are reviewed and discussed by the Audit Committee. Further, observations made by external and regulatory agencies are also addressed and complied with.

The major risks we face in our businesses are credit risk, market risks, liquidity risk, operational risk, regulatory and compliance risk and business and continuity risk. Set forth below is certain information on the management of these risks:

Credit Risk: 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. Credit risk is governed by our Loan Policy which outlines the type of products that can be offered, customer categories, the targeted customer profile and the credit approval process and limits. We measure, monitor and manage credit risk

at an individual borrower level and at our Company exposure level for borrowers. We have a comprehensive credit risk assessment procedure, which involves 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 or early delinquency cases. Credit approvers and relationship managers are responsible for ensuring adherence to these policies. In the case of demand / call loans the loans are a credit facility and can be recalled at any time. The credit team carries out a credit assessment of a borrower based on financial credentials of the borrower and requests for documents such as net worth/ bank statements/ income tax returns/ balance sheet, investment statements and any other documents they may require. Considering the nature of the security (collateral) backed lending business, as the value of security available may fluctuate impacting the margin coverage for a borrower, a few measures are taken to mitigate the risk of possible default by a borrower. These measures include, maintenance of sufficient margin coverage, liquidating security and timely collection of outstanding interest on the loans. Further, there is a systematic credit evaluation process monitoring the performance of asset portfolio on a regular and continual basis to detect any material development, and constantly evaluate the changes and developments in sectors in which we have substantial exposure. We also undertake periodic review of asset portfolio with a view to determine the portfolio valuation, identify potential areas of action and devise appropriate strategies thereon.

Market Risk: Our activities primarily expose us to currency, equity price and interest rate risks.

Currency Risk: We may undertake transactions denominated in foreign currencies and are therefore exposed to exchange rate fluctuations. In particular, our exposure is on account of trade payables are denominated in foreign currency. In addition, our functional currency is Indian Rupee.

Equity Price Risk: Equity price risk is related to the change in market reference price of certain equity instruments. The fair value of some of our investments exposes us to equity price risks. Typically, these securities are not held for trading purposes.

Liquidity Risk: Liquidity risk is the risk that we will encounter difficulty in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Liquidity may be affected due to severe liquidity shortage in the market or due to market disruptions where we are unable to access public funds. Our exposure to liquidity risk arises primarily from mismatch of maturities of financial assets and liabilities. 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. We attempt to minimize this risk through a mix of strategies such as short-term funding, maintaining liquidity on the balance sheet and having undrawn credit lines.

Interest Rate Risk: We are subject to interest rate risk, principally because we also lend to customers at fixed interest rates (in addition to lending to customers on a floating rate basis) and for periods that may differ from our funding sources, which bear fixed and floating rates and are from banks and issuing debt. 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. We assess and manage interest rate risk on balance sheet by managing assets and liabilities in line with Asset Liability Management Policy.

Assets and liabilities are categorized into various time buckets based on their maturities and re-pricing options. Efforts are made and action plans are drawn to ensure minimum mismatch in each of the time buckets in line with guidelines prescribed by the RBI.

Operational Risk: Our businesses are dependent on people and processes. Shortcomings or failure in internal processes or systems may have material adverse impact on our financial position as well as affect our operations. We have well-defined policies, operational processes and systems for our operations. Regular audits are done by independent internal auditors to monitor adherence of policies and processes. We also undertake regular systems audit by external audit firms.

Reputation Risk: We conduct our business with diligence keeping in mind the stakeholders and their needs. Adequate training is provided to employees to conduct their activities with utmost care and diligence keeping in mind the status of our Company.

Regulatory and Compliance Risk: We may be faced with risks resulting from changes in laws and regulations governing our business including on account of our inability to adequately address regulatory requirements or

from differences in interpretation of regulations vis-à-vis that of regulators. This risk is further enhanced as we expand into newer geographies and compliance with multiple regulations and regulatory requirements of various jurisdictions may be challenging.

We have a team of experienced professionals which takes care of compliance with applicable laws, rules, regulations and guidelines effecting our businesses. We also take external advices and appoint qualified professionals in respective functions across various offices.

Business and Continuity Risk: In the event of disruption in the conduct of business due to incidents like fire, natural calamity, breakdown of infrastructure, acts of terrorism etc. we are exposed to the risk of loss of data, clients and/or business that can adversely affect our financial results. We have in place Business Continuity Plan (“BCP”) to mitigate the impact of any such exigencies. We continuously test check the processes laid out under the BCP and review the same. The records with respect to critical and confidential data are preserved and are secured.

Technology Risk: In the event of disruption in the business due to technology failure we are exposed to data leakage and unauthorized access to our Company’s information. We have implemented certain processes, systems and tools for monitoring and detection of unusual activity with the security operations centre such as restrictions of tools access, mobile device management and secured internet access along with the user awareness programme.

Covid-19 pandemic risk: We assess financial risks and vulnerabilities related to COVID-19 on an ongoing basis. We are examining the potential financial stability risks that may lie ahead as the impact of COVID-19 on the economy unfolds. Going forward, we intend to monitor the resilience of the critical financial nodes so as to identify any emerging issues in a timely manner. We also intend to identify and assess in a forward-looking manner the specific vulnerabilities that may materialise during this major global economic downturn.

From a medium-term perspective, we intend to examine how likely far-reaching changes in the financial system associated with the COVID-19 crisis may affect the nature of financial stability risks. We will focus on monitoring current risks to financial stability, and in particular the impact of COVID-19 on the resilience of the financial system.

Risk Management Architecture

In order to address the risks that are inherent to our business, we have developed a risk management architecture that includes monitoring by our Board through the audit committee, the asset liability committee and the risk management committee.

Audit Committee

Our audit committee acts as a link between the statutory and internal auditors and our Board. It is authorised to select and establish accounting policies, review reports of the statutory and the internal auditors and meet with them to discuss their findings, suggestions and other related matters. Our audit committee has access to all information it requires from our Company and can obtain external professional advice whenever required.

Asset Liability Management Committee

The Asset Liability Management Committee (“ALCO”) is a decision-making unit responsible for balance sheet planning from risk return perspective which includes the consideration of future interest rate parameters. ALCO also review the progress in implementation of its decision made in the previous meetings and takes corrective actions, if required under the current scenario.

As per RBI guidelines on Liquidity Risk Management Framework dated November 4, 2019, the Board has also constituted Asset Liability Management (ALM) Support Group. The members of ALM Support Group include chief financial officer, company secretary, chief risk officer, business heads, members of borrowing team and controller team. The terms of reference of ALM Support Group inter alia, include to analyse, monitor and report the liquidity risk profile to ALCO.

Risk Management Committee

Our risk management committee manages the integrated risk, informs our Board about the progress made in implementing a risk management system and periodically reviews the risk management policy followed by our Company.

Marketing, Sales and Customer Support

While majority of our businesses depend on synergies with our other businesses to seek cross-selling opportunities, our customer origination initiatives involve our sales team and marketing campaigns. We also leverage our corporate relationships through referrals and other cross-selling initiatives. We constantly strive to service our clients by understanding their requirements and aligning our capabilities to meet emerging market trends. We have implemented customer-oriented practices including extended-hours of customer service as may be required.

Information Technology

Our technology infrastructure is critical to our businesses. We believe in leveraging technology to provide a strategic competitive advantage, to improve productivity and performance, to manage risk, to develop new businesses and to provide customers with a better experience. Over the years, we have constantly invested in building and upgrading our technological infrastructure. We believe that we have leveraged technology effectively to enable growth, build risk management and provide enhanced customer experience. We seek to leverage technology solutions that drive the growth of our businesses.

Competition

The financial services industry is highly competitive and we expect competition to intensify in the future. Each of our key businesses competes on the basis of a number of key factors. Competitors in our credit business include established Indian and foreign commercial banks, other NBFCs, housing finance companies and small finance banks, who principally operate in the local market. We may also face competition from unorganized small market participants who are prevalent in semi-urban and rural landscapes, local money lenders in rural areas, which are also focused on lending to underserved segments and micro, small and medium enterprises. In particular, many of our competitors may have operational advantages in terms of access to cost-effective sources of funding and in implementing new technologies and rationalizing related operational costs.

Intellectual Property

We have registered the trademark 'Dwello' for our real estate consulting business with the trademarks registry, Mumbai.

Insurance

We are covered under various types of insurance covers that are customary for companies operating in similar businesses. These include insurance coverage against losses occasioned by fire, burglary for the premises and equipment and electronic appliances in our offices. Fidelity guarantee policy that covers certain employees and money insurance policy in respect of cash-in-safe and in-transit. For certain risks relating to our insurance coverage, see '*Risk Factors – Our insurance coverage could prove inadequate to satisfy potential claims and our insurance policies may not protect us against all potential losses, which could adversely affect our business and results of operations*' on page 34 of this Shelf Prospectus.

Human Resources

We believe that talent is our most valuable asset and that our success lies in the quality of our people, their competencies and their commitment towards attaining the organizational goals. Building and developing our talent pool is our key priority and we strive to create work environment that encourages continuous development on both fronts, behavioral as well as technical.

The employees are encouraged to attend relevant workshops and knowledge sessions, which are coordinated by the human resources function. We also focus on technical training for our employees such as credit risk modelling, financial modelling and finance training for employees with a non-finance background. The human resources function is also responsible for building the human resources strategy of our Group. Further, the heads in the

human resources are responsible for individual business units and support employee engagement, talent management, data analysis, employee relations and guidance, performance management, compensation and benefits and learning and development effort. Our human resources team is primarily responsible for activities such as talent and performance management, employee engagements, learning and training initiatives, compensation and benefit programs and implementing workforce diversity. As of June 30, 2021, we had 253 employees across our business verticals.

Corporate Social Responsibility

Our Company has adopted a corporate social responsibility (“**CSR**”) policy in accordance with Section 135 of the Companies Act, 2013. The CSR policy of our Company lists out the activities that can be undertaken or supported by our Company within the applicable provisions of the Companies Act, 2013. Our CSR is executed through the JM Financial Foundation, our CSR arm established in 2001 in response to the devastating Gujarat earthquake and is focused on promoting education, livelihood enhancement in rural areas, empowering women and rural development with focus on aspirational districts.

Properties

Our registered office located at 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025 has been leased by us for a period of 5 years from October 1, 2017. As of June 30, 2021, we have presence in Mumbai, Pune, Delhi, Kolkata, Bengaluru and Ahmedabad, most of which are contracted on a leasehold basis.

HISTORY AND OTHER CORPORATE MATTERS

Brief background of our Company

Our Company was originally incorporated on July 10, 1984 in Mumbai, Maharashtra as a private limited company under the provisions of the Companies Act, 1956, with registration number 33397 of 1984 and with the name "**J.M. Lease Consultants Private Limited**". By virtue of section 43A of the Companies Act, 1956, our Company became a deemed public company with the name "**J.M Lease Consultants Limited**" and received a certificate of incorporation dated July 15, 1992 from the Registrar of Companies, Mumbai, Maharashtra. Our Company further became a private company with effect from August 17, 2001. Subsequently, by way of a fresh certificate of incorporation dated June 10, 2005 issued by the Registrar of Companies, Mumbai, Maharashtra, our Company's name was changed to "**JM Financial Products Private Limited**". Our Company was converted into a public limited company with the name "**JM Financial Products Limited**" and received a fresh certificate of incorporation consequent to change in status on June 28, 2010 from the Registrar of Companies, Mumbai, Maharashtra. Our Company is a Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC-ND-SI), registered with the Reserve Bank of India under Section 45 IA of the RBI Act, 1934, bearing registration no. B - 13.00178 dated March 2, 1998. For further details regarding changes to the name and registered office of our Company, see this section of this Shelf Prospectus. For further details regarding the Promoter and the Group Companies, see "*Our Promoter*" on page 133 of this Shelf Prospectus.

Registered Office and change in Registered Office of our Company

The Registered Office of our Company is currently located at 7th Floor, Cnergy, Appasaheb Marathe Marg Prabhadevi, Mumbai, Maharashtra 400 025, India.

Effective Date of Change	Details of change in the address of the Registered Office	Reasons for change in the address of the Registered Office
March 22, 1991	The registered office of our Company was changed from 112, Jolly Maker Chamber No. 2, Nariman Point, Mumbai, Maharashtra 400 021, India to 141, Maker Chambers III, Nariman Point, Mumbai, Maharashtra 400 021, India.	For operational and administrative convenience
September 02, 2013.	The registered office of our Company was changed from 141, Maker Chambers III, Nariman Point, Mumbai, Maharashtra 400 021, India to 7 th Floor, Cnergy, Appasaheb Marathe Marg Prabhadevi, Mumbai, Maharashtra 400 025, India.	

Amalgamation or acquisition undertaken by our Company in the last one year

There have been no amalgamations or acquisitions undertaken by our Company in the last one year, preceding the date of this Shelf Prospectus.

Details of any Reorganization or Reconstruction in the last one year

We confirm that our Company has not undergone or been part of any reorganisation or reconstruction in the last one year.

Key events, milestones and achievements

Fiscal Year	Particulars
1984-1985	Our Company was incorporated as a private limited company under the name J.M. Lease Consultants Private Limited
1992-1993	Our Company became a deemed public company with the name J.M Lease Consultants Limited
1997-1998	Our Company registered with the RBI to carry on business of a non-banking financial institution without accepting public deposits
2005-2006	The name of our Company was changed to JM Financial Products Private Limited
2010-2011	Our Company was converted into a public limited company and consequent to change in status, received a fresh certificate of incorporation with the name JM Financial Products Limited
2015-2016	JM Financial Services Limited ceased to be a subsidiary of our Company on account of the transfer of 4,55,00,000 equity shares of face value of ₹ 10 each of JM Financial Services Limited to JM Financial Limited.

Fiscal Year	Particulars
	Long term credit rating of our Company was upgraded to AA stable in 2015 by CRISIL Ratings Limited.
2016-2017	Our Company incorporated JMFHL, a wholly owned subsidiary to carry on the business of housing finance institution JMFHL made an application to the National Housing Bank to obtain a certificate of registration to commence the business of housing finance institution Our Company obtained an ICRA A1+ rating on commercial paper programme; ICRA AA/Stable PP-MLD ICRA AA/Stable on non-convertible debentures and ICRA AA/Stable on banks lines
2017-2018	JMFHL obtained a certificate of registration to commence the business of a housing finance institution without accepting public deposits, subject to certain conditions by the National Housing Bank, under Section 29A of the National Housing Bank Act, 1987 Our Company obtained a certificate of registration with the Maharashtra Real Estate Regulatory Authority for conducting real estate broking business under the brand name “Dwello” to cater primarily to residential real estate home buyers
2019-2020	Our Company made its Maiden Public Issue of Non-Convertible Debentures. Our Company Commenced Institutional Fixed Income Business.

Main objects of our Company

The main objects of our Company as contained in our Memorandum of Association are:

- To render consultancy services on all lease transactions and related matters to both lesser and lessees, including preparation of feasibility reports for new leasing companies, preparing schedule of lease rentals for various assets, both movable and immovable, locating suitable lessees for lessors and vice versa, management of leasing companies, recruitment of managerial personnel, arranging for loans and facilities from banks and other sources, assisting leasing companies, to raise funds from the capital market and the public and generally to render consultancy services for all areas of operations of leasing companies and leasing activities.
- To carry on the business of financing and advancing short-term and long-term loans and credits to individuals, companies, body corporates or association of individuals by whatever name called, whether with or without security and to lend and advance moneys, or give credit to such other person or persons as may seem expedient, and to the customers and others having dealings with the Company, or on the way to guarantee the performance of any contract or obligation and the payment of money of or by any persons or companies or make investments in securities, derivatives and all such types of financial securities recognized as legally tradable securities and generally to give guarantees and indemnities and to receive money or deposit or loan and borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of debentures (perpetual or otherwise) and to secure the repayment of any moneys borrowed, raised or owing by mortgage, charge or lien upon and or any of the property or assets of the Company (both present and future), including its uncalled capital, and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other persons or company of any obligation undertaken by the Company or any other person or company, as the case may be, subject to the provisions of Section 58A of the Companies Act, 1956 and directives of Reserve Bank of India.
- To carry on in India or outside India the business of a hire purchase, leasing, factoring investment and finance company and to purchase or otherwise acquire in order to provide on hire purchase or on lease basis every kind of industrial, household or office plant, equipment, machinery, instruments, appliances, apparatus or accessories, or goods or articles of all and every kind or description, buildings, premises or other real estate or immovable property, factories or industrial establishments required for or in connection with industrial, manufacturing, processing, trading, commercial, agricultural, transport of servicing or other business, activities or operations of every kind and description and to import, export, buy, sell, barter, exchange, pledge, make advance upon, supply or otherwise deal in goods, produce, articles and merchandise.
- To provide advisory, syndication or consultancy services to persons including individuals, firms, institutions, trusts, societies, government or quasi – government agencies, body(ies) corporate whether within or outside India in respect of any business or businesses and to provide financial or project related services including for debt / equity or other capital restructuring, in respect of issue of various securities and for loans, guarantees, other financial or credit facilities and related ancillary activities.

Key terms of our Material Agreements

Our Company has not entered into any material agreement other than in the ordinary course of business in the previous two years.

Subsidiaries or associate companies

As on the date of this Shelf Prospectus, our Company has one subsidiary *i.e.* JM Financial Home Loans Limited (in which our Company holds 90.10% shareholding) and no associate company.

REGULATIONS AND POLICIES

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to our Company. Taxation statutes such as the IT Act and applicable tax statutes apply to us as they do to any other Indian company and therefore have not been detailed below. The information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The following information is based on the current provisions of applicable Indian law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Our Company is a systemically important NBFC which does not accept public deposits. As such, our business activities are regulated by RBI regulations applicable to a Systemically Important Non – Deposit taking Non – Banking Financial Company (“**NBFC-ND-SI**”).

Following are the significant regulations that affect our operations:

I. NBFC regulations

The Reserve Bank of India Act

The RBI regulates and supervises activities of NBFCs. Chapter III B of the Reserve Bank of India Act, 1934 (“**RBI Act**”) empowers the RBI to regulate and supervise the activities of all NBFCs in India. The RBI Act defines an NBFC under Section 45-I (f) as:

- (i) *“a financial institution which is a company;*
- (ii) *a non-banking institution which is a company and which has as its principal business the receiving of deposits, under any scheme or arrangement or in any other manner, or lending in any manner;*
- (iii) *such other non-banking institution or class of such institutions as the RBI may, with the previous approval of the Central Government and by notification in the Official Gazette, specify.”*

Section 45-I(c) of the RBI Act, further defines “financial institution” to mean any non-banking institution which, among other things, carries on the business or part of its business of making loans or advances and the acquisition of shares, stock, bonds, debentures or securities issued by a Government or local authority or other marketable securities of a like nature.

The RBI has clarified through a press release (Ref. No. 1998-99/ 1269) dated April 08, 1999, that in order to identify a particular company as an NBFC, it will consider both the assets and the income pattern as evidenced from the last audited balance sheet of the company to decide its principal business. The company will be treated as an NBFC if (a) its financial assets are more than 50 per cent of its total assets (netted off by intangible assets); and (b) income from financial assets should be more than 50 per cent of the gross income. Both these tests are required to be satisfied as the determinant factor for principal business of a company.

The RBI Act mandates that no NBFC shall commence or carry on the business of a non-banking financial institution without obtaining a certificate of registration. In terms of notification No. DNBS.132/CGM(VSNM)-99 dated April 20, 1999 the minimum net owned fund for a company applying for such certificate of registration was ₹ 20,000,000, however the minimum net owned fund prescribed for companies already in existence prior to the notification was retained at ₹ 2,500,000. Further, the RBI has mandated that all NBFCs shall attain a minimum net owned fund of ₹ 20,000,000 by March 31, 2017, as per the following milestones: (i) ₹ 10,000,000 by March 31, 2016 and (ii) ₹ 20,000,000 by the end of March 31, 2017. NBFCs failing to maintain such net owned fund in the prescribed time shall not be entitled to hold a certificate of registration as an NBFC.

Under Section 45 – IC of the RBI Act, every NBFC must create a reserve fund and transfer thereto a sum not less than 20 per cent of its net profit every year, as disclosed in the statement of profit and loss account and before any dividend is declared. Such a fund is to be created by every NBFC irrespective of whether it is a ND-NBFC or not. Further, no appropriation can be made from the fund for any purpose by the NBFC except for the purposes specified by the RBI from time to time and every such appropriation shall be reported to the RBI within 21 days from the date of such appropriation.

RBI Master Direction DNBR.PD.008/03.10.119/2016-17 on Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

All ND-NBFCs with an asset size of ₹ 10,000 lakh or more as per the last audited balance sheet will be considered as a systemically important ND-NBFC (NBFC – ND - SI). RBI by a notification dated June 04, 2009 had clarified that once an NBFC reaches an asset size of ₹ 10,000 lakh, or above, it shall come under the regulatory requirement as a NBFC-ND-SI, despite not having such assets on the date of the last balance sheet. The RBI in its notification (RBI/2014-15/299 DNBR (PD) CC.No.002/03.10.001/2014-15) dated November 10, 2014 revised the threshold for defining systemic significance for NBFCs-ND in the light of the overall increase in the growth of the NBFC sector. As per the said Circular, NBFCs-ND -SI would be those NBFCs-ND which have asset size of ₹ 50,000 lakh and above as per the last audited balance sheet. Moreover, pursuant to this amendment, all NBFCs- ND with assets of ₹ 50,000 lakh and above, irrespective of whether they have accessed public funds or not, shall comply with prudential regulations as applicable to NBFCs-ND -SI. NBFCs- ND -SI are required to comply with conduct of business regulations if customer interface exists.

All systemically important NBFCs are required to maintain a minimum CRAR of 15%.

Rating of NBFCs

The RBI has instructed that all NBFCs with an asset size of ₹ 50,000 lakh shall furnish information about downgrading or upgrading of the assigned rating of any financial product issued by them within 15 days of a change in rating.

RBI Notification No. DBR.No.BP.BC.37/21.04.048/2016-17 dated November 21, 2016 on Prudential Norms

Master Directions-Non-Banking Financial Company Systemically Important Non Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended (the “**Prudential Norms**”), amongst other requirements prescribe guidelines on NBFCs-ND-SI regarding income recognition, asset classification, provisioning requirements, constitution of audit committee, capital adequacy requirements, concentration of credit/investment and norms relating to infrastructure loans.

RBI Notification No. DBR.BP.BC.No.63/21.04.018/2016-17 on Disclosure in the “Notes to Accounts” to the Financial Statements- Divergence in the asset classification and provisioning

A NBFC-ND, after taking into account the time lag between an account becoming non-performing, its recognition, the realization of the security and erosion overtime in the value of the security charged, shall make provisions against standard assets, sub-standard assets, doubtful assets and loss assets in the manner provided for in the Prudential Norms. In the interests of counter cyclicalities and so as to ensure that NBFCs create a financial buffer to protect them from the effect of economic downturns, RBI vide their circular no. DNBS.PD.CC. No.207/03.02.002 /2010-11 dated January 17, 2011, introduced provisioning for Standard Assets by all NBFCs. NBFCs are required to make a general provision at 0.25% of the outstanding standard assets. RBI vide their circular no. DNBR (PD) CC No. 037/03.01.001/2014-15 dated June 11, 2015 raised the provision for standard assets to 0.40% to be met by March 2018. The provisions on standard assets are not reckoned for arriving at net NPAs. The provisions towards Standard Assets are not needed to be netted from gross advances but shown separately as ‘Contingent Provisions against Standard Assets’ in the balance sheet. NBFCs are allowed to include the ‘General Provisions on Standard Assets’ in Tier II capital which together with other ‘general provisions/ loss reserves’ will be admitted as Tier II capital only up to a maximum of 1.25% of the total risk-weighted assets.

RBI Master Circular No. DBR.No.bp.bc.3/21.01.002/2015-16 on Prudential Norms on Capital Adequacy - Basel I Framework

Every NBFC-ND-SI should maintain, with effect from March 31, 2011, a minimum capital ratio consisting of Tier I and Tier II capital of not less than 15% of its aggregate risk weighted assets on balance sheet and of risk adjusted value of off-balance sheet items is required to be maintained. Also, the total of the Tier II capital of a ND-NBFC shall not exceed 100% of the Tier I capital.

Tier – I Capital means, owned fund as reduced by investment in shares of other non-banking financial companies and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten per cent of the owned fund; and perpetual debt instruments issued by a Systemically important non-deposit taking non-banking

financial company in each year to the extent it does not exceed 15% of the aggregate Tier I Capital of such company as on March 31 of the previous accounting year.

Owned Funds means, paid-up equity capital, Cumulative Compulsory Convertible Preference Shares which are compulsorily convertible into equity, free reserves, balance in share premium account; capital reserve representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of assets; less accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any.

Tier – II Capital means to include the following (a) Cumulative Compulsory Convertible Preference Shares other than those which are compulsorily convertible into equity; (b) revaluation reserves at discounted rate of 55%; (c) general provisions and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one-and-one-fourth per cent of risk weighted assets; (d) hybrid debt capital instruments; and (e) Subordinated Debt to the extent the aggregate does not exceed Tier – I capital; and (f) perpetual debt instrument issued by a systemically important ND-NBFC, which is in excess of what qualifies for Tier I Capital to the extent that the aggregate Tier-II capital does not exceed 15% of the Tier – I capital.

Hybrid debt means, capital instrument, which possess certain characteristics of equity as well as debt.

Subordinated debt means a fully paid up capital instrument, which is unsecured and is subordinated to the claims of other creditors and is free from restrictive clauses and is not redeemable at the instance of the holder or without the consent of the supervisory authority of the NBFC. The book value of such instrument is subjected to discounting as prescribed.

RBI Master circular no. DBR.No.Dir.BC.12/13.03.00/2015-16 on Exposure Norms

In order to ensure better risk management and avoidance of concentration of credit risks, the RBI has, in terms of the Prudential Norms, prescribed credit exposure limits for financial institutions in respect of their lending to single/ group borrowers. Credit exposure to a single borrower shall not exceed 15% of the owned funds of the systemically important ND-NBFC, while the credit exposure to a single group of borrowers shall not exceed 25% of the owned funds of the systemically important ND-NBFC. Further, the systemically important ND-NBFC may not invest in the shares of another company exceeding 15% of its owned funds, and in the shares of a single group of companies exceeding 25% of its owned funds. Further, the systemically important NBFC-ND-SI may not have credit and investment in the shares of another company exceeding 25% of its owned funds, and in case of a single group of companies exceeding 40% of its owned funds. However, this prescribed ceiling shall not be applicable on a NBFC-ND-SI for investments in the equity capital of an insurance company to the extent specifically permitted by the RBI. The above norms shall apply to any NBFC-ND-SI not accessing public funds, either directly or indirectly and not issuing guarantees. Further, NBFC-ND-SI may exceed the concentration of credit / investment norms, by 5% for any single party and by 10% for a single group of parties, if the additional exposure is on account of infrastructure loan and / or investment.

RBI Master circular on DBOD.No.BP.BC.9/21.04.048/2014-15 on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances

The Prudential Norms require that every NBFC shall, after taking into account the degree of well-defined credit weaknesses and extent of dependence on collateral security for realisation, classify its lease/hire purchase assets, loans and advances and any other forms of credit into the following classes:

- (i) Standard assets;
- (ii) Sub-standard assets;
- (iii) Doubtful assets; and
- (iv) Loss assets.

Further, such class of assets would not be entitled to be upgraded merely as a result of rescheduling, unless it satisfies the conditions required for such upgradation. At present, every NBFC is required to make a provision for standard assets at 0.25% of the outstanding. The requirement for standard assets for NBFCs-ND-SI and for all NBFCs-D, has vide the RBI notification dated November 10, 2014 been increased to 0.40%, to be complied with

in a phased manner as follows: (i) 0.30% by March 31, 2016, (ii) 0.35% by March 31, 2017 and (iii) 0.40% by March 31, 2018.

Other stipulations

All NBFCs are required to frame a policy for demand and call loan that includes provisions on the cut-off date for recalling the loans, the rate of interest, periodicity of such interest and periodical reviews of such performance.

The Prudential norms also specifically prohibit NBFCs from lending against its own shares.

RBI Master direction RBI/DBR/2015-16/18 on KYC Guidelines

The RBI has extended the Know Your Customer (“KYC”) guidelines to NBFCs and advised all NBFCs to adopt the same with suitable modifications depending upon the activity undertaken by them and ensure that a proper policy framework of anti-money laundering measures is put in place. The KYC policies are required to have certain key elements, including, customer acceptance policy, customer identification procedures, monitoring of transactions and risk management, customer due diligence and diligence of accounts of politically exposed persons and adherence to KYC guidelines.

RBI Master direction DNBR (PD) CC.No.053/03.10.119/2015-16 on Corporate Governance Guidelines

As per the ND-SI-Directions, all NBFC-ND-SI are required to adhere to certain corporate governance norms, including constitution of an audit committee, a nomination committee, an asset liability management committee and risk management committee. NBFCs are required to furnish to the RBI a quarterly statement on change of directors, and a certificate from the managing director of the NBFC that fit and proper criteria in selection of the directors has been followed. Further, all applicable NBFCs shall have to frame their internal guidelines on corporate governance with the approval of its board of directors, enhancing the scope of the guidelines without sacrificing the spirit underlying the above guidelines and it shall be published on the company's web-site, if any, for the information of various stakeholders constitution of a nomination committee, a risk management committee and certain other norms in connection with disclosure, transparency and connected lending has also been prescribed in the RBI Master Circular. Further, RBI vide notification dated November 10, 2014 has mandated the Audit Committee to ensure that an information systems audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the company. RBI has also mandated the NBFCs to have a policy to ascertain the ‘fit and proper criteria’ at the time of appointment of directors and on a continuing basis.

RBI Master circular DBR.BP.BC.No.5/21.04.172/2015-16 on Financing of NBFCs by bank

The RBI has issued guidelines vide a circular bearing number DBOD No. FSD. BC.46/24.01.028/2006-07 dated December 12, 2006 relating to the financial regulation of systemically important NBFC-NDs and the relationship of banks with such institutions. In particular, these guidelines prohibit banks from lending to NBFCs for the financing of certain activities, such as (i) bill discounting or rediscounting, except where such discounting arises from the sale of commercial vehicles and two wheelers or three wheelers, subject to certain conditions; (ii) unsecured loans or corporate deposits by NBFCs to any company; (iii) investments by NBFCs both of current and long term nature, in any company; (iv) all types of loans and advances by NBFCs to their subsidiaries, Group Companies, entities; (v) further lending to individuals for the purpose of subscribing to an initial public offer.

RBI Master Circular No. DNBR (PD) CC.No.043/03.10.119/2015-16 on Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015

In addition, the RBI has introduced vide a circular bearing reference number RBI/ 2006-07/ 414 dated May 24, 2007 whereby RBI has requested all NBFCs to put in place appropriate internal principles and procedures in determining interest rates and processing and other charges. In addition to the aforesaid instruction, the RBI has issued a Master Circular on Fair Practices Code dated July 01, 2015 for regulating the rates of interest charged by the NBFCs. These circulars stipulate that the board of each NBFC is required to adopt an interest rate model taking into account the various relevant factors including cost of funds, margin and risk premium. The rate of interest and the approach for gradation of risk and the rationale for charging different rates of interest for different categories of borrowers are required to be disclosed to the borrowers in the application form and expressly communicated in the sanction letter. Further, this is also required to be made available on the NBFC's website or published in

newspapers and is required to be updated in the event of any change therein. Further, the rate of interest would have to be an annualized rate so that the borrower is aware of the exact rates that would be charged to the account.

RBI Master Circular No. DNBR (PD) CC.No.055/03.10.119/2015-16 on Miscellaneous Instructions to NBFC-ND-SI

In order to ensure adherence to the regulatory framework by systemically important ND-NBFCs, the RBI has directed such NBFCs to put in place a system for submission of an annual statement of capital funds, and risk asset ratio, etc. as at the end of March every year, in a prescribed format. This return is to be submitted electronically within a period of three months from the close of every financial year. Further, a NBFC is required to submit a certificate from its statutory auditor that it is engaged in the business of non-banking financial institution requiring to hold a certificate of registration under the RBI Act. This certificate is required to be submitted within one month of the date of finalization of the balance sheet and in any other case not later than December 30 of that particular year. Further, in addition to the auditor's report under Section 143 of the Companies Act, 2013, the auditors are also required to make a separate report to the Board of Directors on certain matters, including correctness of the capital adequacy ratio as disclosed in the return NBS-7 to be filed with the RBI and its compliance with the minimum CRAR, as may be prescribed by the RBI. Where the statement regarding any of the items referred relating to the above, is unfavorable or qualified, or in the opinion of the auditor the company has not complied with the regulations issued by RBI, it shall be the obligation of the auditor to make a report containing the details of such unfavourable or qualified statements and/or about the non-compliance, as the case may be, in respect of the company to the concerned Regional Office of the Department of Non-Banking Supervision of the Bank under whose jurisdiction the registered office of the company is located.

RBI Master Circular No. DNBR (PD) CC.No.055/03.10.119/2015-16 on Asset Liability Management

The RBI has prescribed the Guidelines for Asset Liability Management (“**ALM**”) System in relation to NBFCs (“**ALM Guidelines**”) that are applicable to all NBFCs through a Master Circular on Miscellaneous Instructions to All Non-Banking Financial Companies dated July 1, 2010. As per this Master Circular, the NBFCs (engaged in and classified as equipment leasing, hire purchase finance, loan, investment and residuary non-banking companies) meeting certain criteria, including an asset base of ₹10,000 lakh, irrespective of whether they are accepting / holding public deposits or not, are required to put in place an ALM system. The ALM system rests on the functioning of ALM information systems within the NBFC, ALM organization including an Asset Liability Committee (“**ALM**”) and ALM support groups, and the ALM process including liquidity risk management, management of marketing risk, funding and capital planning, profit planning and growth projection, and forecasting/ preparation of contingency plans. It has been provided that the management committee of the board of directors or any other specific committee constituted by the board of directors should oversee the implementation of the system and review its functioning periodically. The ALM Guidelines mainly address liquidity and interest rate risks. In case of structural liquidity, the negative gap (i.e. where outflows exceed inflows) in the 1 to 30/ 31 days' time-bucket should not exceed the prudential limit of 15% of outflows of each time-bucket and the cumulative gap of up to one year should not exceed 15% of the cumulative cash outflows of up to one year. In case these limits are exceeded, the measures proposed for bringing the gaps within the limit should be shown by a footnote in the relevant statement.

RBI Notification No. DBR.AML.No.1637/14.01.001/2015-16 on Anti Money Laundering / Combating of financial of terrorism (CFT – Standards)

The RBI has issued a Master Circular dated July 01, 2013 to ensure that a proper policy frame work for the Prevention of Money Laundering Act, 2002 (“**PMLA**”) is put into place. The PMLA seeks to prevent money laundering and provides for confiscation of property derived from, or involved in money laundering and for other matters connected therewith or incidental thereto. It extends to all banking companies, financial institutions, including NBFCs and intermediaries. Pursuant to the provisions of PMLA and the RBI guidelines, all NBFCs are advised to appoint a principal officer for internal reporting of suspicious transactions and cash transactions and to maintain a system of proper record (i) for all cash transactions of value of more than ₹ 10 lakh; (ii) all series of cash transactions integrally connected to each other which have been valued below ₹ 10 lakh where such series of transactions have taken place within one month and the aggregate value of such transaction exceeds ₹ 10 lakh. Further, all NBFCs are required to take appropriate steps to evolve a system for proper maintenance and preservation of account information in a manner that allows data to be retrieved easily and quickly whenever required or when requested by the competent authorities. Further, NBFCs are also required to maintain for at least ten years from the date of transaction between the NBFCs and the client, all necessary records of transactions, both domestic or international, which will permit reconstruction of individual transactions (including the amounts and

types of currency involved if any) so as to provide, if necessary, evidence for prosecution of persons involved in criminal activity.

Additionally, NBFCs should ensure that records pertaining to the identification of their customers and their address are obtained while opening the account and during the course of business relationship, and that the same are properly preserved for at least ten years after the business relationship is ended. The identification records and transaction data is to be made available to the competent authorities upon request.

The Reserve Bank of India notification no. RBI/2016-17/245 DNBR (PD) CC.No.086/03.10.001/2016-17 Dated March 09, 2017

The Reserve Bank of India has issued above notification titled “Disbursal of loan amount in cash” as below:

“2. On review, and in line with the rules issued under Section 269SS and 269T of the Income Tax Act, 1961, the requirements under the Income Tax Act, 1961, as amended from time to time, would be applicable to all NBFCs with immediate effect. Currently, the relevant threshold under the Income Tax Act, 1961 is Rupees Twenty thousand.

3. Accordingly, para 37(iii)(b) of the above Master Directions stands deleted and the above provision stands incorporated at para 104 and 117, respectively, in the Master Directions referred above.”

Amended respective paragraph reads as follows:

“104. Disbursal of loan amount in cash

Every NBFC shall ensure compliance with the requirements under sections 269SS and 269T of the Income Tax Act, 1961, as amended from time to time.”

“117. Disbursal of loan amount in cash

Every NBFC shall ensure compliance with the requirements under sections 269SS and 269T of the Income Tax Act, 1961, as amended from time to time.”

Master Direction dated September 29, 2016 on Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016

All NBFC-ND-SIs shall put in place a reporting system for frauds and fix staff accountability in respect of delays in reporting of fraud cases to the RBI. An NBFC-ND-SI is required to report all cases of fraud of ₹ 1 lakh and above, and if the fraud is of ₹ 100 lakh or above, the report should be sent in the prescribed format within three weeks from the date of detection thereof. The NBFC-ND-SI shall also report cases of fraud by unscrupulous borrowers and cases of attempted fraud.

Reporting by Statutory Auditor

The statutory auditor of the NBFC-ND is required to submit to the Board of Directors of the company along with the statutory audit report, a special report certifying that the Directors have passed the requisite resolution mentioned above, not accepted any public deposits during the year and has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it. In the event of non-compliance, the statutory auditors are required to directly report the same to the RBI.

Master Direction – Non-Banking Financial Companies Auditor’s Report (Reserve Bank) Directions, 2016

In addition to the report made by the auditor under Section 143 of the Companies Act, 2013 on the accounts of an NBFC-ND-SI, the auditor shall make a separate report to the Board of Directors of the company on, *inter alia*, examination of validity of certificate of registration obtained from the RBI, whether the NBFC is entitled to continue to hold such certificate of registration in terms of its Principal Business Criteria (financial asset / income pattern) as on March 31 of the applicable year, whether the NBFC is meeting the required net owned fund requirement, whether the board of directors has passed a resolution for non-acceptance of public deposits, whether the company has accepted any public deposits during the applicable year, whether the company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning

for bad and doubtful debts as applicable to it, whether the capital adequacy ratio as disclosed in the return submitted to the Bank in form NBS- 7, has been correctly arrived at and whether such ratio is in compliance with the minimum CRAR prescribed by the Bank, whether the company has furnished to the Bank the annual statement of capital funds, risk assets/exposures and risk asset ratio (NBS-7) within the stipulated period, and whether the non-banking financial company has been correctly classified as NBFC Micro Finance Institutions (“MFI”).

Master Direction- Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016

All NBFCs are required to put in place a reporting system for filing various returns with the RBI. An NBFC-ND-SI is required to file on a quarterly basis a return on important financial parameters, including components of assets and liabilities, profit and loss account, exposure to sensitive sectors etc., NBS-7 on prudential norms on a quarterly basis, multiple returns on asset-liability management to address concerns regarding, *inter alia*, asset liability mismatches and interest rate risk, quarterly report on branch information, and Central Repository of Information on Large Credits (“CRILC”) on a quarterly basis as well as all Special Mention Account (“SMA-2”) status on a weekly basis to facilitate early recognition of financial distress, prompt steps for resolution and fair recovery for lenders.

Directions on Managing Risks and Code of Conduct in Outsourcing of Financial Services by NBFCs, 2017

With a view to put in place necessary safeguards applicable to outsourcing of activities by NBFCs, the RBI has issued directions on managing risks and code of conduct in outsourcing of financial services by NBFCs (“Risk Management Directions”). The Risk Management Directions specify that core management functions like internal auditing, compliance functions, decision making functions such as compliance with KYC norms shall not be outsourced by NBFCs. Further, the Risk Management Directions specify that outsourcing of functions shall not limit its obligations to its customers.

The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (“SARFAESI Act”)

The SARFAESI Act regulates the securitization and reconstruction of financial assets of banks and financial institutions. The RBI has issued guidelines to banks and financial institutions on the process to be followed for sales of financial assets to asset reconstruction companies. These guidelines provide that a bank or a financial institution or an NBFC may sell financial assets to an asset reconstruction company provided the asset is a Non-Performing Asset (“NPA”). While taking recourse to the sale of secured assets in terms of Section 13(4) of the SARFAESI Act, a SC/RC may itself acquire the secured assets, either for its own use or for resale, only if the sale is conducted through a public auction.

As per the SARFAESI (Amendment) Act of 2004, the constitutional validity of which was upheld in a recent Supreme Court ruling, non-performing assets have been defined as an asset or account of a borrower, which has been classified by a bank or financial institution as sub-standard, doubtful or loss asset in accordance with directions or guidelines issued by the RBI. In case the bank or financial institution is regulated by a statutory body/authority, NPAs must be classified by such bank in accordance with guidelines issues by such regulatory authority. The RBI has issued guidelines on classification of assets as NPAs. Further, these assets are to be sold on a “without recourse” basis only.

The SARFAESI Act provides for the acquisition of financial assets by Securitization Company or Reconstruction Company from any bank or financial institution on such terms and conditions as may be agreed upon between them. A securitization company or reconstruction company having regard to the guidelines framed by the RBI may, for the purposes of asset reconstruction, provide for measures such as the proper management of the business of the borrower by change in or takeover of the management of the business of the borrower, the sale or lease of a part or whole of the business of the borrower and certain other measures such as rescheduling of payment of debts payable by the borrower; enforcement of security.

Additionally, under the provisions of the SARFAESI Act, any securitisation company or reconstruction company may act as an agent for any bank or financial institution for the purpose of recovering its dues from the borrower on payment of such fee or charges as may be mutually agreed between the parties. Various provisions of the SARFAESI Act have been amended by the Enforcement of Security Interest and Recovery of Debt Laws and Miscellaneous Provisions (Amendment) Act, 2016 as also the Insolvency and Bankruptcy Code, 2016. As per this amendment, the Adjudicating Authority under the Insolvency and Bankruptcy Code, 2016 shall by order declare

moratorium for prohibiting, *inter alia*, any action to foreclose, recover or enforce any security interest created by the corporate debtor in respect of its property including any action under the SARFAESI Act.

Insolvency and Bankruptcy Code, 2016

The Insolvency and Bankruptcy Code, 2016 ("**Bankruptcy Code**") was notified on August 5, 2016. The Bankruptcy Code offers a uniform and comprehensive insolvency legislation encompassing all companies, partnerships and individuals (other than financial firms). It allows creditors to assess the viability of a debtor as a business decision and agree upon a plan for its revival or a speedy liquidation. The Bankruptcy Code creates a new institutional framework, consisting of a regulator, insolvency professionals, information utilities and adjudicatory mechanisms, which will facilitate a formal and time-bound insolvency resolution and liquidation process.

Foreign Investment Regulations

Foreign investment in Indian securities is regulated through the Consolidated Foreign Direct Investment ("**FDI**") Policy and Foreign Exchange Management Act, 1999 ("**FEMA**"). The government bodies responsible for granting foreign investment approvals are the concerned ministries/ departments of the Government of India and the RBI. The Union Cabinet has approved phasing out the Foreign Investment Promotion Board, as provided in the press release dated May 24, 2017. Accordingly, pursuant to the office memorandum dated June 5, 2017, issued by the Department of Economic Affairs, Ministry of Finance, approval of foreign investment under the FDI policy has been entrusted to concerned ministries/departments. Subsequently, the Department of Industrial Policy & Promotion ("**DIPP**") issued the Standard Operating Procedure (SOP) for Processing FDI Proposals on June 29, 2017 (the "**SOP**"). The SOP provides a list of the competent authorities for granting approval for foreign investment for sectors/activities requiring Government approval. For sectors or activities that are currently under automatic route but which required Government approval earlier as per the extant policy during the relevant period, the concerned administrative ministry/department shall act as the competent authority (the "**Competent Authority**") for the grant of post facto approval of foreign investment. In circumstances where there is a doubt as to which department shall act as the Competent Authority, the DIPP shall identify the Competent Authority. The DIPP has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendment to FEMA. In case of any conflict FEMA will prevail.

The Consolidated FDI Policy consolidates the policy framework in place as on August 27, 2017. Further, on January 4, 2018, the RBI released the Master Direction on Foreign Investment in India. Under the approval route, prior approval from RBI is required. FDI for the items/activities that cannot be brought in under the automatic route may be brought in through the approval route.

RBI's COVID-19 related measures for NBFCs:

On March 27, 2020, the monetary policy committee of the RBI, in its statement, noted the adverse impact of COVID-19 and released regulatory packages on March 27, 2020 and April 17, 2020 ("COVID Package"). The RBI permitted all the lending institutions (including HFCs) to grant a moratorium on repayment of instalments of term loans and working capital loans falling due between March 1, 2020 to May 31, 2020 for accounts which were classified as 'standard' as on February 29, 2020. However, the interest on such instalments continued to accrue on the outstanding portion of the term loans and such accounts did not qualify for asset classification downgrade due to the moratorium.

Subject to certain conditions, the HFCs were required to maintain general provisions of at least 10% of the total outstanding accounts in a phased manner until June 30, 2020 for accounts to which moratorium benefit was extended.

NBFCs (including HFCs) which were required to comply with Ind AS, had to make impairment provisions as per their expected credit loss models.

On May 23, 2020, the moratorium on term loans and working capital facilities was extended until August 31, 2020. The RBI also permitted the lending institutions to convert the interest deferred into a funded interest term loan repayable on or before March 31, 2021. Further, lending institutions were restricted from downgrading the accounts on which moratorium benefit was extended, on account of default in payment.

The RBI also released a Special Liquidity Scheme particularly for NBFCs and HFCs, dated July 1, 2020, whereby, subject to fulfilling eligibility criteria therein, an HFC, in order to exhaust its existing liabilities, could issue short

term papers to a special purpose vehicle set up under the scheme. Additionally, the NHB launched the Special Refinance Facility Scheme dated April 29, 2020 under which an HFC can avail short term refinancing to mitigate the liquidity risk if all the eligibility conditions are complied with. The eligible amount of such facilities will be based on the assessment of the impact of the moratorium on the cash flows of the HFC/PLI during the period of the moratorium. For details, see “*Our Business*” and “*Industry Overview*” on pages 95 and 69, respectively.

The RBI Resolution Framework for Covid-19 related Stress dated August 6, 2020 provides for a window to enable the lenders to implement a resolution plan in respect of eligible corporate exposures without change in ownership, and personal loans, while classifying such exposures as standard, subject to specified conditions. Resolution under this framework may be invoked not later than December 31, 2020 and must be implemented within 180 days from the date of invocation.

The RBI Resolution Framework for COVID -19 related Stress – Financial Parameters dated September 7, 2020 sets out the financial parameters that all lending institutions are required to consider while finalising the resolution plans in respect of eligible non-personal loan borrowers.

Lending institutions are required to consider the following financial ratios: (i) total outside liabilities / adjusted tangible net worth; (ii) total debt / EBITDA; (iii) current ratio; (iv) debt service coverage ratio; and (v) average debt service coverage ratio, in terms of this circular.

The various requirements of the Resolution Framework dated September 7, 2020 such as the mandatory requirement of an Inter- Creditor Agreement (“ICA”), and the maintenance of an escrow account are required to be implemented at the borrower account level. Further, the RBI has mandated that an invocation of a resolution plan cannot be treated as a substitute for the signing of an ICA.

RBI circular on Asset Classification and Income Recognition following the expiry of Covid-19 regulatory package dated April 7, 2021 (“RBI Circular on Asset Classification”)

RBI Circular on Asset Classification gives effect to the judgement of the Supreme Court of India in the matter of Small Scale Industrial Manufacturers Association v. Union of India and others dated March 23, 2021 and requires all lending institutions, to immediately put in place a board approved policy to refund/ adjust the ‘interest on interest’ charged to the borrowers during the moratorium period, i.e., March 1, 2020 to August 31, 2020 in conformity with the judgement. To ensure that the judgement is implemented uniformly in letter and spirit by all lending institutions, methodology for calculation of the amount to be refunded/adjusted for different facilities shall be finalized by the Indian Banks Association in consultation with other industry participants/ bodies, which shall be adopted by all lending institutions. The reliefs shall be applicable to all borrowers, including those who had availed of working capital facilities during the moratorium period, irrespective of whether moratorium had been fully or partially availed, in terms of the RBI circulars on COVID-19 Regulatory Package dated March 27, 2020 and May 23, 2020. Lending institutions shall disclose the aggregate amount to be refunded/ adjusted in respect of their borrowers based on the above reliefs in their financial statements for the year ending March 31, 2021

II. Laws relating to employment

Shops and establishments regulations

The Company is governed by the shops and establishments laws as applicable in the various states where it has branches. These laws regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work, among other things.

Labour laws

The Company is required to comply with various labour laws, including the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, the Payment of Wages Act, 1936, the Payment of Gratuity Act, 1972 and the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952.

III. Intellectual property regulations

Trade Marks Act

The Trade Marks Act, 1999 (the “**Trademark Act**”) governs the statutory protection of trademarks in India. In India, trademarks enjoy protection under both statutory and common law. Indian trademarks law permits the registration of trademarks for goods and services. Certification trademarks and collective marks are also registerable under the Trademark Act.

An application for trademark registration may be made by any person claiming to be the proprietor of a trademark and can be made on the basis of either current use or intention to use a trademark in the future. The registration of certain types of trade marks are absolutely prohibited, including trademarks that are not distinctive and which indicate the kind or quality of the goods.

Applications for a trademark registration may be made for in one or more international classes. Once granted, trademark registration is valid for ten years unless cancelled. If not renewed after ten years, the mark lapses and the registration for such mark has to be obtained afresh.

While both registered and unregistered trademarks are protected under Indian law, the registration of trademarks offers significant advantages to the registered owner, particularly with respect to proving infringement. Registered trademarks may be protected by means of an action for infringement, whereas unregistered trademarks may only be protected by means of the common law remedy of passing off. In case of the latter, the plaintiff must, prior to proving passing off, first prove that he is the owner of the trademark concerned. In contrast, the owner of a registered trademark is prima facie regarded as the owner of the mark by virtue of the registration obtained.

OUR MANAGEMENT

Board of Directors*

The general superintendence, direction and management of our affairs and business are vested in our Board of Directors. We have not appointed any ‘manager’ within the meaning thereof under the provisions of the Act and the relevant provisions of the Companies Act, 2013.

Under the Articles of Association, we are required to have not less than three Directors and not more than fifteen Directors. We currently have seven Directors on the Board, out of which three Directors are Independent Directors.

Name, Designation, Age, DIN, Date of Appointment, Term, Nationality and Address	Other Directorships
Mr. V P Shetty <i>Designation:</i> Non-executive Chairman <i>Age:</i> 74 years <i>DIN:</i> 00021773 <i>Date of Appointment:</i> April 21, 2008 <i>Term:</i> Liable to retire by rotation in accordance with the provisions of Section 152 of the Companies Act, 2013 <i>Nationality:</i> Indian <i>Address:</i> Flat No. 1802, Ansal Height, G. M Bhosale Marg, Worli, Mumbai – 400 018	• JM Financial Asset Management Limited; • JM Financial Asset Reconstruction Company Limited; • JM Financial Credit Solutions Limited; and • JM Financial Home Loans Limited.
Mr. E A Kshirsagar <i>Designation:</i> Independent Director <i>Age:</i> 79 years <i>DIN:</i> 00121824 <i>Date of Appointment:</i> May 10, 2010 <i>Term:</i> Appointed as Independent Director for three years effective from July 2, 2019 <i>Nationality:</i> Indian <i>Address:</i> 19, Tarangini, Twin Towers Road, Prabhadevi, Mumbai - 400 025	• Batliboi Limited; • Hawkins Cookers Limited; • JM Financial Limited; and • Manipal Global Education Services Private Limited.
Mr. Dharendra Singh <i>Designation:</i> Independent Director <i>Age:</i> 76 years <i>DIN:</i> 00852815 <i>Date of Appointment:</i> July 12, 2010 <i>Term:</i> Appointed as Independent Director for three years effective from July 2, 2019 <i>Nationality:</i> Indian <i>Address:</i> Flat 102, Earth Court 2, Jaypee Greens, Kasana Gautam	Nil

Name, Designation, Age, DIN, Date of Appointment, Term, Nationality and Address	Other Directorships
Buddh Nagar, Greater Noida 201 310 (UP)	
Ms. Roshini Bakshi <i>Designation:</i> Independent Director <i>Age:</i> 54 years <i>DIN:</i> 01832163 <i>Date of Appointment:</i> January 21, 2015 <i>Term:</i> Appointed as Independent Director for five years effective from January 21, 2020 <i>Nationality:</i> Indian <i>Address:</i> 1103-B, Surya Apartments, B. Desai Road, Mumbai - 400026	• Everlife Holdings Pte Ltd; • Persistent Systems Limited. • VLCC Health Care Limited
Mr. Atul Mehra <i>Designation:</i> Non-executive Director <i>Age:</i> 53 years <i>DIN:</i> 00095542 <i>Date of Appointment:</i> July 19, 2017 <i>Term:</i> Liable to retire by rotation in accordance with the provisions of Section 152 of the Companies Act, 2013 <i>Nationality:</i> Indian <i>Address:</i> B/4, Clifton Co-op Housing Society, Juhu Tara Road, Juhu, Mumbai 400 049	Nil
Mr. Subodh Shinkar <i>Designation:</i> Non – executive Director <i>Age:</i> 53 years <i>DIN:</i> 00095541 <i>Date of Appointment:</i> July 17, 2018 <i>Term:</i> Liable to retire by rotation in accordance with the provisions of Section 152 of the Companies Act, 2013 <i>Nationality:</i> Indian <i>Address:</i> Flat No. ME II – 2902, Marathon Era – II, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400013	• JM Financial Capital Limited; and • JM Financial Commtrade Limited
Mr. Vishal Kampani <i>Designation:</i> Managing Director <i>Age:</i> 44 years <i>DIN:</i> 00009079 <i>Date of Appointment as Director:</i> April 21, 2008.	• Capital Market Publishers India Private Limited; • Infinite India Investment Management Limited; • JM Financial Asset Reconstruction Company Limited; • JM Financial Limited; • JM Financial Capital Limited;

Name, Designation, Age, DIN, Date of Appointment, Term, Nationality and Address	Other Directorships
<i>Date of Re-appointment as Managing Director:</i> September 15, 2021 <i>Term:</i> Appointed as Managing Director for five years effective from September 15, 2021. <i>Nationality:</i> Indian <i>Address:</i> C-2301, , Floor No. 23, Tower 'C', Beau Monde, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025	• JM Financial Home Loans Limited; • JM Financial Institutional Securities Limited; • J.M. Financial & Investment Consultancy Services Private Limited; • JM Financial Services Limited; • JM Financial Singapore Pte. Limited; and • JM Financial Credit Solutions Limited.

**For details, see 'Risk Factors – Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, prospects, results of operations and financial condition' on page 38.*

Profile of Directors

Mr. V P Shetty is the Non-executive Chairman of the Company. He has been a Director in the Company since April 21, 2008. Mr. Shetty has had an illustrious career in banking space spanning almost four decades. During this period, he has served as the chairman and managing director in IDBI Bank, UCO Bank and Canara Bank. He holds a bachelor's degree in commerce from the Bangalore University and is an associate member of the Indian Institute of Bankers. He serves as a director on the board of directors of several companies such as JM Financial Asset Reconstruction Company Limited, JM Financial Asset Management Company Limited, JM Financial Credit Solutions Limited and JM Financial Home Loans Limited.

Mr. E A Kshirsagar is an Independent Director of the Company. He has been a Director of the Company since May 10, 2010. Mr. Kshirsagar is a fellow member of the Institute of Chartered Accountants in England and Wales. He serves as a director on the board of directors of several companies such as JM Financial Limited, Hawkins Cookers Limited, Batliboi Limited and Manipal Global Education Services Private Limited.

Mr. Dhirendra Singh is an Independent Director of the Company. He has been a Director of the Company since July 12, 2010. Mr. Singh holds a master's degree in political science from the University of Allahabad and a master's diploma in public administration from the Indian Institute of Public Administration, New Delhi.

Ms. Roshini Bakshi is an Independent Director of the Company. She has been a Director of the Company since January 21, 2015. Ms. Bakshi attained her post-graduate diploma in management from the Indian Institute of Management, Ahmedabad. She is currently the managing director at Everstone Capital Asia Pte. Ltd. She serves as a director on the board of directors of several companies such as Persistent Systems Limited and VLCC Health Care Limited.

Mr. Atul Mehra is the Non-executive Director of the Company since July 19, 2017. Mr. Mehra holds a master's degree in management studies from University of Mumbai and has completed advanced management program from Harvard Business School. He is also an alumni of Harvard Business School. He is the managing director and co-chief executive officer of JM Financial group. He began his career with the group in 1991 as an analyst. In his 30year career span, he has worked closely with various departments across the investment banking business. Mr. Mehra has developed relationships with various Indian corporates and has led various transactions in terms of size, innovation and other complexities which have happened both in the domestic and international markets.

Mr. Subodh Shinkar is the Non-executive Director of the Company since July 17, 2018. Mr. Shinkar holds a bachelor's degree in commerce from the University of Mumbai and is an associate member of the Institute of Chartered Accountants of India. He has been associated with JM Financial group since 1992 and plays a key role in managing investment advisory business including wealth management, non-institutional equity broking and distribution. He also oversees securities backed lending in the form of margin financing and initial public offering financing of the JM Financial group. He serves as a director on the board of directors of JM Financial Capital Limited and JM Financial Commtrade Limited.

Mr. Vishal Kampani is the Managing Director of the Company. He has been a Director in the Company since April 21, 2008. Mr. Kampani holds a master's degree in commerce from University of Mumbai and has completed his master of science (finance) from London Business School, University of London. He serves as a director on the board of directors of several companies such as JM Financial Limited, JM Financial Services Limited and JM Financial Institutional Securities Limited.

Terms and Conditions of the Managing Director

Mr. Vishal Kampani has been re-appointed as the Managing Director of the Company for a period of 5 (five) years with effect from September 15, 2021 pursuant to the employment agreement dated September 14, 2021. The details of remuneration paid to Mr. Kampani during the current financial year and the last three financial years ending March 31, 2021, March 31, 2020 and March 31, 2019, respectively, are as under:

Nature of Transaction	Up to Quarter ended June 30, 2021 (₹)	Year ended March 31, 2021 (₹)	Year ended March 31, 2020 (₹)	Year ended March 31, 2019 (₹)
<i>Remuneration from Company</i>				
Mr. Vishal Kampani	6,367,409	96,481,111	86,911,022	126,486,021

The terms and conditions of re-appointment of Mr. Kampani as agreed in the employment agreement dated September 14, 2021, *inter alia* are as follows:

Terms and Conditions of Appointment*	
Particulars	Date / Remuneration / Details
Period	With effect from September 15, 2021 for a period of five years
Basic salary	₹ 15,00,000 per month or such higher salary as may be decided by the Board or Nomination and Remuneration Committee of the Board, in the range of ₹ 15,00,000 to ₹ 25,00,000 per month during his tenure as managing director.
Performance Linked Discretionary Bonus	As may be decided by the Board or Nomination and Remuneration Committee of the Board.
Perquisites - Fully furnished residential accommodation including its up-keep and maintenance - Gas, electricity, water and furnishing at residence, the cost of which shall be borne and paid by the Company - Up to two motor cars along with chauffeur for business and personal use - Annual and/or periodic membership fees of not more than two clubs on his behalf - Reimbursement of the actual medical expenses incurred in India and/or abroad by him, his spouse, dependent children and his parents - Group personal accident insurance, group term life insurance and group hospitalization insurance for him and his family in accordance with the rules for the time being in force - The benefit of the Company's Provident Fund Scheme in accordance with the rules of the Company for the time being in force - Gratuity as per the Company's rules - Encashment of un-availed leave at the end of his tenure as Managing Director as per the rules of the Company for the time being in force - Business class return air fare once in a year to any destination for him, his spouse and two dependent children	
Leave entitlement	As per the rules of the Company.
Telephones	Up to two telephone lines at his residence, expenses of which shall be borne and paid by the Company.

Mr. Vishal Kampani is also the Managing Director of JM Financial Limited, the holding company of our Company with effect from October 1, 2016 and draws remuneration from JM Financial Limited. As per the terms of the agreement entered into by our Company with Mr. Vishal Kampani, so long as he serves as Managing Director of our Company and/or JM Financial Limited and/or any other entity in the group, the total amount of remuneration that may be paid to him by our Company and/or JM Financial Limited and/or any other entity in the group shall not exceed the higher maximum limit admissible from the Company or JM Financial Limited and/or any other entity in the group, as the case may be, in accordance with the applicable provisions of the Companies Act, 2013 and Schedule V thereto.

Terms and Conditions of employment of Non-executive Directors and Independent Directors

Pursuant to a resolution passed at the meeting of the Board of the Company on May 5, 2014, sitting fees of ₹ 50,000 is payable to Non-executive Directors for attending each meeting of the Board, sitting fees of ₹ 25,000 is payable to Non-executive Directors for attending each meeting of an Audit Committee and ₹ 10,000 is payable to Non-executive Directors for attending each meeting of the Nomination and Remuneration Committee and Corporate Social Responsibility Committee. Further pursuant to a resolution passed at the meeting of the Board of the Company on April 30, 2018, sitting fees of ₹ 10,000 is payable to the Independent Directors of the Company for attending each meeting of the IT Strategy Committee. Further, pursuant to a resolution passed at the meeting of the Board of the Company on October 18, 2019, sitting fees of ₹ 5,000 is payable to Non-executive Directors and/or Independent Directors (except for the Non – executive Directors who are the employees of JM Financial group or representing the shareholders of our Company), for attending each meeting of the Stakeholders' Relationship Committee.

Pursuant to a resolution passed by the Members at their AGM held on July 21, 2016, the Directors (excluding the Managing Director and Whole Time Directors) are entitled to, a commission ranging from 1% to 3% of the net profit in a financial year (depending on whether our Company has a managing or wholetime director).

The following table sets forth the remuneration (including sitting fees and commission) paid by our Company to the Non-executive Directors and Independent Director:

(₹ in Lakh)

Nature of Transaction	Up to July 31, 2021	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Sitting Fee and Commission from Company				
Mr. V P Shetty	11.4	12.9	27.2	133.2
Mr. M R Umarji*	NA	6	8.95	9.8
Mr. E A Kshirsagar	8.8	11.3	11.4	11.4
Mr. Dharendra Singh	7.7	10.1	10.3	9.8
Ms. Roshini Bakshi	7.1	9.2	7.2	5.7
Mr. Atul Mehra	-	-	-	60
Mr. Subodh Shinkar	-	-	-	NA
Sitting Fee and Commission from Subsidiary				
Mr. V P Shetty	0.90	1.75	1.85	NA

* Ceased to be a director of our Company with effect from April 11, 2020.

Other understandings and confirmations

Our Directors have not been identified as wilful defaulters by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. No Whole-Time Director of the Company is a promoter or whole-time director of another company which is a wilful defaulter as defined above.

No Director in our Company is, or was, a director of any listed company, which has been or was delisted from any recognised stock exchange, during the term of his/her directorship in such company.

We also confirm that none of our Directors is debarred from accessing the securities market or dealing in securities by the Board. Further, none of our Directors is a promoter or director of another company which is debarred from accessing the securities market or dealing in securities by SEBI.

No Director of the Company is a fugitive economic offender as defined in the SEBI NCS Regulations.

We confirm that the Permanent Account Number of the Directors of the Company has been submitted to the Stock Exchange at the time of filing the Draft Shelf Prospectus.

The compliance with the Companies Act, 2013 and the rules thereunder does not imply that the payment of dividend or interest or repayment of NCDs, is guaranteed by the Central Government.

The information included in this Shelf Prospectus is as per the original records maintained by the Promoter subscribing to the Memorandum of Association and Articles of Association.

Borrowing powers of the Board

The Board of Directors (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee thereof) is authorised to borrow money upon such terms and conditions as the Board may think fit and may exceed the aggregate of our paid up capital, free reserves and securities premium provided that the aggregate amount of its borrowings shall not exceed ₹14,000 Crore (Rupees Fourteen Thousand Crore), at any time apart from the temporary loans obtained by our Company in the ordinary course of business, as per the resolution passed by the shareholders dated October 25, 2018, passed under Section 180(1)(c) of the Companies Act, 2013.

Interest of the Directors

All our Directors, including Independent Directors, may be deemed to be interested to the extent of sitting fees, if any, payable to them for attending meetings of the Board or a committee thereof, receipt of commission, if any and other remuneration payable to them pursuant to our Articles of Association. Our Managing Director is interested to the extent of remuneration paid to him for services rendered by him.

Our Directors do not have any interest in such firm or company, to which any sums were paid or agreed to be paid to him or to such firm or company in cash or shares or otherwise by any person to induce him to become, or to help him qualify as a director, or otherwise for services rendered by him or by the firm or company, in connection with the promotion or formation of our Company.

None of our Directors are interested in consideration received/paid or any loans or advances provided to any body corporate, including companies, firms, and trusts, in which they are interested as directors, members, partners or trustees.

Except as disclosed hereinabove and in “*Risk Factors*” on page 12 of this Shelf Prospectus, the Directors do not have an interest in any venture that is involved in any activities similar to those conducted by the Company.

Except as stated in “*Financial Information*” on page 141 of this Shelf Prospectus and to the extent of remuneration, sitting fees and commission, if any, our Directors do not have any other interest in our business.

Our Directors have no interest in any property acquired or proposed to be acquired by the Company in the preceding two years of filing this Shelf Prospectus with the Designated Stock Exchange nor do they have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to the Company.

No benefit/interest will accrue to our Promoter/Directors out of the objects of the Issue, save and except the appointment of JM Financial Limited as the Lead Manager to the Issue and appointment of one of the affiliates of the Promoter involved in the marketing of the Issue. In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, read with Regulation 25(3) of the SEBI NCS Regulations, as amended, JM Financial Limited will be involved only in marketing of the Issue.

Mr. Vishal Kampani is the Managing Director of JM Financial Limited, and Mr. Atul Mehra is the managing director and co-chief executive officer of JM Financial group (Investment banking division). Except as disclosed above, none of the Directors is a Promoter of our Company, nor has had any interest in the promotion of our Company in the current year or in the last three financial years. Mr. Vishal Kampani and Mr. Atul Mehra may be deemed to be interested in the Issue to the extent of the appointment of JM Financial Limited as the Lead Manager to the Issue. In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, read with Regulation 25(3) of the SEBI NCS Regulations, JM Financial Limited will be involved only in marketing of the Issue.

No contribution is being made by any director as part of the offer or separately in furtherance of such objects. Further, the monies received under the Issue shall be used only for the purposes and objects as indicated in this Shelf Prospectus.

Other than as disclosed above, none of the Directors, Promoter or key managerial personnel of the Company have any other financial or other material interest in the Issue.

No persons, who are relatives of directors, are appointed to an office or place of profit in our Company.

No Director of our Company or their relatives has purchased or sold any securities of the Company within 6 (six) months immediately preceding the date of filing the prospectus with the RoC.

Debenture/Subordinated Debt holding of Directors:

As on the date of this Shelf Prospectus, the debenture holding of the Directors in our Company is as follows:

Name	Debenture holding as on date
<i>Mr. V P Shetty</i>	
Tranche I dated April 11, 2019 – Series VI	6,000
Tranche III dated February 10, 2020 – Series VI	4,000
<i>Mr. Vishal Kampani</i>	
Tranche I dated April 11, 2019 – Series V	20,000
Tranche II dated July 31, 2019– Series I	25,000
Tranche CE -2020 MLDs	50

Changes in the Directors of our Company during the last three years

The changes in the Board of Directors of our Company in the three years preceding the date of this Shelf Prospectus are as follows:

Name	Designation	DIN	Date of appointment	Date of resignation	Date of cessation	Remarks
Mr. E A Kshirsagar	Independent Director	00121824	July 2, 2019	-	-	Re-appointment
Mr. Dharendra Singh	Independent Director	00852815	July 2, 2019	-	-	Re-appointment
Ms. Roshini Bakshi	Independent Director	01832163	January 21, 2020	-	-	Re-appointment
Mr. Vishal Kampani	Managing Director	00009079	September 15, 2021	-	-	Re-appointment
Mr. M R Umarji	Non – executive Director	00307435	December 11, 2008	April 11, 2020	-	Resignation

Shareholding of Directors

Our Directors do not hold any shares (voting rights) or stock options neither in our Company nor in our Subsidiary or associate companies for the current year and the last three financial years.

Corporate Governance*

We are in compliance with the requirements of corporate governance as mandated in the Companies Act, 2013, particularly those in relation to the composition of the Board of Directors, constitution of committees such as audit committee, nomination and remuneration committee, stakeholders' relationship committee and corporate social responsibility committee. Pursuant to an RBI Master Direction DNBR.PD.008/03.10.119/2016-17 dated 1 September 2016 (including modifications made from time to time), all NBFC-ND-SIs are required to adhere to certain corporate governance norms including constitution of an audit committee, a nomination and remuneration committee, a risk management committee and certain other norms in connection with disclosure and transparency and connected lending. We have complied with these corporate governance requirements.

Currently, our Board has seven Directors, and the Chairman of the Board is a Non-executive Director. The following table sets forth the members of the aforesaid committees as of the date of this Shelf Prospectus:

Committee	Members
Audit Committee	Mr. E A Kshirsagar (Chairman); Mr. Dharendra Singh Mr. Atul Mehra

Committee	Members
Nomination and Remuneration Committee	Mr. E A Kshirsagar (Chairman) Mr. Dharendra Singh Mr. V P Shetty
Corporate Social Responsibility Committee	Mr. V P Shetty (Chairman) Mr. E A Kshirsagar Mr. Vishal Kampani
Stakeholders' Relationship Committee	Mr. V P Shetty (Chairman) Mr. Vishal Kampani Mr. Atul Mehra
Sponsorship and Credit Committee	Mr. Vishal Kampani (Chairman) Mr. Atul Mehra Mr. Subodh Shinkar
Allotment Committee	Mr. Vishal Kampani (Chairman) Mr. Atul Mehra Mr. Subodh Shinkar
Asset Liability Management Committee	Mr. Vishal Kampani (Chairman) Mr. Nishit Shah Mr. Subodh Shinkar
Risk Management Committee	Mr. V P Shetty (Chairman) Mr. Vishal Kampani Mr. Nishit Shah Mr. Amit Jhalaria
Information Technology Strategy Committee	Ms. Roshini Bakshi; (Chairperson) Mr. Subodh Shinkar; Mr. Shashibhushan Patil
Information Technology Steering Committee	Mr. Nishit Shah; (Chairman) Mr. Rupesh Samani; Mr. Amit Jhalaria; Mr. Sachchidanand Muchandi; Mr. Shashibhushan Patil
NCD Public Issue Committee	Mr. V P Shetty; (Chairman) Mr. Vishal Kampani; Mr. Atul Mehra; Mr. Subodh Shinkar
Asset Liability Management Support Group	Mr. Nishit Shah; (Chairman) Mr. Rupesh Samani; Mr. Amit Jhalaria; Ms. Swapna Dey Ms. Gitanjali Mirchandani; Mr. Y V ShivNarain; Mr. Dhruvan Sheth; Mr. Manish Rambhia; Mr. Vishal Solanki; Mr. Piyush Solanki.

**For details, see 'Risk Factors – Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, prospects, results of operations and financial condition' on page 38.*

OUR PROMOTER

JM FINANCIAL LIMITED (“JMFL”)

- (a) JMFL 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, JMFL became a deemed public limited company 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.
- (b) JMFL was classified as a systemically important non-deposit taking core investment company (CIC-ND-SI) in accordance with the certificate of registration issued by the RBI dated April 11, 2014, under Section 45-IA of the RBI Act. The National Company Law Tribunal, Mumbai Bench, passed an order dated December 14, 2017, sanctioning the scheme of amalgamation (the “Scheme”) between JM Financial Institutional Securities Limited and JM Financial Investment Managers Limited and JMFL, which was filed with the RoC on January 18, 2018 and accordingly became effective from January 18, 2018. Consequent upon the Scheme becoming effective, JMFL ceased to be a core investment company and became a SEBI registered category I merchant banker and investment manager to the private equity fund.
- (c) JMFL is part of an established financial services group providing a range of financial services. Beginning with the establishment of JM Financial and Investment Consultancy Services Private Limited in September 1973, the major shareholder and promoter of JMFL, the longstanding operations in the financial services sector has resulted in establishing "JM Financial" as a recognized franchise.
- (d) JMFL has its registered office at 7th Floor, Cnergy, Appasaheb Marathe Marg Prabhadevi, Mumbai 400025 and bears the CIN L67120MH1986PLC038784. The permanent account number of JMFL is AAACJ2590B.
- (e) The board of directors of JMFL as on the date of filing of this Shelf Prospectus are:

Name	Designation
Mr. Nimesh Kampani	Non-Executive Chairman
Mr. Vishal Kampani	Managing Director
Mr. EA Kshirsagar	Independent Director
Mr. Darius E. Udwadia	Independent Director
Mr. Paul Zuckerman	Independent Director
Dr. Vijay Kelkar	Independent Director
Mr. Keki Dadiseth	Independent Director
Ms. Jagi Mangat Panda	Independent Director
Mr. P. S. Jayakumar	Independent Director

Other understandings and confirmations

Our Promoter has not been identified as a willful defaulter by the RBI or any other governmental authority. Our Promoter is not a promoter of any other company which is a wilful defaulter.

No violations of securities laws have been committed by our Promoter in the past or are currently pending against them. No regulatory action is pending against our Promoter before SEBI or the Reserve Bank of India. Neither our Promoter nor Directors are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

Our Promoter is not in default of payment of interest or repayment of principal amount in respect of debt securities issued by it to the public, if any, for a period of more than six months.

We confirm that the Permanent Account Number and bank account number(s) of the Promoter have been submitted to the Stock Exchange at the time of filing the Draft Shelf Prospectus.

Common Pursuits of Promoter and Group Companies

Our Promoter has interests in the following entities that are engaged in businesses similar to ours and this may result in potential conflicts of interest with our Company.

1. JM Financial Home Loans Limited
2. JM Financial Capital Limited
3. JM Financial Credit Solutions Limited

Our Company has not adopted any measures for mitigating such conflict situations. For further details, see "*Risk Factors*" on page 12 of this Shelf Prospectus. For further details on the related party transactions, to the extent of which our Company is involved, see "*Financial Information*" on page 141 of this Shelf Prospectus.

Interest of Promoter in our Company

Except as disclosed below, and as stated under "*Financial Information*" on page 141 of this Shelf Prospectus, other than as our shareholders, our Promoter, do not have any other interest in our Company. For details see "*Disclosures on Existing Financial Indebtedness*" on page 288 of this Shelf Prospectus.

Interest of our Promoter in property, land and construction

Except as stated in "*Financial Information*" on page 141 of this Shelf Prospectus, our Promoter do not have any interest in any property acquired by our Company within two years preceding the date of filing of this Shelf Prospectus or any property proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery.

Our Promoter's holding

There has been no change in the Promoter's holding beyond the threshold limit of 26% as prescribed under the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or the Reserve Bank of India, from time to time.

Details of Shares allotted to our Promoter during the last three Financial Years

Nil

Shareholding Pattern of our Promoter as on June 30, 2021

I. Summary Statement Holding of Specified Securities

Category (I)	Category of shareholder (II)	No of shareh olders (III)\$	No of fully paid-up equity shares held (IV)	No of Partly paid- up equity shares held (V)	No of shares under lyi ng Depos itory Recei pts (VI)	Total no. of shares held (VII) = (IV)+(V)+(VI)	Shareholdi ng as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialize d form (XIV)@
								No. of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
								Class eg: X	Class eg: Y	Total								
(A)	Promoter & Promoter Group	12	52,20,08,258	NA	NA	52,20,08,258	54.75	52,20,08,258	NA	52,20,08,258	54.75	NA	NA	NA	NA	NA	NA	52,20,08,258
(B)	Public	69,779	43,14,63,254	NA	NA	43,14,63,254	45.25	43,14,63,254	NA	43,14,63,254	45.25	NA	NA	NA	NA	NA	NA	429,266,162
(C)	Non Promoter - Non Public	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
(C1)	Shares underlying DRs	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
(C2)	Shares held by Employee Trusts	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Total	69,791	95,34,71,512	NA	NA	95,34,71,512	100.00	95,34,71,512	NA	95,34,71,512	100.00	NA	NA	NA	NA	NA	NA	95,12,74,420

\$ Number of Shareholders are consolidated on the basis of PAN.

@ As of June 30, 2021 based on the benpos received from Depositories.

* Includes person(s) having control over the Company and person(s) acting in concert. Shareholding of the Promoter/Promoter Group as above has been consolidated on the basis of PAN in accordance with the SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/128 dated December 19, 2017.

II. Statement Showing Shareholding Pattern of the Promoter and Promoter Group

	Category & Name of the shareholders (I)	PAN (II)	No of share holder (III)\$	No of fully paid-up equity shares held (IV)	Partly paid-up equity shares held (V)	No of shares underl ying Deposi tory Receipts (VI)	Total no. of shares held (VII) = (IV)+(V)+(V I)	Sharehold ing as a % of total no. of shares(cal culated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No of shares Underl ying Outstan ding convertible securities (Includi ng Warran ts) (X)	Shareholdin g, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)**		Number of equity shares held in demateriali zed form (XIV)@
									No of Voting Rights			Total as a % of Total Voting Rights			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
									Class eg: X	Class eg: Y	Total								
(1)	Indian																		
(a)	Individuals/H.U.F		5	180,101,250	-	-	180,101,250	18.89	180,101,250	NA	180,101,250	18.89	NA	18.89	-	-	-	-	180,101,250
1	Nimesh Kampani∞	AAHPK2701P		124,500,000	-	-	124,500,000	13.06	124,500,000		124,500,000	13.06		13.06					124,500,000
2	Aruna Kampani#	AAPPK2879N		34,351,250	-	-	34,351,250	3.60	34,351,250		34,351,250	3.60		3.60					34,351,250
3	Amishi Akash Gambhir#^	ANLPK3297K		8,000,000	-	-	8,000,000	0.84	8,000,000		8,000,000	0.84		0.84					8,000,000
4	Vishal Kampani#	AABPK5329F		12,000,000	-	-	12,000,000	1.26	12,000,000		12,000,000	1.26		1.26					12,000,000
5	Nimesh Kampani HUF	AAAHN3025Q		1,250,000	-	-	1,250,000	0.13	1,250,000		1,250,000	0.13		0.13					1,250,000
(b)	Cental/State Government(s)	NA	NA	-	-	-	-	-	-	NA	-	-	NA	-	-	-	-	-	-

	Category & Name of the shareholders (I)	PAN (II)	No of share holder (III)\$	No of fully paid-up equity shares held (IV)	Partly paid-up equity shares held (V)	No of shares underlying Depository Receipts (VI)	Total no. of shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares(calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)**		Number of equity shares held in dematerialized form (XIV)@
									No of Voting Rights			Total as a % of Total Voting Rights			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
									Class eg: X	Class eg: Y	Total								
(c)	Financial Institutions/Banks	NA	NA	-	-	-	-	-	-	NA	-	-	NA	-	-	-	-	-	-
(d)	Any Other (Specify)																		
	a) Bodies Corporate		7	341,907,008	-	-	341,907,008	35.86	341,907,008	NA	341,907,008	35.86	NA	35.86	-	-	-	-	341,907,008
1	J. M. Financial And Investment Consultancy Services Private Limited	AAACJ1237H		216,534,100	-	-	216,534,100	22.71	216,534,100		216,534,100	22.71		22.71					216,534,100
2	J. M. Assets Management Private Limited	AAACJ1238J		103,042,908	-	-	103,042,908	10.81	103,042,908		103,042,908	10.81		10.81					103,042,908
3	JSB Securities Limited	AAACJ1402A		6,505,000	-	-	6,505,000	0.68	6,505,000		6,505,000	0.68		0.68					6,505,000
4	SNK Investments Private Limited	AAECS8123R		11,760,000	-	-	11,760,000	1.23	11,760,000		11,760,000	1.23		1.23					11,760,000
5	Persepolis Investment Company Private Limited	AAACP2510P		2,250,000	-	-	2,250,000	0.24	2,250,000		2,250,000	0.24		0.24					2,250,000
6	Kampani Consultants Limited	AAACK4250F		685,000	-	-	685,000	0.07	685,000		685,000	0.07		0.07					685,000
7	JM Financial Trustee Company Private Limited	AAACJ2579E		1,130,000	-	-	1,130,000	0.12	1,130,000		1,130,000	0.12		0.12					1,130,000
	Sub- Total (A)(1)		12	522,008,258	-	-	522,008,258	54.75	522,008,258	NA	522,008,258	54.75	NA	54.75	-	-	-	-	522,008,258
	Foreign	NA	0	-	-	-	-	-	-	NA	NA	NA	NA	-	-	-	-	-	-
(2)	Individuals (Non-Resident Individuals/ Foreign Individuals)		NA	-	-	-	-	-	-	NA	NA	NA	NA	-	-	-	-	-	-
(a)	Government		NA	-	-	-	-	-	-	NA	NA	NA	NA	-	-	-	-	-	-
(b)	Institutions		NA	-	-	-	-	-	-	NA	NA	NA	NA	-	-	-	-	-	-
(c)	Foreign Portfolio Investor		NA	-	-	-	-	-	-	NA	NA	NA	NA	-	-	-	-	-	-
(d)	Any Other (Specify)		NA	-	-	-	-	-	-	NA	NA	NA	NA	-	-	-	-	-	-
(e)	Sub- Total (A)(2)		NA	-	-	-	-	-	-	NA	NA	NA	NA	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)		12	522,008,258	-	-	522,008,258	54.75	522,008,258	NA	522,008,258	54.75	NA	54.75	-	-	-	-	522,008,258

Relative of a person who is in control of the company

∞ Person who is in control of the Company

`@ As of June 30, 2021 based on the benpos received from Depositories.

(**) The term “encumbrance” has the same meaning as assigned to it in regulation 28(3) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

\$ Shareholding of the Promoter/Promoter Group as above has been consolidated on the basis of PAN in accordance with the SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/128 dated December 19, 2017.

Mr. Nimesh Kampani (including Nimesh Kampani HUF), alone and together with his relatives viz. Ms. Aruna Kampani, Mr. Vishal Kampani and Ms. Amishi Gambhir hold 18.89% directly and 35.86% indirectly, with the above individuals, through various body corporate(s)

III. Statement Showing Shareholding Pattern of the Public Shareholder

	Category & Name of the shareholders (I)	PAN (II)	Nos of shareholder (III)\$	No of fully paid-up equity shares held (IV)	Partly paid-up equity shares held (V)	No of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares(calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Total Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)@
									No of Voting Rights			Total as a % of Total Voting Rights			No. (a)	As a % of total shares held (b)	No. (Not applicable) (a)	As a % of total shares held (Not applicable) (b)	
								Class eg: X	Class eg: Y	Total									
(1)	Institutions																		
(a)	Mutual Fund/UTI		11	107,963,825	-	-	107,963,825	11.32	107,963,825	-	107,963,825	11.32	-	11.32	-	-	NA	107,963,825	
	ICICI PRUDENTIAL MIDCAP FUND	AAAAI0038F	2	61,865,691	-	-	61,865,691	6.49	61,865,691	-	61,865,691	6.49	-	6.49	-	-	NA	61,865,691	
	NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA NIFTY MIDCAP 150 INDEX FUND	AAATR0090B	1	22,767,284	-	-	22,767,284	2.39	22,767,284	-	22,767,284	2.39	-	2.39	-	-	NA	22,767,284	
(b)	Venture Capital Funds		NA	-	-	-	-	-	-	NA	-	-	NA	-	-	-	NA	-	
(c)	Alternate Investment Funds		3	1,638,415	-	-	1,638,415	0.17	1,638,415	NA	1,638,415	0.17	NA	0.17	-	-	NA	1,638,415	
(d)	Foreign Venture Capital Investors		NA	-	-	-	-	-	-	NA	-	-	NA	-	-	-	NA	-	
(e)	Foreign Portfolio Investors		117	207,403,012	-	-	207,403,012	21.75	207,403,012	-	207,403,012	21.75	-	21.75	-	-	NA	207,403,012	
	WELLS FARGO EMERGING MARKETS EQUITY FUND	AAATE2686E	1	11,571,429	-	-	11,571,429	1.21	11,571,429	-	11,571,429	1.21	-	1.21	-	-	NA	11,571,429	
	VALIANT MAURITIUS PARTNERS LIMITED	AACCV8506B	1	15,881,714	-	-	15,881,714	1.67	15,881,714	-	15,881,714	1.67	-	1.67	-	-	NA	15,881,714	
	VALIANT MAURITIUS PARTNERS OFFSHORE LIMITED	AACCV8509Q	1	33,548,779	-	-	33,548,779	3.52	33,548,779	-	33,548,779	3.52	-	3.52	-	-	NA	33,548,779	
	BARON EMERGING MARKETS FUND	AAECB4051F	1	38,260,642	-	-	38,260,642	4.01	38,260,642	-	38,260,642	4.01	-	4.01	-	-	NA	38,260,642	

	Category & Name of the shareholders (I)	PAN (II)	Nos of shareholder (III)\$	No of fully paid-up equity shares held (IV)	Partly paid-up equity shares held (V)	No of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares(calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Total Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)@
									No of Voting Rights			Total as a % of Total Voting Rights			No. (a)	As a % of total shares held (b)	No. (Not applicable) (a)	As a % of total shares held (Not applicable) (b)	
									Class eg: X	Class eg: Y	Total								
	TIMF HOLDINGS	AAFCT0480M	1	16,109,125	-	-	16,109,125	1.69	16,109,125	-	16,109,125	1.69	-	1.69	-	-	NA	16,109,125	
	ELEVATION CAPITAL VI FII HOLDINGS LIMITED	AAZCS6367E	1	15,121,775	-	-	15,121,775	1.59	15,121,775	-	15,121,775	1.59	-	1.59	-	-	NA	15,121,775	
(f)	Financial Institutions/Banks		NA	-	-	-	-	-	-	NA	-	-	NA	-	-	-	NA	-	
(g)	Insurance Companies		1	2,846,647	-	-	2,846,647	0.30	2,846,647	NA	2,846,647	0.30	NA	0.30	-	-	NA	2,846,647	
(h)	Provident Funds/Pension Funds		NA	-	-	-	-	-	-	NA	-	-	NA	-	-	-	NA	-	
	Sub- Total (B)(1)		132	319,851,899	-	-	319,851,899	33.55	319,851,899	NA	319,851,899	33.55	NA	33.55	-	-	NA	319,851,899	
(2)	Central Government/State Government(s)/President of India		NA	-	-	-	-	-	-	NA	-	-	NA	-	-	-	NA	-	
	Sub- Total (B)(2)		NA	-	-	-	-	-	-	NA	-	-	NA	-	-	-	NA	-	
(3)	Non- Institutions								-		-	-					NA		
(a)	i.Individual shareholders holding nominal share capital up to Rs.2 lakhs.		68,134	50,674,798	-	-	50,674,798	5.31	50,674,798	-	50,674,798	5.31	-	5.31	-	-	NA	48,511,206	
	ii.Individual shareholders holding nominal share capital in excess of Rs.2 lakhs.		39	35,344,324	-	-	35,344,324	3.71	35,344,324	-	35,344,324	3.71	-	3.71	-	-	NA	35,344,324	
(b)	NBFCs registered with RBI		2	6,627	-	-	6,627	0.00	6,627	NA	6,627	0.00	NA	0.00	-	-	NA	6,627	
(c)	Employee Trust		NA	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	-	
(d)	Overseas Depositories (holding DRs) (balancing figure)		NA	-	-	-	-	-	-	NA	-	-	NA	-	-	-	NA	-	
(e)	Any Other (Specify)		1,472	25,585,606	-	-	25,585,606	2.68	25,585,606	NA	25,585,606	2.68	NA	2.68	-	-	NA	25,552,106	
i)	Bodies Corporate		409	10,032,189	-	-	10032189	1.05	10032189	-	10,032,189	1.05	-	1.05	-	-	NA	10,008,689	
ii)	Clearing Member		125	592,604	-	-	592,604	0.06	592,604	-	592,604	0.06	-	0.06	-	-	NA	592,604	
iii)	Non Resident Indians		613	12,815,095	-	-	12,815,095	1.34	12,815,095	-	12,815,095	1.34	-	1.34	-	-	NA	12,805,095	
	Vikram Shankar Pandit	BMBPP6041G	1	11,646,939	-	-	11,646,939	1.22	11,646,939	NA	11,646,939	1.22	NA	1.22	-	-	NA	11,646,939	

	Category & Name of the shareholders (I)	PAN (II)	Nos of shareholder (III)\$	No of fully paid-up equity shares held (IV)	Partly paid-up equity shares held (V)	No of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares(calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Total Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)@
									No of Voting Rights			Total as a % of Total Voting Rights			No. (a)	As a % of total shares held (b)	No. (Not applicable) (a)	As a % of total shares held (Not applicable) (b)	
									Class eg: X	Class eg: Y	Total								
iv)	Non Resident Indian Non Repatriable		316	691,436	-	-	691,436	0.07	691,436	-	691,436	0.07	-	0.07	-	-	NA	691,436	
v)	Trust		7	33,065	-	-	33,065	0.00	33,065	-	33,065	0.00	-	0.00	-	-	NA	33,065	
vi)	Any Other (specify)-IEPF		1	1,421,174	-	-	1,421,174	0.15	1,421,174	-	1,421,174	0.15	-	0.15	-	-	NA	1,421,174	
vii)	Foreign Nationals		1	43	-	-	43	0.00	43	NA	43	0.00	NA	0.00	-	-	NA	43	
	Sub- Total (B)(3)		69,647	111,611,355	-	-	111,611,355	11.71	111,611,355	NA	111,611,355	11.71	NA	11.71	-	-	NA	109,414,263	
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)		69,779	431,463,254	-	-	431,463,254	45.25	431,463,254	NA	431,463,254	45.25	NA	45.25	-	-	NA	429,266,162	

\$ Shareholding of the public shareholders as above has been consolidated on the basis of PAN in accordance with the SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/128 dated December 19, 2017.

₹@ As of June 30, 2021 based on the benpos received from Depositories.

IV. Statement showing shareholding pattern of the Non Promoter-Non Public Shareholder

	Category & Name of the shareholders (I)	PAN (II)	Nos of shareholder (III)\$	No of fully paid-up equity shares held (IV)	Partly paid-up equity shares held (V)	No of shares underlying Depository Receipts (VI)	Shareholding as a % of total no. of shares(calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Total Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)@
								No of Voting Rights			Total as a % of Total Voting Rights			No.	As a % of total shares held	No. (Not applicable)	As a % of total shares held (Not applicable)	
								Class eg: X	Class eg: Y	Total								
(1)	Custodian/DR Holder	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
(a)	Name of DR Holder (If available)	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
(2)	Employee Benefit Trust (Under SEBI (Share based Employee Benefit) Regulations, 2014)	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

	Category & Name of the shareholders (I)	PAN (II)	Nos of shareholder (III)\$	No of fully paid-up equity shares held (IV)	Partly paid-up equity shares held (V)	No of shares underlying Depository Receipts (VI)	Shareholding as a % of total no. of shares(calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Total Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)@
								No of Voting Rights			Total as a % of Total Voting Rights			No.	As a % of total shares held	No. (Not applicable)	As a % of total shares held (Not applicable)	
								Class eg: X	Class eg: Y	Total								
	Total Non-Promoter - Non Public Shareholding (C)=(C)(1)+(C)(2)	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

\$ Shareholding of the non promoter non public shareholder as above has been consolidated on the basis of PAN in accordance with the SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/128 dated December 19, 2017.

@ As of June 30, 2021 based on the benpos received from Depositories.

V. Statement Showing details of significant beneficial owners

Sr. No.	Details of the SBO					Details of the registered owner					Details of holding/ exercise of right of the SBO in the reporting company, whether direct or indirect*:					Date of creation / acquisition of significant beneficial interest
	Name	PAN	Passport No. in case of a foreign national	Nationality	Nationality (Applicable in case of Any other is selected)	Name	PAN	Passport No. in case of a foreign national	Nationality	Nationality (Applicable in case of Any other is selected)	Whether by virtue of:					
											Shares	Voting rights	Rights on distributable dividend or any other distribution	Exercise of control	Exercise of significant influence	
1	Nimesh N Kampani	AAHPK2701P	-	India	-	J. M. Financial and Investment Consultancy Services Private Limited	AAACJ1237H		India		22.71	22.71		Yes	Yes	26/03/2002
2	Nimesh N Kampani	AAHPK2701P	-	India	-	J M Assets Management Private Limited	AAACJ1238J		India		10.81	10.81		Yes	Yes	01/07/1991
3	Nimesh N Kampani	AAHPK2701P	-	India	-	JSB Securities Limited	AAACJ1402A		India		0.68	0.68		Yes	Yes	01/07/1991
4	Nimesh N Kampani	AAHPK2701P	-	India	-	SNK Investments Private Limited	AAECS8123R		India		1.23	1.23		Yes	Yes	01/07/1991
5	Nimesh N Kampani	AAHPK2701P	-	India	-	Persepolis Investment Company Private Limited	AAACP2510P		India		0.24	0.24		Yes	Yes	29/11/2010
6	Nimesh N Kampani	AAHPK2701P	-	India	-	Kampani Consultants Limited	AAACK4250F		India		0.07	0.07		Yes	Yes	01/07/1991
7	Nimesh N Kampani	AAHPK2701P	-	India	-	JM Financial Trustee Company Private Limited	AAACJ2579E		India		0.12	0.12		Yes	Yes	07/03/2018

SECTION V – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Sr. No.	Particulars
1.	Limited review report dated July 20, 2021 along with the unaudited financial results for the three month period ended June 30, 2021
2.	Examination report dated August 31, 2021 along with the reformatted standalone financial statements for Fiscals 2019, 2020 and 2021
3.	Examination report dated August 31, 2021 along with the reformatted consolidated financial statements for Fiscals 2019, 2020 and 2021

Limited Review Report

To
Board of Directors,
JM Financial Products Limited
Mumbai

INTRODUCTION

1. We have reviewed the accompanying statement of unaudited financial results ('Statement') of JM Financial Products Limited ('Company') for the quarter ended June 30, 2021, attached herewith, being submitted by the Company to facilitate consolidation of its financial results with those of its parent, namely JM Financial Limited pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR'). Attention is drawn to the fact that the figures for the quarter ended March 31, 2021 as reported in this Statement are the balancing figures between audited figures in respect of full previous financial year and the published year to date figures upto the end of third quarter of the previous financial year.
2. The Statement is the responsibility of the Company's Management, being approved by the Board of Directors of the Company, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard ("Ind AS") 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

SCOPE OF REVIEW

3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is less in scope than an audit conducted in accordance with Standard on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards, i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

EMPHASIS OF MATTER

5. Attention is drawn to Note no. 3 of the Statement which describes the impacts of COVID-19 Pandemic on the financial results as also on business operations of the Company, the assessment thereof by the management of the Company based on its internal, external and macro factors, involving certain estimation of uncertainties. Our opinion is not modified in respect of this matter.



Khimji Kunverji & Co LLP

Chartered Accountants

OTHER MATTER

6. Due to lockdown, imposed by the Government, to restrict the spread of COVID19, the processes of quarterly limited review were carried out from remote locations i.e. from other than the Office of the Company, based on the data/details made available and based on financial information/records remitted by the management through digital medium. Our conclusion is not modified in respect of this matter.
7. This report is issued at the request of the management of the Company for the purpose of facilitating consolidation as stated in paragraph 1 above. Additionally, as per the applicable regulatory provisions, this report would also be used for the purpose of inclusion in the Offer Document to be filed with the Securities and Exchange Board of India, Stock Exchange(s) and Registrar of Companies, Maharashtra in connection with the proposed issue of Non-Convertible Debentures and for submission to Stock Exchange(s) as per SEBI Framework for listing of Commercial Papers by the Company and should not be used or circulated to any other person for any other purpose, without our prior written consent.

For Khimji Kunverji & Co LLP

Chartered Accountants

FRN: 105146W/W100621

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HASMUKH
BHAVANJI BHAVANJI DEDHIA
DEDHIA Date: 2021.07.20
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Hasmukh B Dedhia

Partner

Membership No.: 033494

UDIN: 21033494AAAAKC5393

Place: Mumbai

Dated: July 20, 2021



JM FINANCIAL PRODUCTS LIMITED
STATEMENT OF UNAUDITED BALANCE SHEET AS AT JUNE 30, 2021

Sr. No.		Rupees in Crore	
		As at June 30, 2021 Unaudited	As at March 31, 2021 Audited
	ASSETS		
(1)	Financial Assets		
(a)	Cash and cash equivalents	4.53	172.86
(b)	Other Bank Balances	136.80	122.73
(c)	Loans	4,065.57	2,981.04
(d)	Investments	723.56	1,566.06
(e)	Other Financial assets	389.74	460.39
		5,320.20	5,303.08
(2)	Non-financial Assets		
(a)	Current tax assets (net)	33.75	26.88
(b)	Deferred tax Assets	52.07	42.50
(c)	Property, Plant and Equipment	69.02	72.11
(d)	Other Intangible assets	0.95	1.06
(e)	Other non-financial assets	6.82	8.60
		162.61	151.15
	Total Assets	5,482.81	5,454.23
	LIABILITIES AND EQUITY		
	LIABILITIES		
(1)	Financial Liabilities		
(a)	Payables		
	(I) Trade Payables		
(i)	total outstanding dues of micro enterprises and small enterprises	0.02	0.05
(ii)	total outstanding dues of creditors other than micro enterprises and small enterprises	0.10	0.24
(b)	Debt securities	3,278.29	3,235.90
(c)	Borrowings (Other than Debt Securities)	206.25	272.16
(d)	Other financial liabilities	129.43	106.76
	Total Financial Liabilities	3,614.09	3,615.11
(2)	Non-Financial Liabilities		
(a)	Current tax liabilities (Net)	7.35	0.93
(b)	Provisions	4.63	3.91
(c)	Other non-financial liabilities	4.06	5.51
	Total Non-Financial Liabilities	16.04	10.35
(3)	EQUITY		
(a)	Equity Share capital	544.50	544.50
(b)	Other Equity	1,308.18	1,284.27
	Total Equity	1,852.68	1,828.77
	Total Liabilities and Equity	5,482.81	5,454.23



JM Financial Products Limited

Corporate Identity Number : U74140MH1984PLC033397

Regd. Office: 7th Floor, Chenergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.

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JM FINANCIAL PRODUCTS LIMITED					
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2021					
Rupees in Crore					
Sr. No.	Particulars	Quarter Ended			Year Ended
		30.06.2021	31.03.2021	30.06.2020	31.03.2021
		Unaudited	Unaudited	Unaudited	Audited
I	Income				
I	Revenue from operations				
(a)	Interest income	105.96	120.21	117.77	513.04
(b)	Fees and commission income	8.70	9.00	3.42	28.89
(c)	Other operating income	7.88	17.86	13.32	57.37
(d)	Net gain on fair value changes*	15.73	(6.73)	14.81	51.63
(c)	Net gain on derecognition of financial instruments under amortised cost category	-	0.08	6.51	6.60
	Total Revenue from operations	138.27	140.42	155.83	657.53
II	Other Income	1.21	1.20	0.13	3.12
	Total Income	139.48	141.62	155.96	660.65
2	Expenses				
(a)	Finance costs	70.84	83.62	77.94	323.27
(b)	Impairment on financial instruments	20.00	(0.67)	13.49	55.46
(c)	Employee benefits expense	14.00	14.69	11.01	54.61
(d)	Depreciation and amortisation expense	3.22	3.27	3.32	13.28
(e)	Operating and other expenses	5.74	9.39	6.26	32.33
	Total expenses	113.80	110.30	112.02	478.95
3	Profit before tax (1-2)	25.68	31.32	43.94	181.70
4	Tax Expense:				
(a)	Current tax	11.40	9.60	16.20	55.70
(b)	Deferred tax	(9.58)	(3.18)	(4.48)	(11.63)
	Total tax expenses	1.82	6.42	11.72	44.07
5	Net Profit for the period (3-4)	23.86	24.90	32.22	137.63
6	Other Comprehensive Income				
(i)	Items that will not be reclassified to profit or loss				
-	Actuarial gain /(loss) on post retirement benefit plans	0.07	0.22	0.01	0.27
-	Income tax on the above	(0.02)	(0.06)	(0.00)	(0.07)
	Other Comprehensive Income	0.05	0.16	0.01	0.20
7	Total Comprehensive Income (5 + 6)	23.91	25.06	32.23	137.83
8	Paid up equity share capital (Face value Re.10/- per share)	544.50	544.50	544.50	544.50
9	Earnings Per Equity Share (EPS)				
	Basic EPS (in Re.) (Not annualised)	0.44	0.46	0.59	2.53
	Diluted EPS (in Re.) (Not annualised)	0.44	0.46	0.59	2.53

Note : Total Net gain/(loss) on fair value changes include Rs 10.91 Crore for quarter ended June 30,2021 (Rs. 9.05 Crore for quarter ended March 31,2021, Rs 14.58 Crore for quarter ended June 30, 2020 and Rs 49.96 Crore for year ended March 31, 2021) as 'Net gain or loss on sale of investments'.

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JM FINANCIAL PRODUCTS LIMITED
Notes :

- 1 The above results have been reviewed and recommended for Board approval by the Audit Committee and approved by the Board of Directors at the meeting held on July 20, 2021. The said results have been subjected to "Limited Review" by the Statutory Auditors of the Company.
- 2 The said financial results have been prepared as per the format prescribed under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended to the extent applicable to the Company for the purpose of preparation of consolidated financial results of the holding company, JM Financial Limited and for the purpose of inclusion in the Offer Document to be filed with the Securities and Exchange Board of India, Stock Exchanges and Registrar of Companies, Maharashtra in connection with the proposed issue of Non-Convertible Debentures and Commercial Papers by the Company.
- 3 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 and in accordance therewith, the Company had provided moratorium on the payment of all principal amounts and/or interest, as applicable, falling due between March 1, 2020 and August 31, 2020 to all eligible borrowers classified as standard, even if the said amounts were overdue on February 29, 2020. For all such accounts, where the moratorium was granted, the asset classification remained 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).

Given the uncertainty over the potential macro-economic impact and external developments, the Management has considered internal and external information up to the date of approval of these financial results, and has estimated overlays and made certain judgements in accordance with the policy of the Company for the purpose of determination of the provision for impairment of financial assets carried at amortised cost and in relation to revenue recognition.

The provision for expected credit loss on financial assets as on June 30, 2021 aggregates Rs. 168.74 crore (as on March 31, 2021 - Rs. 150.04 crore) which includes management overlay for the potential impact on account of the pandemic is Rs. 82.30 crore (as on March 31, 2021 - Rs. 79.03 crore). Based on the current indicators of future economic conditions, the Company considers these provisions to be adequate. Accordingly, the impairment provision for the quarter ended June 30, 2021 on account of the pandemic is Rs. 3.27 crore.

The extent to which the pandemic impact future results of the Company will depend on future developments, which are highly uncertain. Given the uncertainty over the potential macro-economic condition and judicial decisions, the impact of the COVID pandemic may be different from that estimated as at the date of approval of these financial results 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.


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4 Disclosure as per format prescribed under notification no RBI/2020-2021/16 DOR No BP BC/3/21.04.048/2020-21 dated August 20, 2020 for the period ended June 30, 2021					
Type of Borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) Exposure to accounts mentioned at (A) before implementation of the plan**	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution plan***
Personal Loans	-	-	-	-	-
Corporate Loans*	1	47.82	-	-	4.60
of which, MSMEs	-	-	-	-	-
Others	10	2.80	-	-	0.12
Total	11	50.62	-	-	4.72
* As defined in Section 3 (7) of the Insolvency and Bankruptcy Code, 2016 ** Loan Book as on March 31, 2021 *** Minimum provision of 10% provided as per RBI circular 1 borrower having an exposure of Rs 5.26 crore to the Company, where resolution plan had been implemented under RBI's Resolution Framework 2.0 dated May 5, 2021.					
5 The Company has only one business segment i.e. fund based activities and hence there are no other reportable segments.					
6 The figures in respect of the results for the preceding three months ended March 31, 2021 are the balancing figures between the audited financial results in respect of the full financial year March 31, 2021 and the year to date figures up to the third quarter ended December 31, 2020, which were approved by the Board of Directors and subjected to limited review by the auditors.					
7 Previous period/year's figures have been regrouped and rearranged wherever necessary to conform to the current period's classification.					
For JM Financial Products Limited VISHAL NIMESH KAMPANI Digitally signed by VISHAL NIMESH KAMPANI Date: 2021.07.20 17:42:42 +05'30' Vishal Kampani Managing Director DIN - 00009079 Place : Mumbai Date : July 20, 2021					


JM Financial Products Limited

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Independent Auditors' Examination Report on the reformatted standalone statement of assets and liabilities as at March 31, 2021, 2020 and 2019 and reformatted standalone statements of profit and loss and cash flows for each of the years ended March 31, 2021, 2020 and 2019 of JM Financial Products Limited (collectively, the "Reformatted Standalone Financial Information")

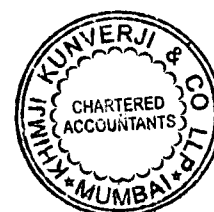
The Board of Directors
JM Financial Products Limited
7th Floor, Cnergy, Appasaheb Marathe Marg
Prabhadevi, Mumbai- 400 025

Dear Sirs / Madams,

1. We have examined the attached Reformatted Standalone Financial Information of JM Financial Products Limited (the "Company") as at March 31, 2021, 2020 and 2019 and for each of the years ended March 31, 2021, 2020 and 2019, annexed to this report and prepared by the Company for the purpose of inclusion in the offer document in connection with its Proposed Public Issue of Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value Rs. 1,000 each ("Secured NCDs") and/or Unsecured, Rated, Listed, Redeemable, Non-Convertible Debentures in the nature of subordinated debt and eligible for inclusion as Tier II Capital of face value Rs.1,000 each ("Unsecured NCDs") aggregating upto Rs. 1,500 crore ("NCDs") through one or more tranches. The Reformatted Standalone Financial Information, which have been approved by the NCD Public Issue Committee of the Board of Directors of the Company dated August 31, 2021, have been prepared by the Company in accordance with the requirements of:
 - a) Section 26 of Chapter III of The Companies Act, 2013, as amended (the "Act"); and
 - b) relevant provisions of the Securities and Exchange Board of India (issue and Listing of Non-Convertible Securities) Regulations, 2021 issued by the Securities and Exchange Board of India ("SEBI"), as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992 (the "SEBI Act").

Management's Responsibility for the Reformatted Standalone Financial Information

2. The preparation of Reformatted Standalone Financial Information is based on audited financial statements of the Company prepared in accordance with the Indian Accounting Standard (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India in accordance with the accounting principles generally accepted in India, which are to be included in the Draft Shelf Prospectus and the Shelf Prospectus, is the responsibility of the Management of the Company for the purpose set out in paragraph 14 below.
3. Other financial information as at and for the years ended March 31, 2021, 2020 and 2019, approved by the Finance Committee of Board of Directors vide Resolution dated August 31, 2021:
 - Statement of Dividend as per Ind AS enclosed as Annexure VI; and
 - Statement of Accounting Ratios as per Ind AS enclosed as Annexure VII.
4. The Management's responsibility includes designing, implementing and maintaining adequate internal controls relevant to the preparation and presentation of the Reformatted Standalone Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Act and the Regulations..



Auditors' Responsibilities

5. We have examined such Reformatted Standalone Financial Information taking into consideration:
- a) the terms of reference and our engagement agreed with you vide our engagement letter dated August 18, 2021 requesting us to carry out work on such Reformatted Standalone Financial Information in connection with the Company's Issue of NCDs;
 - b) the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (the "Guidance Note"); and
 - c) the requirements of Section 26 of the Act and the Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the Regulations in connection with the Issue of NCD.
 - d) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Reformatted Standalone Financial Information.

Reformatted Standalone Financial Information

6. The Reformatted Standalone Financial Information have been compiled by the management from the audited standalone Ind AS financial statements of the Company as at and for each of the years ended March 31, 2021, 2020 and 2019, which have been approved by the Board of Directors at their meetings held on April 28, 2021, May 04, 2020 and April 26, 2019 respectively.
7. For the purpose of our examination, we have relied on Auditors' reports issued by us, dated April 28, 2021, May 04, 2020 and April 26, 2019 on the standalone Ind AS financial statements of the Company as at and for each of the years ended March 31, 2021, March 31, 2020 and March 31, 2019 respectively as referred in Paragraph 6 above

Our report dated April 28, 2021 on the Audited Standalone Ind AS Financial Statement as at and for the year ended March 31, 2021, included:

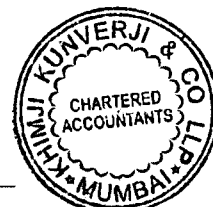
Emphasis of Matter

- We draw attention to note no. 51 of the standalone Ind AS Financial Statements, which describes the extent to which the COVID-19 pandemic may impact the Company's results will depend on future developments, which being uncertain, the said note narrates management's proposed future actions based on its assessment of internal and external factors and macro level developments. Our opinion is not modified in respect of this matter.

Our report dated May 04, 2020 on the Audited Standalone Ind AS Financial Statement as at and for the year ended March 31, 2020, included:

Emphasis of Matter

- We draw attention to note no. 50 of the standalone Ind AS Financial Statements, which describes the extent to which the COVID-19 pandemic may impact the Company's results will depend on future developments, which being highly uncertain, the said note narrates management's proposed future actions based on its



assessment of internal and external factors and macro level developments. Our opinion is not modified in respect of this matter.

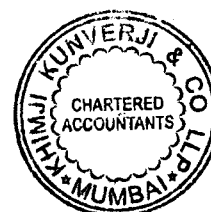
Our report dated April 26, 2019 on the Audited Standalone Ind AS Financial Statement as at and for the year ended March 31, 2020, included:

Other Matters

- The comparative financial information of the Company for the year ended March 31, 2018 and the transition date opening Balance Sheet as at April 01, 2017 included in these Standalone Ind AS financial statements, are based on the previously issued statutory standalone financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by Deloitte Haskins & Sells LLP, Chartered Accountants (predecessor auditor) for the year ended March 31, 2018 and for the year ended March 31, 2017, whose reports dated April 30, 2018 and April 27, 2017 respectively, expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.
8. Taking into consideration the requirements of Section 26 of Part I of Chapter III of the Act, the Regulations and the terms of our engagement agreed with you, we further report that:
- a) the Reformatted Standalone Financial Information of the Company have been examined by us, as set out in Annexure I to Annexure V. These Reformatted Standalone Financial Information have been prepared after regrouping as in management's opinion were appropriate and more fully described in Significant Accounting policies and notes (Refer Annexure V).
 - b) based on our examination as above:
 - i) the Reformatted Standalone Financial Information have to be read in conjunction with the notes given in Annexure V; and
 - ii) the figures of earlier periods have been regrouped (but not restated retrospectively for changes in accounting policies), wherever necessary, to conform to the classification adopted for the Reformatted Standalone Financial Information as at and for the year ended March 31, 2021.
9. In the preparation and presentation of Reformatted Standalone Financial Information based on audited standalone financial statements as referred to in paragraph 7 above, no adjustments have been made for any events occurring subsequent to dates of the audit reports specified in paragraph 7 above.

Other Financial Information

10. At the Company's request, we have also examined the following standalone financial information proposed to be included in the Draft Shelf Prospectus and the Shelf Prospectus prepared by the Management and approved by the Board of Directors of the Company and annexed to this report relating to the Company, as at and for each of the years ended March 31, 2021, 2020 and 2019:
- i. Statement of dividend paid, enclosed as Annexure VI
 - ii. Statement of Accounting Ratios as per Ind AS enclosed, enclosed as Annexure VII



Khimji Kunverji & Co LLP

Chartered Accountants

11. In our opinion, the Reformatted Standalone Financial Information and the other information referred to in paragraph 10 above, as disclosed in the Annexures to this report, read with respective significant accounting policies disclosed in Annexure V, and after making adjustments and regroupings as considered appropriate and disclosed has been prepared by the Company by taking into consideration the requirement of Section 26 of Part I of Chapter III of the Act and the Regulations.

Other Matter

12. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
13. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by the Previous Auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

Restrictions on Use

14. This report is intended solely for use of the management for inclusion in the Draft Shelf Prospectus and the shelf Prospectus to be filed with SEBI, BSE Limited and ROC in connection with the proposed Issue of NCD of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

Yours faithfully,

For Khimji Kunverji & Co LLP

Chartered Accountants

Firm Registration Number: 105146W/ W100621



Vinit K Jain

Partner

Membership No.: 145911

ICAI UDIN: 21145911AAAACU9812



Mumbai

August 31, 2021

JM FINANCIAL PRODUCTS LIMITED
REFORMATTED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

Rupees in Crore

Sr. No.	Notes	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
ASSETS				
(1) Financial Assets				
(a) Cash and cash equivalents	4	172.86	46.64	142.38
(b) Other Bank Balances	5	122.73	60.00	60.05
(c) Loans	6	2,981.04	3,639.86	5,220.58
(d) Investments	7	1,566.06	1,322.46	541.82
(e) Other Financial assets	8	460.39	162.06	85.56
		5,303.08	5,231.02	6,050.39
(2) Non-financial Assets				
(a) Current tax assets (net)	9	26.88	27.17	24.29
(b) Deferred tax Assets (net)	10	42.50	30.94	28.60
(c) Property, Plant and Equipment	11	72.11	85.03	6.19
(d) Intangible assets	11	1.06	1.45	1.54
(e) Intangible assets under development	11	-	-	0.41
(f) Other non-financial assets	12	8.60	7.55	9.27
		151.15	152.14	70.30
Total Assets		5,454.23	5,383.16	6,120.69
LIABILITIES AND EQUITY				
(1) Financial Liabilities				
(a) Payables				
(i) Trade Payables	13			
(i) total outstanding dues of micro enterprises and small enterprises		0.05	0.02	0.01
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		0.24	1.13	0.49
(b) Debt Securities	14	3,235.90	2,731.49	3,487.39
(c) Borrowings (Other than Debt Securities)	15	272.16	826.08	1,036.03
(d) Other financial liabilities	16	106.76	105.35	26.10
Total Financial Liabilities		3,615.11	3,664.07	4,550.02
(2) Non-Financial Liabilities				
(a) Current tax liabilities (Net)	17	0.93	2.79	0.31
(b) Provisions	18	3.91	3.96	3.31
(d) Other non-financial liabilities	19	5.51	5.07	6.80
Total Non-Financial Liabilities		10.35	11.82	10.42
(3) EQUITY				
(a) Equity Share capital	20	544.50	544.50	544.50
(b) Other Equity	21	1,284.27	1,162.77	1,015.75
Total Equity		1,828.77	1,707.27	1,560.25
Total Liabilities and Equity		5,454.23	5,383.16	6,120.69

Notes to the standalone financial statements

1 to 62

In terms of our report attached

For Khimji Kunverji & Co LLP

Chartered Accountants

(FRN: 105146W / W100621)



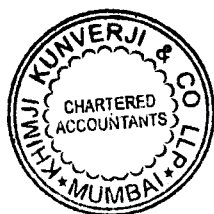
Vinit K Jain

Partner

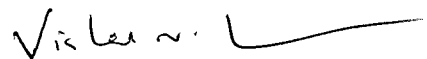
Membership Number : 145911

Place : Mumbai

Date : *August 31, 2021*



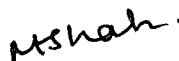
For and on behalf of the Board of Directors



Vishal Kampani

Managing Director

DIN - 00009079



Nishit Shah

Chief Financial Officer

Place : Mumbai

Date : *August 31, 2021*

JM FINANCIAL PRODUCTS LIMITED
REFORMATTED STANDALONE STATEMENT OF PROFIT AND LOSS

Rupees in Crore

Sr. No.	Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
(I)	Revenue from operations				
(i)	Interest Income	22	513.04	701.75	853.70
(ii)	Fees and Commission Income	23	28.89	41.62	41.42
(iii)	Other Operating Income	24	57.37	23.87	7.10
(iv)	Net gain on fair value changes	25	51.63	56.45	30.98
(v)	Net gain on derecognition of financial instruments under amortised cost category		6.60	13.76	-
	Total Revenue from operations		657.53	837.45	933.20
(II)	Other Income	27	3.12	3.26	0.35
(III)	Total Income (I+II)		660.65	840.71	933.55
(IV)	Expenses				
(i)	Finance Costs	28	323.27	453.17	521.96
(ii)	Impairment on financial instruments	29	55.46	60.92	(6.82)
(iii)	Employee Benefits Expenses	30	54.61	46.59	53.86
(iv)	Depreciation, amortization and impairment	12	13.28	13.25	2.55
(v)	Operating and other expenses	31	32.33	36.10	46.24
	Total Expenses		478.95	610.03	617.79
(V)	Profit / (loss) before exceptional items and tax (III-IV)		181.70	230.68	315.76
(VI)	Tax Expense:				
	Current tax		55.70	72.90	112.30
	Deferred tax		(11.63)	(2.35)	(0.84)
	Tax adjustment of earlier years (net)		-	-	-
	Total tax expenses		44.07	70.55	111.46
(VII)	Profit / (loss) for the period from continuing operations (V-VI)		137.63	160.13	204.30
(VIII)	Other Comprehensive Income				
	Items that will not be reclassified to profit or loss				
	- Remeasurment of employee defined benefit obligation		0.27	0.03	0.15
	- Income tax on above		(0.07)	(0.01)	(0.05)
	Other Comprehensive Income		0.20	0.02	0.10
(IX)	Total Comprehensive Income for the period (VII+VIII) (Comprising Profit (Loss) and other Comprehensive Income for the period)		137.83	160.15	204.40
(X)	Earnings per equity share	34			
	Basic EPS (in Rs.) (Not annualised)		2.53	2.94	3.75
	Diluted EPS (in Rs.) (Not annualised)		2.53	2.94	3.75

Notes to the standalone financial statements

I to 62

In terms of our report attached

For Khimji Kunverji & Co LLP

Chartered Accountants

(FRN: 105146W / W100621)

Vinit K Jain

Vinit K Jain

Partner

Membership Number : 145911

Place : Mumbai

Date : *August 31, 2021*



For and on behalf of the Board of Directors

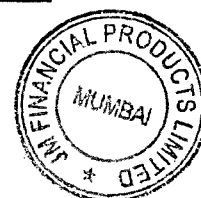
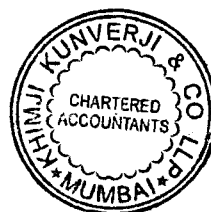
Vishal Kampani

Vishal Kampani
Managing Director
DIN - 00009079

Nishit Shah

Nishit Shah
Chief Financial Officer
Place : Mumbai
Date : *August 31, 2021*

JM FINANCIAL PRODUCTS LIMITED REFORMATTED STANDALONE CASH FLOW STATEMENT			
PARTICULARS	Rupees in Crore		
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
A Net Profit before tax	181.70	230.68	315.76
Adjustment for :			
Depreciation/ Amortisation	13.28	13.25	2.55
Loan funds written off	1.82	-	1.82
Interest expenses - Others	323.27	453.17	0.03
Provision for Non Performing Assets	23.67	1.38	(1.31)
Provision for standard assets	-	-	3.26
Interest Income on fixed deposits with Banks and others	(1.86)	(0.01)	(0.05)
Finance Income on rent deposit	(0.42)	(0.38)	-
Provision for bonus - written back	(0.02)	(0.81)	-
Impairment on financial instruments	31.79	59.54	(6.82)
Net loss / (Profit) on fair value changes	(1.68)	3.34	15.82
Profit on sale of current investments	(49.96)	(59.79)	(46.81)
Derecognition of Security Deposit	0.13	-	-
Provision for TDS receivable	0.96	1.55	-
Operating Profit before Working Capital Changes	522.68	701.92	284.25
Changes in working capital			
Adjustment for (increase)/ decrease in operating assets:			
Loans and advances and other current assets	594.49	1,535.62	1,389.16
Stock-in-trade	(301.29)	(91.45)	(49.18)
Operating fixed deposits with banks	(62.73)	0.05	145.45
Accrued interest income related to operating activities	14.90	(4.22)	0.13
Adjustment for increase/ (decrease) in operating liabilities:			
Trade payables, other liabilities and provisions	4.25	(1.45)	(13.68)
Accrued interest expenses related to operating activities	(1.01)	44.15	29.64
Cash (used in) operations	771.29	2,184.62	1,785.77
Direct taxes paid (net)	(57.21)	(73.29)	(121.47)
Net Cash (used in) Operating Activities (A)	714.08	2,111.33	1,664.30
B Cash flow from Investing Activities			
Purchase of fixed assets	(0.72)	(2.16)	(2.31)
Sale of fixed assets	-	-	0.01
Investment in a subsidiary	-	(29.70)	(86.80)
Sale / (Purchase) of investments	1,189.70	442.41	-
Sale / (Purchase) of current investments (net)	(1,380.29)	(1,136.92)	(343.33)
Interest received	1.86	0.01	0.05
Net Cash generated from Investing Activities (B)	(189.45)	(726.36)	(432.38)
C Cash flow from Financing Activities			
Proceeds / (Repayments) from long term borrowings (net)	(200.89)	(192.48)	(365.96)
Proceeds / (Repayments) from short term borrowings (net)	153.38	(830.22)	(807.71)
NCD issue Expenses	(8.51)	12.72	-
Lease Rent Paid	(12.63)	(12.17)	-
Interest paid	(313.63)	(445.45)	(0.03)
Dividend paid (Including Corporate Dividend Tax)	(16.13)	(13.11)	(111.59)
Net Cash flow from Financing Activities (C)	(398.41)	(1,480.71)	(1,285.29)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	126.22	(95.74)	(53.37)
Cash and cash equivalents at the beginning of the year	46.64	142.38	195.75
Cash and cash equivalents at the end of the year	172.86	46.64	142.38



JM FINANCIAL PRODUCTS LIMITED
REFORMATTED STANDALONE CASH FLOW STATEMENT

Rupees in Crore

Notes:

(1) Reconciliation of cash and cash equivalents:			
As per Balance Sheet (Refer note 5 & 6)	295.59	106.64	202.43
Less: Balances with banks in deposit	122.73	60.00	60.05
As per Cash-flow statement	172.86	46.64	142.38

- (2) Balances with banks in deposit includes Rs.122.42 crore for FY21, Rs.59.95 crore for FY20, Rs.60.00 crore for FY19 placed as securities against overdraft facilities availed from the banks.

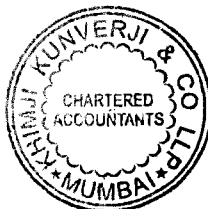
In terms of our report attached
For Khimji Kunverji & Co LLP
Chartered Accountants
(FRN: 105146W / W100621)

Vinit K Jain
Partner

Membership Number : 145911

Place : Mumbai

Date : August 31, 2021



For and on behalf of the Board of Directors

Vishal Kampani

Vishal Kampani
Managing Director
DIN - 00009079

Nishit Shah

Nishit Shah
Chief Financial Officer
Place : Mumbai
Date : August 31, 2021

JM FINANCIAL PRODUCTS LIMITED
Reformatted Standalone Statement of Changes in Equity

							Rupees in Crore
A. Equity share capital							
	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	Changes in equity share capital during the year	Balance as at March 31, 2021
Equity Share Capital	544.50	-	544.50	-	544.50	-	544.50
B. Other Equity							
Particulars	Reserves and Surplus						Total Equity
	Securities Premium	Capital Redemption Reserves	General Reserves	Retained earnings/ (accumulated deficit)	Capital Reserves	Statutory Reserves	
Balance as at April 1, 2018	38.23	0.00	-	608.43	-	276.29	922.95
Addition/Reduction during the year							
Profit for the year	-	-	-	204.30	-	-	204.30
Transfer to statutory reserves	-	-	-	(41.00)	-	41.00	-
Final /Interim dividend	-	-	-	(92.57)	-	-	(92.57)
Corporate dividend tax	-	-	-	(19.03)	-	-	(19.03)
Other comprehensive income	-	-	-	0.10	-	-	0.10
Balance at March 31, 2019	38.23	0.00	-	660.23	-	317.29	1,015.75
Addition/Reduction during the year							
Profit for the year	-	-	-	160.13	-	-	160.13
Transfer to statutory reserves	-	-	-	(33.00)	-	33.00	-
Addition/Reduction during the year							
Final /Interim dividend	-	-	-	(10.89)	-	-	(10.89)
Corporate dividend tax	-	-	-	(2.24)	-	-	(2.24)
Other comprehensive income	-	-	-	0.02	-	-	0.02
Balance at March 31, 2020	38.23	0.00	-	774.25	-	350.29	1,162.77
Addition/Reduction during the year							
Profit for the year	-	-	-	137.63	-	-	137.63
Transfer to statutory reserves	-	-	-	(28.00)	-	28.00	-
Final /Interim dividend	-	-	-	(16.33)	-	-	(16.33)
Other comprehensive income	-	-	-	0.20	-	-	0.20
Balance at March 31, 2021	38.23	0.00	-	867.75	-	378.29	1,284.27

The above statement of changes in equity should be read in conjunction with the accompanying notes.

In terms of our report attached
For Khimji Kunverji & Co LLP
Chartered Accountants
(FRN: 105146W / W100621)



Vinit K Jain
Partner
Membership Number : 145911
Place : Mumbai
Date : *August 31, 2021*

For and on behalf of the Board of Directors

Vishal Kampani

Vishal Kampani
Managing Director
DIN - 00009079

Nishit Shah

Nishit Shah
Chief Financial Officer
Place : Mumbai
Date : *August 31, 2021*

JM FINANCIAL PRODUCTS LIMITED
Notes to the reformatted standalone financial information

- 1A** The Company has prepared the Reformatted Standalone Statement of Assets and Liabilities as at March 31, 2021, 2020, 2019 and Reformatted Standalone Statement of Profit and Loss and the Reformatted Standalone Cash Flow Statements for the years ended March 31, 2021, 2020, 2019 and the summary of significant accounting policies and other explanatory information (together comprising the "Reformatted Standalone Financial Information").

The Reformatted Standalone Financial Information have been extracted by management from the Audited Financial Statements of the Company for the years ended March 31, 2021, March 31, 2020, March 31, 2019 which were approved by Board of Directors of the Company and which have been audited by Khimji Kunverji & Co. LLP, Chartered Accountants. The auditors have issued an audit report dated April 28 2021 ,May 04, 2020, April 26, 2019 for the financial year ended March 31, 2021, March 31, 2020 and March 31, 2019 respectively to the Members of the Company.

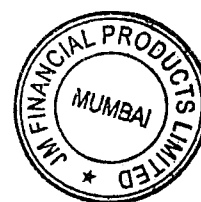
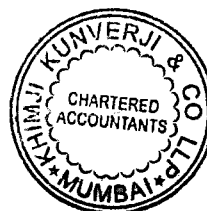
These Reformatted Standalone Financial Information, do not reflect the effects of events that occurred subsequent to the dates of approval of the audited standalone financial statements of the respective years by the Board of Directors of the Company and also do not reflect the effects of change in accounting policies and restatement impact in respect of prior period items from one year to another, if any.

These Reformatted Standalone Financial Information has been prepared by the management for inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, BSE Limited and Registrar of Companies, Maharashtra in connection with the proposed issue of NCDs of the Company.

1 Corporate Information

JM Financial Products Limited (our "Company") was originally incorporated at Mumbai, Maharashtra as a private limited company on July 10, 1984 under the provisions of the Companies Act, 1956 with registration number 33397 of 1984 and with the name "J.M. Lease Consultants Private Limited". By virtue of section 43A of the Companies Act, 1956 our Company became a deemed public company with the name "J.M Lease Consultants Limited" and received a certificate of incorporation dated July 15, 1992 from the Registrar of Companies, Mumbai, Maharashtra. Our Company further became a Private Company with effect from August 17, 2001. Subsequently, by way of a fresh certificate of incorporation dated June 10, 2005 issued by the Registrar of Companies, Mumbai, Maharashtra, our Company's name was changed to "JM Financial Products Private Limited". Our Company was converted into a public limited company with the name "JM Financial Products Limited" and received a fresh certificate of incorporation consequent to change in status on June 28, 2010 from the Registrar of Companies, Mumbai, Maharashtra. Our Company is a Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC-ND-SI), registered with the Reserve Bank of India under Section 45 IA of the RBI Act, 1934, bearing registration no. B - 13.00178 dated March 2, 1998.

JM Financial Home Loans Limited is the subsidiary company and JM Financial Limited is the ultimate parent company of the group, whose shares are listed in the recognised stock exchange in India. Company's shares are not listed in any recognised stock exchange in India. However, Company's debt securities are listed in one of the recognised stock exchange in India.



JM FINANCIAL PRODUCTS LIMITED
Notes to the reformatted standalone financial information

2 Significant Accounting Policies

2.1 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.

For 2018-19

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

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 116, and measurements that have some similarities to fair value but are not fair value 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

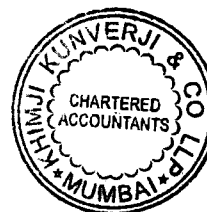
2.2 Presentation of financial statements

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 crores 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.

2.3 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.



JM FINANCIAL PRODUCTS LIMITED
Notes to the reformatted standalone financial information

2.3.1 Interest Income

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. Interest on financial instruments measured as at fair value is included within the fair value movement during the period.

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The calculation of the EIR includes all fees and points paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at FVTPL, transaction costs are recognised in profit or loss at initial recognition.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses (ECLs)). For financial assets originated or purchased credit-impaired (POCI) the EIR reflects the ECLs in determining the future cash flows expected to be received from the financial asset.

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. Interest on financial instruments measured as at fair value is included within the fair value movement during the period.

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The calculation of the EIR includes all fees and points paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at FVTPL, transaction costs are recognised in profit or loss at initial recognition.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses (ECLs)). For financial assets originated or purchased credit-impaired (POCI) the EIR reflects the ECLs in determining the future cash flows expected to be received from the financial asset.

2.3.2 Fees and Commission Income

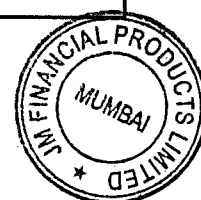
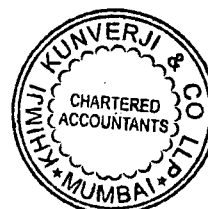
Fee and commission income include fees other than those that are an integral part of EIR. The fees included in this part of the statement of profit and loss include among other things fees charged for servicing a loan.

2.3.3 Investment Income

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

2.3.4 Dividend Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.



JM FINANCIAL PRODUCTS LIMITED
Notes to the reformatted standalone financial information

2.4 Leasing

For 2018-19

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 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 (see note 2.6 below).

For 2019-20 onwards

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

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

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

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

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

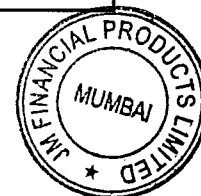
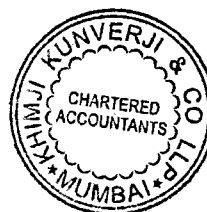
Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined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

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 16 "Other Financial Liabilities" and ROU asset has been presented in Note 11 "Property, Plant and Equipment".



JM FINANCIAL PRODUCTS LIMITED
Notes to the reformatted standalone financial information

2.4.1 Finance Lease

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 (see note 2.6 below).

2.4.2 Operating Lease

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

As such, a lessee's current operating lease accounting model will change significantly. The lessor accounting model will largely remain unchanged from that applied under current guidance.

2.5 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 profit or loss in the period in which they arise.

2.6 Borrowing costs

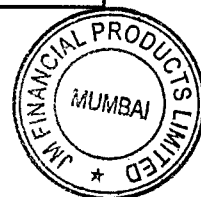
Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets as defined in Ind AS 23 are capitalized as a part of costs of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Interest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

2.7 Employee benefits

Retirement benefit costs and termination benefits:

Defined Contribution Plan

Payments to defined contribution plans are recognised as expense in the Statement of Profit & Loss of the year when employees have rendered service entitling them to the contributions. The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that cash refund or a reduction in the future payment is available.



JM FINANCIAL PRODUCTS LIMITED
Notes to the reformatted standalone financial information

Defined Benefit Obligation:

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

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

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

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

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

Short-term benefits:

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

Other long-term benefits:

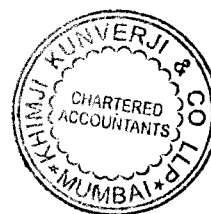
Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8 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. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in refer note 42.

The fair value determined at the grant date of the equity-settled share-based payments to employees of the Company is expensed on a straight-line basis over the vesting period with a corresponding increase in equity.

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



JM FINANCIAL PRODUCTS LIMITED
Notes to the reformatted standalone financial information

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

2.9 Income tax

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 tax currently payable 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

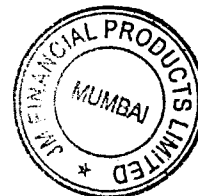
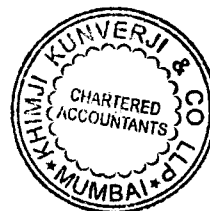
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. 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 (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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

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

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

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



JM FINANCIAL PRODUCTS LIMITED
Notes to the reformatted standalone financial information

2.10 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.

2.11 Property, plant and equipment and Intangible Assets

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

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

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Property, plant and equipment

Office Premise	- 3 Years
Leasehold improvements	- 3 Years
Computers	- 3 Years
Office equipment	- 5 Years
Furniture and fixtures	- 10 Years
Vehicles	- 5 Years

Assets costing less than Rs. 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.

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

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"

Intangible assets are amortised on straight line basis over the estimated useful life of 5 years. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

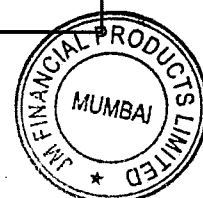
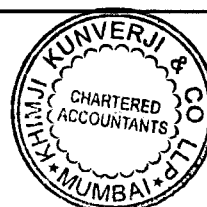
Intangible assets are stated at cost less accumulated amortization and impairment loss, if any.

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

For 2018-19

Deemed cost on transition to Ind AS

For transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as of April 1, 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.



JM FINANCIAL PRODUCTS LIMITED
Notes to the reformatted standalone financial information

Impairment losses on non financial assets

As at the end of each year, the Company reviews the carrying amount of its non-financial assets is PPE and intangible 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.

2.12 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.

2.13 Commitments

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

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

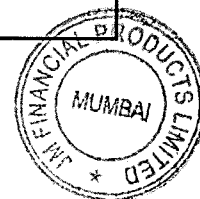
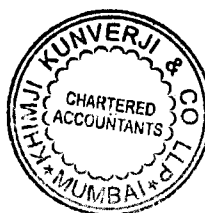
Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

2.14 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.



JM FINANCIAL PRODUCTS LIMITED
Notes to the reformatted standalone financial information

2.15 Segments

Based on "Management Approach" as defined by Ind AS 108, The Chief Operating Decision Maker (CODM) evaluates the "Operating Segments". Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. 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 Company as a whole and are not allocable to segments on a reasonable basis have been included under Unallocated Income / Costs.

2.16 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 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 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:

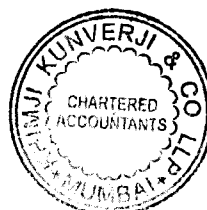
- Debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are subsequently measured at amortised cost;
- all other 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



JM FINANCIAL PRODUCTS LIMITED
Notes to the reformatted standalone financial information

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 FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

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

Gains and losses on equity instruments measured through 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 FVOCI are not subject to an impairment assessment.

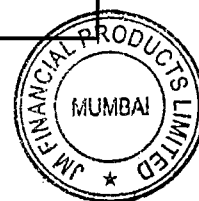
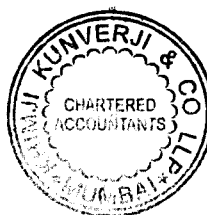
Financial assets at fair value through profit or loss (FVTPL)

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

Debt instruments that do not meet the amortised cost criteria or 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.



JM FINANCIAL PRODUCTS LIMITED
Notes to the reformatted standalone financial information

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

Overview of the Expected Credit Loss principles

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

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 Company in accordance with the contract and all the cash flows that the Company 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 Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

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

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

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

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

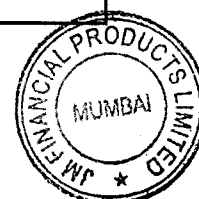
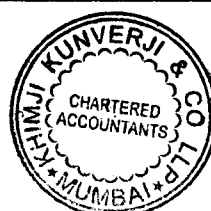
- Stage 1: Defined as performing assets with upto 30 days past due (DPD). Stage 1 loans will also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 to Stage 1.
- Stage 2: Defined as under-performing assets having 31 to 90 DPD. Stage 2 loans will also 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 18 and loans under short term financing, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

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

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

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



JM FINANCIAL PRODUCTS LIMITED
Notes to the reformatted standalone financial information

Derecognition of financial assets

A financial asset is derecognised only when:

- The Company has transferred the rights 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 obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial assets. In such cases, the financial assets 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 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 gains.

Financial liabilities and equity instruments**Classification as debt or equity**

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

Equity Instrument

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

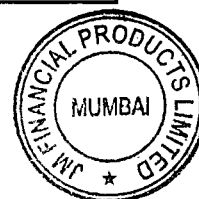
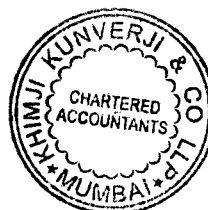
Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain/loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

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

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

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



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Financial liabilities at FVTPL

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

A financial liability is classified as held for trading if:

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

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

Financial liabilities subsequently measured at amortised cost

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

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

Derecognition of financial liabilities

The Company derecognises 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 recognised in profit or loss.

2.17 Cash and Cash Equivalents

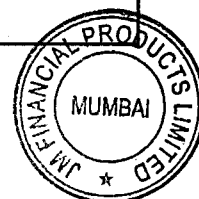
Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

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

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.



JM FINANCIAL PRODUCTS LIMITED
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3 Critical accounting judgements and key sources of estimation uncertainties

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

Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Expected Credit Loss

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

The inputs used and process followed by the Company in determining the increase in credit risk have been detailed in refer note 40.

Fair Valuation

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

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in refer note 40.

Leases:

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

For 2018-19

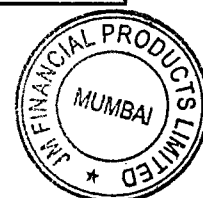
Transition to Ind AS:

Overall principle:

The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended March 31, 2019, the comparative information presented in these financial statements for the year ended March 31, 2018 and in the preparation of an opening Ind AS transition balance sheet as at April 1, 2017 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous Indian GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

Exemptions and Exceptions availed:

We have set out below the applicable Ind AS 101 optional and mandatory exceptions applied in the transition from previous GAAP to Ind AS.



JM FINANCIAL PRODUCTS LIMITED
Notes to the reformatted standalone financial information

Ind AS Exemptions:

Deemed cost for property, plant and equipment and other intangible assets:

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

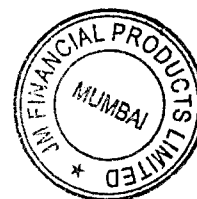
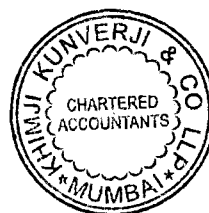
Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

Estimates:

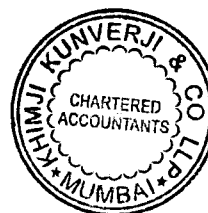
An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2017 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

Impairment of financial assets

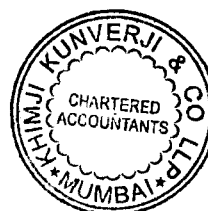
The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date.



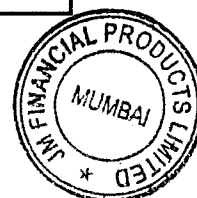
JM FINANCIAL PRODUCTS LIMITED			Notes to the reformatted standalone financial information			Rupees in Crore		
Note	Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019				
4	Cash and cash equivalents							
	Cash in hand	-	-	-				
	Balances with banks							
	- in current accounts	47.86	46.64	87.80				
	- in deposit accounts	125.00	-	40.00				
	Cheques on hand	-	-	14.58				
	Total	172.86	46.64	142.38				
5	Other balances with Banks							
	Deposit Accounts under lien against which overdraft facilities. (refer note 5.1)	122.42	59.95	60.00				
	Deposit Accounts under lien against which bank guarantee facilities.	0.31	0.05	0.05				
	Total	122.73	60.00	60.05				
5.1	Deposit accounts under lien for FY21 Rs.122.42 crore, FY20 Rs.59.95 crore, FY19 Rs. 60.05 crore, against which overdraft facilities remained outstanding as at FY21 of Rs. Nil, FY20 of Rs. Nil, FY19 Rs.Nil.							
6	Loans							
	At amortised cost							
(i)	Term Loans (refer note 6.1)	2,457.15	3,382.87	4,509.90				
(ii)	Demand Loan	623.64	295.95	716.69				
(iii)	Interest accrued	53.18	68.08	63.85				
		3,133.97	3,746.90	5,290.44				
	Less: Impairment loss allowance /EIR	(152.93)	(107.04)	(69.86)				
	Net	2,981.04	3,639.86	5,220.58				
	Break up of loans into secured and unsecured							
(i)	Secured by tangible assets	3,080.11	3,660.05	5,161.13				
(ii)	Loan funds (Unsecured)	0.68	18.77	65.46				
(iii)	Interest accrued	53.18	68.08	63.85				
	Gross	3,133.97	3,746.90	5,290.44				
	Less: Impairment loss allowance	(150.04)	(95.06)	(34.73)				
	Less: Processing fees -EIR	(2.89)	(11.98)	(35.13)				
	Total	2,981.04	3,639.86	5,220.58				
Note : The loans are given in India to other than Public sectors								
6.1	Term loan included unlisted Non Convertible Debenture for FY21 for Rs 114.11 Crore , FY20 for Rs 225.08 Crore and for FY19 Rs 219.55 Crore							



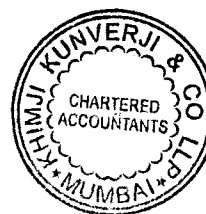
JM FINANCIAL PRODUCTS LIMITED				
Notes to the reformatted standalone financial information				
				Rupees in Crore
7	Investments	As at March 31, 2021		
Particulars	Quantity	Amortised cost	Fair Value Through profit and loss account	Total
Mutual Funds				
Axis Mutual Fund	8,72,478	-	199.34	199.34
Aditya Birla Sunlife Mutual Fund	66,46,691	-	220.36	220.36
ICICI Pru Mutual Fund	52,88,962	-	161.17	161.17
Frankline India Liquid Fund	6,47,285	-	200.13	200.13
HDFC Mutual Fund	4,79,243	-	193.88	193.88
Kotak Mutual Fund	4,79,124	-	199.28	199.28
Nippon India Mutual Fund	2,27,531	-	114.52	114.52
ICICI Prudential Overnight Fund	3,825	-	0.04	0.04
Preference Shares				
<u>Compulsory Convertible Preference Share</u>				
Fairassets Tech India Private Limited -Series B	406	-	0.21	0.21
Fairassets Technologies India Private Limited - Series A3	12,508	-	6.55	6.55
BRFL Textiles Private Limited - Series B	96,62,336	-	9.66	9.66
<u>Equity Shares</u>				
In Subsidiary (unquoted)				
JM Financial Home Loans Ltd of Rs. 10/- each	148,500,000	148.50	-	148.50
Investment in Equity Shares (Fully paid up)				
<u>Quoted</u>				
Spandana Sphoorty Financial Limited	4,64,794	-	25.36	25.36
NTPC Ltd	6,00,000	-	6.39	6.39
Bajaj Finserv Limited	2,000	-	1.93	1.93
D B Corp Ltd	8,00,000	-	7.19	7.19
Bandhan Bank Limited	1,00,000	-	3.39	3.39
HDFC Ltd -Warrant	1,45,200	-	9.72	9.72
Bajaj Holdings & Investment Limited	3,000	-	0.99	0.99
Motilal Oswal Financial Services Limited	85,000	-	5.31	5.31
UTI Asset Management Company Limited	15,000	-	0.87	0.87
Nippon Life India Asset Management Limited	10,000	-	0.34	0.34
Equitas Holdings Limited	1,00,000	-	0.87	0.87
Equitas Small Finance Bank Ltd	85,000	-	0.51	0.51
Brookfield India Real Estate Trust	7,50,000	-	16.74	16.74
<u>Unquoted</u>				
Fairassets Technologies India Private Limited of Rs. 10/- each *	2	-	0.00	0.00
*Rs 10,480/-				
BRFL Textiles Pvt Ltd of Rs 10/- each	53,37,664	-	5.34	5.34
<u>Security Receipts</u>				
(Unquoted)				
Class A Security Receipts of Rs 1,000/- each fully paid up	200,000	-	0.00	0.00
(Face value partly redeemed)				
Class A Security Receipts of Rs 1,000/- each fully paid up	535,500	-	27.47	27.47
Total		148.50	1,417.56	1,566.06
Break up of gross investments:				
(i) Investments outside India		-	-	-
(ii) Investments in India		148.50	1,417.56	1,566.06
Total		148.50	1,417.56	1,566.06



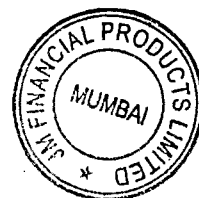
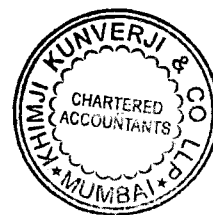
JM FINANCIAL PRODUCTS LIMITED				
Notes to the reformatted standalone financial information				
Particulars	QTY	As at March 31, 2020		
		Amortised cost	Fair Value Through profit and loss account	Total
Investments				
<i>Mutual Funds</i>				
JM Liquid Fund Growth Option	184,110,602	-	1,000.41	1,000.41
Frankline India Liquid Fund	199,918	-	59.64	59.64
SBI Liquid Fund	47,277	-	14.70	14.70
ICICI Prudential Overnight Fund	2,026,051	-	21.83	21.83
<i>Preference Shares</i>				
<i>Compulsory Convertible Preference Share</i>				
Fairassets Tech India Private Ltd -Series B	406	-	0.21	0.21
Fairassets Technologies India Private Limited - Series A3	12,508	-	6.34	6.34
<i>Equity Shares</i>				
In Subsidiary (unquoted)				
JM Financial Home Loans Ltd of Rs. 10/- each	148,500,000	148.50	-	148.50
<i>Investment in Equity Shares (Fully paid up)</i>				
<i>Quoted</i>				
Spandana Sphoorty Financial Limited #	541535	-	20.32	20.32
# Lock in upto 14-08-2020				
Power Grid Corporation of India Ltd	550,000	-	8.75	8.75
NTPC Ltd	600,000	-	5.05	5.05
Coal India Limited	200,000	-	2.80	2.80
Sterling And Wilson Solar Ltd	85,000	-	0.65	0.65
Hero MotoCorp Limited	10,000	-	1.61	1.61
Motherson Sumi Systems Limited	25,000	-	0.15	0.15
Bajaj Finserv Limited	1,500	-	0.69	0.69
ITC Limited	2,000	-	0.03	0.03
IndusInd Bank	7,500	-	0.26	0.26
<i>Unquoted</i>				
Fairassets Technologies India Private Limited of Rs. 10/- each *	2	-	0.00	0.00
*Rs 11,542/-				
<i>Security Receipts</i>				
(Unquoted)				
Class A Security Receipts of Rs 1,000/- each fully paid up	200,000	-	0.00	0.00
(Face value partly redeemed)				
Class A Security Receipts of Rs 1,000/- each fully paid up	535,500	-	30.52	30.52
Total		148.50	1,173.96	1,322.46
Break up of gross investments:				
(i) Investments outside India		-	-	-
(ii) Investments in India		148.50	1,173.96	1,322.46
Total		148.50	1,173.96	1,322.46



JM FINANCIAL PRODUCTS LIMITED				
Notes to the reformatted standalone financial information				
Rupees in Crore				
Particulars	As at March 31, 2019			
	QTY	Amortised cost	Fair Value Through profit and loss account	Total
Investments				
<i>Mutual Funds</i>				
JM High Liquid Fund - JM Liquid Fund (Direct) Growth Option	5,036,163	-	25.78	25.78
Reliance Mutual Fund - Reliance Liquid Fund	54,859	-	25.03	25.03
Frankline Mutual Fund - Franklin India Liquid fund	268,319	-	75.09	75.09
Kotak Mutual Fund - Kotak Liquid Direct Plan Growth	264,466	-	100.08	100.08
ICICI Mutual Fund - ICICI Prudential Liquid Fund	5,504,703	-	152.15	152.15
<i>Preference Shares</i>				
<u>Compulsory Convertible Preference Share</u>				
Fairassets Technologies India Private Limited - Series A3	12,508	-	7.05	7.05
Fairassets Tech India Private Ltd -Series B	406	-	0.23	0.23
<u>Equity Shares</u>				
In Subsidiary (unquoted)				
JM Financial Home Loans Ltd of Rs. 10/- each	118,800,000	118.80	-	118.80
<u>In Others (unquoted)</u>				
Fairassets Technologies India Private Limited of Rs. 10/- each *	2	-	0.00	0.00
*Rs 11,542/-				
<u>Security Receipts</u>				
(Unquoted)				
Class A Security Receipts of Rs 1,000/- each fully paid up	200,000	-	1.68	1.68
(Face value partly redeemed)				
Class A Security Receipts of Rs 1,000/- each fully paid up	535,500	-	35.93	35.93
Total		118.80	423.02	541.82
Break up of gross investments:				
(i) Investments outside India		-	-	-
(ii) Investments in India		118.80	423.02	541.82
Total		118.80	423.02	541.82



JM FINANCIAL PRODUCTS LIMITED				
Notes to the reformatted standalone financial information				
Rupees in Crore				
Note	Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
8	Other Financial assets			
	Security deposits			
	To Related Parties	3.93	3.59	3.26
	To Others	1.03	1.03	0.83
	Advances to employees	0.07	0.01	0.03
	Others Financial Assets			
	Other receivables	26.16	16.73	32.15
	Interest accrued on deposits	0.46	0.08	0.11
	Stock in Trade			
	Debt instruments			
	G Sec Securities	171.58	-	-
	Corporate Bonds	248.19	136.73	48.69
	Accrued Interest on stock in trade	8.97	3.89	0.49
	Total	460.39	162.06	85.56
9	Current tax assets (net)			
	Advance tax (net of provision for tax)	26.88	27.17	24.29
	Total	26.88	27.17	24.29
10	Deferred tax Assets (Net)			
	(refer note 32.2)			
	Re-measurement of Financial Liabilities at Amortised Cost	6.04	0.10	(3.99)
	Impairment of Financial instruments	24.29	15.49	13.19
	Measurement of Financial Liabilities at Amortised Cost			
	Fair Valuation of Investments	4.00	5.88	5.58
	Provision on standard financial assets	7.99	7.99	11.09
	Disallowances under section 43B and 35D of the Income Tax Act, 1961	2.06	1.40	1.77
	Difference between books and tax written down value of fixed assets	1.06	0.84	0.96
	Provision for doubtful financial assets	(2.94)	-	-
	Donations (Section 80G of the Income Tax Act, 1961)	-	(0.76)	-
	Total	42.50	30.94	28.60



JM FINANCIAL PRODUCTS LIMITED
Notes to the reformatted standalone financial information

11 Property, Plant and Equipment - As at March 31, 2021

Rupees in Crore

Particulars	Gross Block				Accumulated Depreciation				Net Block
	As at April 1, 2020	Additions/ Adjustments	(Deductions)/ Adjustments	As at March 31, 2021	As at April 1, 2020	Charge for the year	(Deductions)/ Adjustments	As at March 31, 2021	As at March 31, 2021
Property, Plant and Equipment									
Freehold Land	0.21	-	-	0.21	-	-	-	-	0.21
Leasehold improvements	4.55	0.26	-	4.81	2.36	0.84	-	3.20	1.61
Computers	2.68	0.20	-	2.88	1.47	0.69	-	2.16	0.72
Office Equipment	0.72	0.01	0.01	0.72	0.34	0.14	0.01	0.47	0.25
Furniture and fixtures	0.62	0.05	-	0.67	0.29	0.09	-	0.38	0.29
Vehicles	1.53	-	-	1.53	0.96	0.32	-	1.28	0.25
Leased Assets									
Vehicles	1.47	-	-	1.47	0.85	0.29	-	1.14	0.33
Office premises (Refer note 35)	89.77	-	1.18	88.59	10.25	10.33	0.44	20.14	68.45
Total Property Plant and Equipment	101.55	0.52	1.19	100.88	16.52	12.70	0.45	28.77	72.11

Intangible assets - As at March 31, 2021

Software	3.13	0.19	-	3.32	1.68	0.58	-	2.26	1.06
Total Intangible Assets	3.13	0.19	-	3.32	1.68	0.58	-	2.26	1.06

Intangible assets under development - As at March 31, 2021

-

Property, Plant and Equipment - As at March 31, 2020

Rupees in Crore

Particulars	Gross Block				Accumulated Depreciation				Net Block
	As at April 1, 2019	Additions/ Adjustments	(Deductions)/ Adjustments	As at March 31, 2020	As at April 1, 2019	Charge for the year	(Deductions)/ Adjustments	As at March 31, 2020	As at March 31, 2020
Property, Plant and Equipment									
Freehold Land	0.21	-	-	0.21	-	-	-	-	0.21
Leasehold improvements	4.12	0.43	-	4.55	1.58	0.78	-	2.36	2.19
Computers	2.08	0.60	-	2.68	0.79	0.68	-	1.47	1.21
Office Equipment	0.64	0.08	-	0.72	0.20	0.14	-	0.34	0.38
Furniture and fixtures	0.55	0.07	-	0.62	0.18	0.11	-	0.29	0.33
Vehicles	1.53	-	-	1.53	0.64	0.32	-	0.96	0.57
Leased Assets									
Vehicles*	0.73	0.48	0.26	1.47	0.31	0.28	0.26	0.85	0.62
Office premises (Refer note 35)	-	90.42	(0.65)	89.77	-	10.33	(0.08)	10.25	79.52
Total Property Plant and Equipment	9.86	92.08	(0.39)	101.55	3.70	12.64	0.18	16.52	85.03

*Includes adjustments in related to inadvertent error during the transition period of IND AS

Intangible assets - As at March 31, 2020

Software	2.62	0.52	-	3.13	1.07	0.61	-	1.68	1.45
Total Intangible Assets	2.62	0.52	-	3.13	1.07	0.61	-	1.68	1.45

Intangible assets under development - As at March 31, 2020

-

Property, Plant and Equipment - As at March 31, 2019

Rupees in Crore

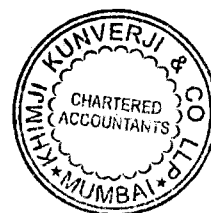
Particulars	Gross Block				Accumulated Depreciation				Net Block
	As at April 1, 2018	Additions/ Adjustments	(Deductions)/ Adjustments	As at March 31, 2019	As at April 1, 2018	Charge for the year	(Deductions)/ Adjustments	As at March 31, 2019	As at March 31, 2019
Property, Plant and Equipment									
Freehold Land	0.21	-	-	0.21	-	-	-	-	0.21
Leasehold improvements	1.62	2.50	-	4.12	0.89	0.68	-	1.57	2.55
Computers	1.36	0.75	0.03	2.08	0.29	0.52	0.02	0.79	1.29
Office Equipment	0.25	0.39	-	0.64	0.07	0.13	-	0.20	0.44
Furniture and fixtures	0.42	0.14	-	0.56	0.09	0.09	-	0.18	0.38
Vehicles	1.53	-	-	1.53	-	0.57	-	0.57	0.96
Leased Assets									
Vehicles	0.39	0.34	-	0.73	0.35	0.02	-	0.37	0.36
Total Property Plant and Equipment	5.78	4.12	0.03	9.87	1.69	2.01	0.02	3.68	6.19

Intangible assets - As at March 31, 2019

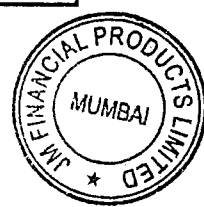
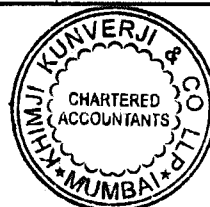
Software	2.01	0.61	-	2.62	0.54	0.54	-	1.08	1.54
Total Intangible Assets	2.01	0.61	-	2.62	0.54	0.54	-	1.08	1.54

Intangible assets under development - As at March 31, 2019

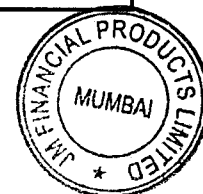
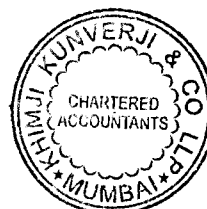
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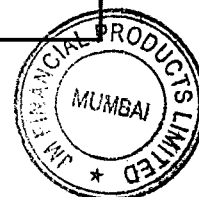
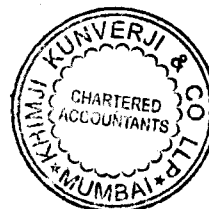
JM FINANCIAL PRODUCTS LIMITED				
Notes to the reformatted standalone financial information				
(Rupees in Crore)				
Note	Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
12	Other non-financial assets			
	Capital advances	-	0.14	0.01
	Advance against expenses	0.08	0.41	-
	Prepaid expenses	0.34	0.83	5.34
	Balance with statutory authorities	8.18	6.17	3.92
	Total	8.60	7.55	9.27
13	Trade Payables			
	(i) Total outstanding dues of micro and small enterprises	0.05	0.02	0.01
	(ii) Total outstanding dues of creditors other than micro and small	0.24	1.13	0.49
	Total	0.29	1.15	0.50
	Particulars			
	(i) Principal amount remaining unpaid to any supplier as at the end of	0.05	0.02	0.01
	(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 further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-	-
14	Debt Securities			
	(At amortized cost)			
	Commercial Paper (refer note no 14.1 & 14.2)	446.39	293.01	1,123.23
	Non Convertible Debentures (refer note no 14.3 & 14.4)	2,789.51	2,438.48	2,364.15
	Total	3,235.90	2,731.49	3,487.39
14.1	The maximum amount of commercial paper outstanding at any time during the year FY21 Rs 3443.00 Crore, FY20 Rs 3946.70 Crore, FY19 Rs.3,859.70 Crore.			
14.2	Interest rate of commercial paper issued during the year ranges for FY21 from 3.90% to 9.15% p.a., FY20 from 7.00% to 13.00% p.a., FY19 7.50% to 11.00% p.a., , Commercial paper are payable form 7 days to 365 days.			
14.3	Non-Convertible Debentures are secured by way of first charge on freehold land and hypothecation on certain identified loan fund balances of the Company.			
14.4	Maturity profile and rate of interest/ discounted rate of interest of Non-Convertible Debentures (NCDs) at face value.			
	Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
	Private Placement - Face vlaue - Rs 10,00,000 each			
	0.00% NCD redeemable in year 2019-20 *	-	-	264.70
	0.00% NCD redeemable in year 2020-21 *	-	133.60	158.60
	0.00% NCD redeemable in year 2021-22 *	385.00	385.00	385.00
	0.00% NCD redeemable in year 2022-23 *	110.00	110.00	110.00
	7.75% NCD redeemable in year 2022-23	300.00	-	-
	8.40% NCD redeemable in year 2022-23	150.00	-	-
	8.65% NCD redeemable in year 2027-28	50.00	-	-
	8.65% NCD redeemable in year 2028-29	50.00	-	-
	8.65% NCD redeemable in year 2029-30	50.00	-	-
	8.65% NCD redeemable in year 2030-31	50.00	-	-
	8.81% NCD redeemable in year 2020-21	-	260.00	260.00
	8.81% NCD redeemable in year 2030-31	155.00	-	-
	8.75% NCD redeemable in year 2030-31	95.00	-	-
	8.80% NCD redeemable in year 2020-21	-	120.00	120.00



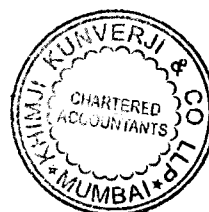
JM FINANCIAL PRODUCTS LIMITED				
Notes to the reformatted standalone financial information				
(Rupees in Crore)				
Note	Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
	8.90% NCD redeemable in year 2020-21	-	150.00	150.00
	9.10% NCD redeemable in year 2021-22	33.33	-	-
	9.10% NCD redeemable in year 2022-23	33.34	-	-
	9.10% NCD redeemable in year 2023-24	58.33	-	-
	5.77% NCD redeemable in year 2022-23**	150.00	-	-
	9.20% NCD redeemable in year 2022-23	-	150.00	150.00
	9.34% NCD redeemable in year 2021-22	109.80	109.80	109.80
	9.42% NCD redeemable in year 2019-20	-	-	75.00
	9.55% NCD redeemable in year 2019-20 ***	-	-	55.00
	10.00% NCD redeemable in year 2022-23	50.00	50.00	-
	NCD redeemable in year 2019-20**	-	-	139.00
	NCD redeemable in year 2020-21**	-	88.40	108.40
	Private Placement - Face value - Rs 2,00,000 each			
	NCD redeemable in year 2021-22**	50.00	50.00	120.00
	NCD redeemable in year 2022-23**	75.00	-	-
	Public issue - Face value - Rs 1,000 each			
	0.00% NCD redeemable in year 2021-22 *	40.22	40.22	-
	0.00% NCD redeemable in year 2022-23 *	38.78	38.78	-
	0.00% NCD redeemable in year 2023-24 *	4.54	4.54	-
	0.00% NCD redeemable in year 2024-25 *	4.14	4.14	-
	0.00% NCD redeemable in year 2026-27 *	8.31	8.31	-
	9.50% NCD redeemable in year 2021-22	31.12	31.12	-
	9.90% NCD redeemable in year 2021-22	44.31	44.31	-
	10.20% NCD redeemable in year 2022-23	202.31	202.31	-
	9.70% NCD redeemable in year 2023-24	12.52	12.52	-
	9.29% NCD redeemable in year 2023-24	11.42	11.42	-
	9.85% NCD redeemable in year 2024-25	15.38	15.38	-
	10.04% NCD redeemable in year 2024-25	66.92	66.92	-
	10.30% NCD redeemable in year 2024-25	29.50	29.50	-
	10.50% NCD redeemable in year 2024-25	100.10	100.10	-
	9.48% NCD redeemable in year 2024-25	12.69	12.69	-
	9.90% NCD redeemable in year 2024-25	10.34	10.34	-
	10.00% NCD redeemable in year 2029-30	2.37	2.37	-
	9.57% NCD redeemable in year 2029-30	4.97	4.97	-
	Total	2,594.74	2,246.74	2,205.50
* Redeemable at premium ** Market linked debentures (MLD) *** Unsecured Maturity profile above is disclosed at face value without considering premium / unamortized discount on issue of for FY 21 Rs 0.50 Crore, FY 20 Rs 0.59 Crore, FY 19 Rs 1.50 Crore, impact of effective interest rate adjustment amount for FY 21 0.47 Crore, FY 20 6.20 Crore, FY 19 Rs 9.16 Crore and preliminary expenses on issue of non convertible debenture for FY 21 Rs 17.07 Crore, FY 20 Rs 12.72 Crore, FY 19 Nil.				



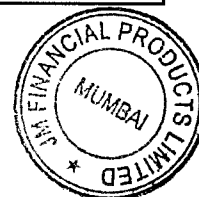
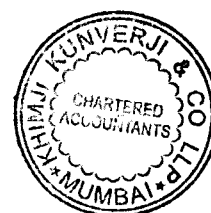
JM FINANCIAL PRODUCTS LIMITED				
Notes to the reformatted standalone financial information				
(Rupees in Crore)				
Note	Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
15	Borrowings (Other than Debt Securities)			
	Term loan			
	<u>Secured</u>			
	(i) from banks (refer note no 15.1) *	178.44	774.15	912.79
	(ii) from other parties (refer note no 15.1)	66.67	25.00	50.00
	Processing fees EIR	(0.79)	(1.83)	(2.24)
	Interest accrued but not due on term loan	0.47	1.14	0.63
	Finance lease obligations (refer note no 15.2)	0.25	0.57	0.32
	Cash Credit Facility from Banks (refer note no 15.3)	-	-	47.26
	Interest accrued but not due on Cash Credit	-	-	0.12
	<u>Unsecured</u>			
	Inter Corporate Deposit	25.00	25.00	25.00
	Interest accrued but not due on inter corporate deposit	2.12	2.05	2.15
	Total	272.16	826.08	1,036.03
15.1	Term Loan from a Bank & Other parties :			
	a) Term Loan is secured by way of floating first pari passu charge by way of hypothecation on certain identified loan fund balances of the Company.			
	b) Maturity profile and rate of interest of Term Loan:			
	Residual Maturities	As at 31.03.2021		
		Upto one year April -2021 to March -2022	1-3 years April -2022 to March -2024	3 years & above April -2024 onwards
	8% to 9%	111.39	7.05	-
	9% to 10%	26.67	40.00	-
	10% to 11%	15.00	30.00	15.00
		153.06	77.05	15.00
	Maturity profile shown without considering effective interest rate impact amounting to Rs 0.79 crore.			
	Residual Maturities	As at 31.03.2020		
		Upto one year April -2020 to March -2021	1-3 years April -2021 to March -2023	3 years & above April -2023 onwards
	8% to 9%	33.33	-	-
	9% to 10%	345.27	223.61	-
	10% to 11%	136.94	30.00	30.00
		515.54	253.61	30.00
	Maturity profile shown without considering effective interest rate impact amounting to Rs 1.83 crore			
	Residual Maturities	As at 31.03.2019		
		Upto one year April -2019 to March -2020	1-3 years April -2020 to March -2022	3 years & above April -2022 onwards
	8% to 9%	94.44	155.53	-
	9% to 10%	219.03	470.07	23.72
		313.47	625.60	23.72
	Maturity profit shown without considering effective interest rate impact amounting to Rs 2.24 crore			
	* The rate of interest for the above term loans is linked to the MCLR/base rates of the banks and is subject to change from time to time. The above categorisation of loans has been based on the interest rates, prevalent as on the respective reporting dates.			
15.2	Finance lease obligations are secured by way of hypothecation of vehicles.			
15.3	Cash credit facility are secured by way of hypothecation on certain identified loan fund balances of the Company.			



JM FINANCIAL PRODUCTS LIMITED				
Notes to the reformatted standalone financial information				
(Rupees in Crore)				
Note	Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
16	Other financial liabilities			
	Employee benefits payable	25.96	17.27	23.83
	Other Liabilities	3.32	7.44	1.77
	Directors' commission payable	0.29	0.35	0.50
	Lease Liability (refer note 35)	74.12	80.29	-
	Provision for CSR Expenditure	3.07	-	-
	Total	106.76	105.35	26.10
17	Current tax liabilities (Net)			
	Provision for tax (net of advance tax)	0.93	2.79	0.31
	Total	0.93	2.79	0.31
18	Provisions			
	Provision for Gratuity (refer note no 36)	2.56	2.37	1.95
	Provision for compensated absence	1.35	1.59	1.36
	Total	3.91	3.96	3.31
19	Other non-financial liabilities			
	Statutory dues	3.41	3.31	3.14
	Income received in advance	2.10	1.76	3.66
	Total	5.51	5.07	6.80



JM FINANCIAL PRODUCTS LIMITED						
Notes to Standalone Financial Statements						
Note 20						
Number of Shares			Rupees In Crore			
Particulars	As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	Number	Amount	Number	Amount	Number	Amount
[a] Authorised share capital						
Equity shares of the par value of Rs. 10 each	11000,00,000	1,100.00	11000,00,000	1,100.00	11000,00,000	1,100.00
Preference Shares of the par value of Rs.10 each	1000,00,000	100.00	1000,00,000	100.00	1000,00,000	100.00
Total	12000,00,000	1,200.00	12000,00,000	1,200.00	12000,00,000	1,200.00
[b] Issued						
Equity shares of Rs.10 each	5445,00,000	544.50	5445,00,000	544.50	5445,00,000	544.50
Total	5445,00,000	544.50	5445,00,000	544.50	5445,00,000	544.50
[c] Subscribed and paid up						
Equity shares of Rs.10 each	5445,00,000	544.50	5445,00,000	544.50	5445,00,000	544.50
Total	5445,00,000	544.50	5445,00,000	544.50	5445,00,000	544.50
[d] Reconciliation of number of shares outstanding at the beginning and end of the year :						
					As at March 31, 2021	
					Number of Shares	Amount
Equity :						
Outstanding as on April 1, 2020					5445,00,000	544.50
Issued during the year					-	-
Outstanding as on March 31, 2021					5445,00,000	544.50
					As at March 31, 2020	
					Number of Shares	Amount
Equity :						
Outstanding as on April 1, 2019					5445,00,000	544.50
Issued during the year					-	-
Outstanding as on March 31, 2020					5445,00,000	544.50
					As at March 31, 2019	
					Number of Shares	Amount
Equity :						
Outstanding as on April 1, 2018					5445,00,000	544.50
Issued during the year					-	-
Outstanding as on March 31, 2019					5445,00,000	544.50
[e] Details of shareholders holding more than 5% of the aggregate shares in the Company:						
Name of the shareholder					As at March 31, 2021	
					Number of	Amount
JM Financial Limited and its nominees (5 shares held by nominees)					5414,88,750	99.45%
					As at March 31, 2020	
					Number of	Amount
JM Financial Limited and its nominees (5 shares held by nominees)					5409,68,650	99.35%
					As at March 31, 2019	
					Number of	Amount
JM Financial Limited and its nominees (5 shares held by nominees)					5409,39,050	99.35%
Terms and rights attached to each class of shares :						
Equity Shares :						
The Company has only one class of shares referred to as equity shares having a face value of Rs 10/-. Each holder of equity shares is entitled to one vote per share. The shareholders are entitled to dividend, as and when declared and approved by the shareholders in the ensuring Annual General meeting, except in case of interim dividend.						



JM FINANCIAL PRODUCTS LIMITED				
Notes to Standalone Financial Statements				
Rupees in Crore				
Note	Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
21	Other Equity			
	Retained earnings			
	Balance as at the beginning of the year	774.25	660.23	608.43
	Addition/(Reduction) during the year			
	Transfer to statutory reserves	(28.00)	(33.00)	(41.00)
	Final /Interim dividend	(16.33)	(10.89)	(92.57)
	Corporate dividend tax	-	(2.24)	(19.03)
	Other comprehensive income	0.20	0.02	0.10
	Profit for the year	137.63	160.13	204.30
	Retained earnings	867.75	774.25	660.23
	Securities premium account	38.23	38.23	38.23
	Capital Redemption Reserve*	0.00	0.00	0.00
	*Rs. 1,000/-			
	Statutory reserve			
	(under section 45-IC of The Reserve Bank of India Act, 1934)			
	Opening balance	350.29	317.29	276.29
	Addition/(Reduction) during the year	28.00	33.00	41.00
	Statutory reserve	378.29	350.29	317.29
	Total	1,284.27	1,162.77	1,015.75

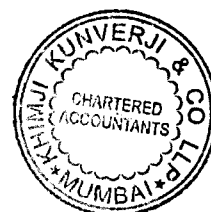
For addition and deductions under each of the above heads, refer Statement of changes in equity

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

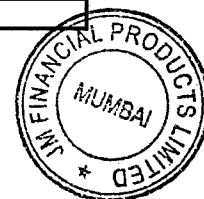
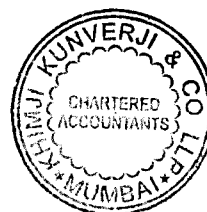
General reserve
The General Reserve is used from time to time to transfer profits from Retained earnings for appropriate purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of Other comprehensive income, items included in the General Reserve will not be reclassified subsequently to Profit or Loss.

Statutory Reserve
Statutory Reserve is the reserve created by transferring a sum not less than twenty per cent of its net profit every year in terms of Section 45-IC of the RBI Act, 1934.

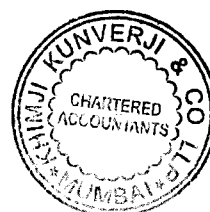
Retained earnings
Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.



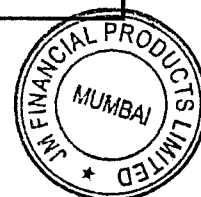
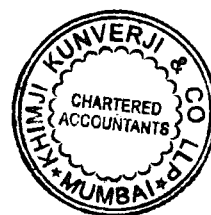
JM FINANCIAL PRODUCTS LIMITED				
Notes to Standalone Financial Statements				
			Rupees in Crore	
Note	Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020	Year Ended March 31, 2019
22	Interest income at Amortised Cost			
	Interest on Loans	513.04	701.75	853.70
	Total	513.04	701.75	853.70
23	Fees and commission Income			
	Advisory and other fees	17.23	35.19	38.99
	Brokerage Income	11.66	6.43	2.43
	Total	28.89	41.62	41.42
24	Other Operating Income			
	Income from trading in debt instruments (net)	57.37	23.87	7.10
	Total	57.37	23.87	7.10
25	Net gain/ (loss) on fair value changes			
	(A) Net gain/ (loss) on financial instruments at fair value through profit and loss account :-			
	a) On trading portfolio			
	- Investments	-	-	-
	- Derivatives	-	-	-
	- Others	-	-	-
	b) On financial instruments designated at fair value through profit and loss account	51.63	56.45	30.98
	(B) Others	-	-	-
	-Cumulative (gain)/loss reclassified to profit or loss on sale of debt instruments at FVTOCI	-	-	-
	Total Net gain/(loss) on fair value changes (C)	51.63	56.45	30.98
	Fair Value changes:			
	-Realised	49.96	59.79	46.81
	-Unrealised	1.67	(3.34)	(15.83)
	Total Net gain/(loss) on fair value changes	51.63	56.45	30.98
	Fair Value changes:			
	-Financial assets mandatorily measured at FVTPL			
	-Held for trading financial liabilities	-	-	-
	-Financial assets designated at FVTPL			
	-Financial liabilities designated at FVTPL			
	Total Net gain/(loss) on fair value changes	51.63	56.45	30.98
26	Net gain on derecognition of financial instruments under amortised cost category			
	Profit on sale of Loan	-	13.76	-
	Prepayment of Borrowing	6.60	-	-
	Total	6.60	13.76	-



JM FINANCIAL PRODUCTS LIMITED				
Notes to Standalone Financial Statements				
Rupees in Crore				
Note	Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020	Year Ended March 31, 2019
27	Other Income			
	Interest on:			
	- Fixed deposits with banks	1.86	0.01	0.05
	- Others	0.00	0.01	0.00
	Provision for bonus written back	0.02	0.81	-
	Miscellaneous income	0.24	0.11	0.24
	Profit on Sale of Fixed Assets (net)	-	-	0.00
	Finance Income on rent deposit	0.42	0.38	0.06
	Int Income on Commercial Paper	-	1.34	-
	Dividend on Shares	0.58	0.60	-
	Total	3.12	3.26	0.35
28	Finance costs			
	At Amortised Cost			
	Debt Securities	259.24	340.39	428.09
	Borrowings (Other than Debt Securities)	56.48	104.79	93.83
	Other Interest expense	7.55	7.99	0.04
	Total	323.27	453.17	521.96
29	Impairment on financial instruments			
	Provision for Expected Credit Loss on loans	31.31	58.96	(5.50)
	Provision on receivable	0.48	0.58	-
	Provision for Expected Credit Loss (Stage 3)	23.67	1.38	(1.31)
	Total	55.46	60.92	(6.82)
30	Employee benefits expense			
	Salaries, bonus, other allowances and benefits	51.91	43.94	50.72
	Contribution to provident and other funds	1.96	1.99	1.93
	Gratuity (refer note 36)	0.68	0.46	0.69
	OCL Impact of Ind AS	-	0.03	0.15
	Staff welfare expenses	0.06	0.17	0.37
	Total	54.61	46.59	53.86



JM FINANCIAL PRODUCTS LIMITED				
Notes to Standalone Financial Statements				
				Rupees in Crore
Note	Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020	Year Ended March 31, 2019
31	Operating and Other expenses			
	Professional and consultancy charges	7.60	4.54	7.25
	Space and other related costs	(0.00)	0.07	12.30
	net of recoveries FY 2019-20 Rs. 0.08 crore, FY 2018-19 Rs. 0.04 crore and FY 2017-18 Rs 0.03 crore.			
	Rates and taxes	4.44	4.19	2.21
	Membership and subscription	0.46	0.62	0.64
	Manpower cost	1.52	1.47	1.30
	Auditors' remuneration (refer note 31.1)	0.12	0.12	0.12
	Electricity	0.35	0.81	0.64
	Communication expenses	0.16	0.20	0.17
	Travelling and conveyance	0.11	0.65	0.90
	Insurance	0.52	0.41	0.37
	Printing and stationery	0.03	0.13	0.11
	Repairs and maintenance - others	1.27	1.07	0.83
	Loan funds written off	1.82	-	1.82
	Donations	7.22	7.29	6.82
	Provision for TDS receivable	0.95	1.56	-
	Directors' commission	0.29	0.35	0.50
	Sitting fees to directors	0.16	0.16	0.15
	Marketing Expenses	2.33	8.07	4.37
	DSA Commission	0.18	0.21	0.47
	Miscellaneous expenses	2.80	4.18	5.27
	Total	32.33	36.10	46.24
31.1	Payment to Auditors': (Excluding goods & service tax)			
	Audit Fees	0.08	0.08	0.08
	In any other manner (Certifications, limited reviews, etc.)	0.04	0.04	0.04
	Out of pocket expenses *	0.00	0.00	0.00
	FY 21 Rs 2,266/-, FY 20 Rs.33,566/- and FY19 Rs.33,187/-			
	Total	0.12	0.12	0.12
	Fees paid in connection with Public issue of NCD included for measurement of financial liabilities at amortized cost	0.02	0.13	0.10
	Total	0.14	0.25	0.22



JM FINANCIAL PRODUCTS LIMITED
Notes to Standalone Financial Statements

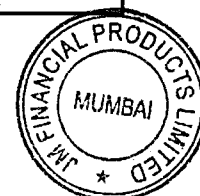
32 Income Tax

Particulars	Rupees in Crore		
	Year ended 31.03.2021	Year ended 31.03.2020	Year ended 31.03.2019
Current tax	55.70	72.90	112.30
Tax adjustment in respect of earlier years	-	-	-
Deferred tax	(11.63)	(2.35)	(0.84)
Total income tax expenses recognised in the current year	44.07	70.55	111.46
Income tax expense recognised in other comprehensive income	(0.07)	(0.01)	(0.05)

32.1 Reconciliation of total tax charge

Particulars	Year ended 31.03.2021	Year ended 31.03.2020	Year ended 31.03.2019
Income tax expense for the year reconciled to the accounting profit:			
Profit before tax	181.70	230.68	315.76
Income tax rate	25.17%	25.17%	34.94%
Income tax expense	45.73	58.06	110.34
Tax Effect of:			
Effect of income that is exempt from tax	(0.16)	(0.15)	-
14A disallowance	0.01	0.01	-
Effect of expenses that are not deductible in determining taxable profits	1.38	0.91	1.22
Effect of income taxable at lower rate	(3.56)	-	-
Effect of change in tax rates	-	8.00	-
Others	0.67	3.72	(0.10)
Income tax expense recognised in profit and loss	44.07	70.55	111.46

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 1st April 2019, subject to certain conditions. The Company has adopted the option of reduced rate and accordingly, opening deferred tax asset as on April 1, 2019, amounting to Rs 8.0 crore has been reversed during the year ended March 31, 2020.



JM FINANCIAL PRODUCTS LIMITED
Notes to Standalone Financial Statements

32.2 Deferred tax

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, 2021**Rupees in Crore**

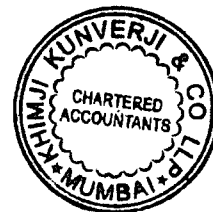
Deferred tax asset / (liability)	Opening balance	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Closing balance
Re-measurement of Financial Liabilities at Amortised Cost	0.10	5.94	-	6.04
Impairment of Financial instruments	15.49	8.80	-	24.29
Fair Valuation of Investments	5.88	(1.88)	-	4.00
Provision on standard financial assets	7.98	-	-	7.98
Disallowances under section 43B and 35D of the Income Tax Act, 1961	1.41	0.66	-	2.07
Difference between books and tax written down value of fixed assets	0.84	0.22	-	1.06
Provision for doubtful financial assets	-	(2.94)	-	(2.94)
Donations (Section 80G of the Income Tax Act, 1961)	(0.76)	0.76	-	-
Employee defined benefit obligation	-	0.07	(0.07)	-
Total	30.94	11.63	(0.07)	42.50

For the year ended March 31, 2020**Rupees in Crore**

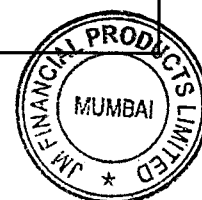
Deferred tax asset / (liability)	Opening balance	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Closing balance
Re-measurement of Financial Liabilities at Amortised Cost	(3.99)	4.09	-	0.10
Impairment of Financial instruments	13.19	2.30	-	15.49
Fair Valuation of Investments	5.58	0.30	-	5.88
Provision on standard financial assets	11.08	(3.10)	-	7.98
Disallowances under section 43B and 35D of the Income Tax Act, 1961	1.78	(0.37)	-	1.41
Difference between books and tax written down value of fixed assets	0.96	(0.12)	-	0.84
Donations (Section 80G of the Income Tax Act, 1961)	-	(0.76)	-	(0.76)
Employee defined benefit obligation	-	0.01	(0.01)	-
Total	28.60	2.35	(0.01)	30.94

For the year ended March 31, 2019**Rupees in Crore**

Deferred tax asset / (liability)	Opening balance	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Closing balance
Re-measurement of Financial Liabilities at Amortised Cost	(2.10)	(1.89)	-	(3.99)
Impairment of Financial instruments	17.53	(4.34)	-	13.19
Fair Valuation of Investments	(0.01)	5.59	-	5.58
Provision on standard financial assets	9.86	1.22	-	11.08
Disallowances under section 43B and 35D of the Income Tax Act, 1961	1.75	0.03	-	1.78
Difference between books and tax written down value of fixed assets	0.78	0.18	-	0.96
Employee defined benefit obligation	-	0.05	(0.05)	-
Total	27.81	0.84	(0.05)	28.60



JM FINANCIAL PRODUCTS LIMITED								
Notes to Standalone Financial Statements								
				Rupees in Crore				
	Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019				
33	<u>Contingent Liabilities and commitments</u>							
(a)	Contingent Liabilities	6.00	6.00	5.66				
(b)	Corporate Guarantee given to National Housing Bank for a subsidiary company	15.00	-	-				
(c)	Undisbursed Commitment *	49.44	118.22	292.58				
(d)	Capital Commitments: Estimated amount of contracts remaining to be executed on capital account and not provided for	-	0.19	0.01				
*This disclosure is given pursuant to the notification no.DNBS.CC.PD.No.252/03.10.01/2011-12 dated 26th Dec, 2011 issued by Reserve Bank of India.								
34	Earning 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 March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019				
	Profit for the year (In Rs Crore)	137.63	160.13	204.30				
	Profit attributable to equity shareholders (In Rs Crore)	137.63	160.13	204.30				
	Weighted average number of equity shares outstanding during the year for calculating basic earnings per share (Nos.)	5445,00,000	5445,00,000	5445,00,000				
	Basic earnings per share (Rupees)	2.53	2.94	3.75				
	Weighted average number of equity shares outstanding during the year for calculating diluted earnings per share (Nos.)	5445,00,000	5445,00,000	5445,00,000				
	Diluted earnings per share (Rupees)	2.53	2.94	3.75				
	Nominal value per share (Rupees)	10.00	10.00	10.00				
35	Leasing Following are the changes in the carry value of the right of use assets for period ended March 31, 2021							
		Rupees in Crore						
		Gross Block						
		Accumulated Depreciation						
		Net Block						
	Category	As at April 1, 2020	Additions/ Adjustments	As at March 31, 2021	As at April 1, 2020	Additions/ Adjustments	As at March 31, 2021	As at March 31, 2021
	Office premises	89.77	(1.18)	88.59	10.25	9.89	20.14	68.45
	Total	89.77	(1.18)	88.59	10.25	9.89	20.14	68.45
The aggregate depreciation expenses on ROU assets is included under depreciation and amortization expenses in the Statement of Profit and Loss.								
Following are the changes in the carry value of the right of use assets for the year ended March 31, 2020:								
		Gross Block			Accumulated Depreciation			Net Block
	Category	As at April 1, 2019	Additions/ Adjustments	As at March 31, 2020	As at April 1, 2019	Additions/ Adjustments	As at March 31, 2020	As at March 31, 2020
	Office premises	-	89.77	89.77	-	10.25	10.25	79.52
	Total	-	89.77	89.77	-	10.25	10.25	79.52
The aggregate depreciation expenses on ROU assets is included under depreciation and amortization expenses in the Statement of Profit and Loss.								
The following is the movement in lease liabilities during the year ended March 31, 2021 and March 31, 2020:								
	Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020					
	Opening Balance	80.29	-					
	Additions During the Year	-	85.35					
	Deletions during the Year	0.83	0.58					
	Finance Cost Accrued during the year	7.30	7.72					
	Payment of Lease Liabilities	12.63	12.20					
	Closing Balance	74.12	80.29					
Following table summarizes impact on profit for the year ended March 31, 2020. *								
		Rupees In Crore						
	Increase/(Decrease)	Year Ended March 31, 2020						
	Other operational expenses	(12.17)						
	Depreciation and amortization expenses	10.33						
	Finance Cost	7.72						
	Profit before tax	5.88						
* Disclosure only for FY2019-20								
During the year ended March 31, 2020 the Company has adopted Ind AS 116 – “Leases” with effect from April 01, 2019 and applied the standard to its lease retrospectively. In accordance with the requirement of the standard, the lease liability at the present value of remaining lease payments at the date of initial application i.e. April 01, 2019 has been recognised and "Right of use assets" has been recognised at an amount equal to the "Lease Liability" as at that date. In the statement of profit and Loss for the current period, the nature of expenses in respect of leases has changed from lease rent in previous to depreciation cost for "Right of use lease assets" and interest accrued on "Lease liability". The company has not restated the comparative information in this respect								



JM FINANCIAL PRODUCTS LIMITED
Notes to Standalone Financial Statements

- A Operating Leases**
The Company has taken certain Premises, Furniture and Fixtures on operating lease basis. The minimum lease rentals outstanding in respect of these are as under:

Particulars	Rupees in Crore		
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Not later than one year	13.11	12.85	12.15
Later than one year and not later than five years	50.59	51.52	51.81
Later than five years	43.02	55.96	68.52
Total	106.72	120.33	132.49

- B Finance Leases**
The Company has taken vehicles on finance lease for a period of 36 months. The minimum lease rentals outstanding as at the year end are as under:

Due	Minimum Lease payments			Present values of Minimum Lease payments		
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Not later than one year	0.24	0.39	0.11	0.22	0.32	0.06
Later than one year and not later than five years	0.03	0.27	0.32	0.03	0.25	0.26
Later than five years	-	-	-	-	-	-
Total	0.27	0.66	0.43	0.25	0.57	0.32

36 Employee Benefits:

Short-term employee benefits:

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

Defined Contribution Plan:

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 and other fund aggregating Rs. 1.96 crore for FY21, Rs 1.99 crore for FY20 and Rs.1.93 crore for FY19 has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expenses.

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.

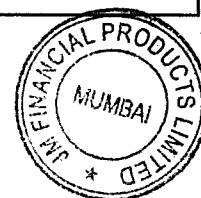
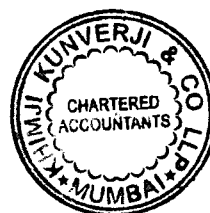
The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. The actuarial risks associated are:

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.



JM FINANCIAL PRODUCTS LIMITED
Notes to Standalone Financial Statements

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, 2021	As at March 31, 2020	As at March 31, 2019
Discount Rate	6.90%	6.80%	7.55%
Expected rate of Salary Increase	7.00%	7.00%	7.00%
Other Assumption	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate
Mortality Rate			

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

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Present value of defined benefit obligation	2.56	2.37	1.95
Net liability	2.56	2.37	1.95

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

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Current Service Cost	0.53	0.43	0.31
Interest Cost	0.15	0.12	0.11
Past Services Cost	-	-	-
Impact of inter group transfer	-	(0.09)	-
Total expenses charged to Profit & Loss Account	0.68	0.46	0.42

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

d) Amount recognised in Other Comprehensive Income

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Opening amount recognized in OCI outside Profit and Loss Account	0.22	0.25	(0.02)
Components of defined benefits costs recognised in profit or loss.			
Remeasurements on the net defined benefit liability :			
- Actuarial (gain)/LOSS from change in demographic assumptions	-	-	(0.00)
- Actuarial (gain)/loss from change in financial assumptions	(0.02)	0.16	0.05
- Actuarial (gain)/loss from change in experience adjustments	(0.25)	(0.19)	0.22
Total amount recognised in OCI outside Profit and Loss Account	(0.05)	0.22	0.25

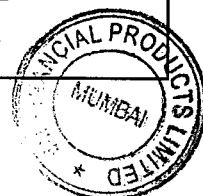
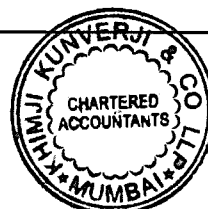
e) Movement in the present value of the defined benefit obligation are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Opening defined benefit obligation	2.37	1.95	1.58
Current service cost	0.53	0.43	0.31
Past service cost	-	-	-
Interest cost	0.15	0.13	0.11
Remeasurements (gains)/losses:	-	-	-
- Actuarial (gain)/loss from change in demographic assumptions	-	-	(0.00)
- Actuarial (gain)/loss from change in financial assumptions	(0.03)	0.16	0.05
- Actuarial (gain)/loss from change in experience adjustments	(0.25)	(0.19)	0.22
- Liabilities Assumed on Acquisition / (Settled on Divestiture)	(0.00)	0.09	0.07
Benefits paid	(0.21)	(0.20)	(0.39)
Closing defined benefit obligation	2.56	2.37	1.95

f) 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:

Particulars	As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	Decrease	Increase	Decrease	Increase	Decrease	Increase
Discount rate (- / +0.5%)	0.14	(0.12)	0.12	(0.11)	0.08	(0.08)
% change compared to base due to sensitivity	5.30%	-4.88%	5.00%	-4.60%	4.34%	-4.00%
Salary growth rate (- / +0.5%)	(0.09)	0.09	(0.11)	0.12	(0.06)	0.06
% change compared to base due to sensitivity	-3.69%	3.62%	-4.62%	4.97%	-2.93%	3.15%

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.



JM FINANCIAL PRODUCTS LIMITED
Notes to Standalone Financial Statements

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.

g) Projected benefits payable:

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Expected benefits for year 1	0.40	0.33	0.48
Expected benefits for year 2	0.09	0.32	0.07
Expected benefits for year 3	0.10	0.08	0.29
Expected benefits for year 4	0.11	0.09	0.07
Expected benefits for year 5	0.11	0.09	0.07
Expected benefits for year 6 and above	5.35	4.53	3.56

37

Related Party Disclosure:

Names of related parties and description of Relationship

Clause (a) **A person or a close member of that person's family is related to a reporting entity if that person:**

(i) has control or joint control over the reporting entity;

None

(ii) has significant influence over the reporting entity;

None

(iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

Mr. Vishal Kampani

Close members of Mr. Vishal Kampani:

Mr. Nimesh Kampani

Ms Aruna Kampani

Ms Madhu Kampani

Ms. Amishi Gambhir

Mr. Shiv Kampani

Details of Directors

Non Executive Directors

Mr.V P Shetty

Mr.Subodh Shinkar

Mr. Atul Mehra

Independent Directors

Mr.Eknath A. Kshirsagar

Mr.Dhirendra Singh

Mrs.Roshini Bakshi

Clause (b) (i) **An entity is related to a reporting entity if the entity and the reporting entity are members of the same group**

Holding Company

JM Financial Limited

Subsidiaries

JM Financial Home Loans Limited

Fellow Subsidiaries

JM Financial Services Limited

JM Financial Overseas Holdings Private Limited

JM Financial Securities Inc

JM Financial Singapore Pte Ltd.

JM Financial Credit Solutions Limited

JM Financial Properties & Holdings Limited

JM Financial Asset Management Limited

Infinite India Investment Management Limited

JM Financial Asset Reconstruction Company Limited

CR Retail Malls (India) Limited

JM Financial Capital Limited

JM Financial Commtrade Limited

JM Financial Institutional Securities Limited (w.e.f January 1, 2018)

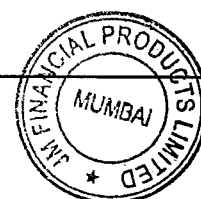
Astute Investments

Clause (b) (ii) **Associates or Joint Ventures**

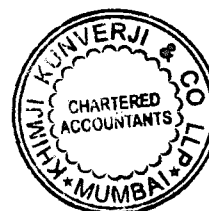
JM Financial Trustee Company Private Limited

Clause (b) (iii) **Both entities are joint venture of the same third party.**

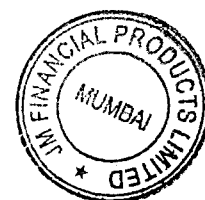
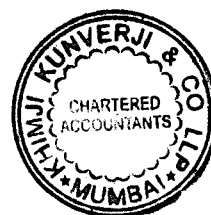
None



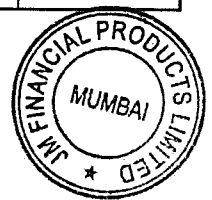
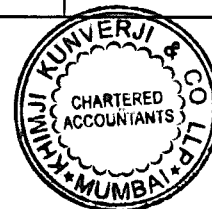
JM FINANCIAL PRODUCTS LIMITED				
Notes to Standalone Financial Statements				
Clause (b) (iv)	One entity is a joint venture of a third entity and the other entity is an associate of the third entity. None			
Clause (b) (v)	The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity. None			
Clause (b) (vi)	The entity is controlled or jointly controlled by a person identified in (a). (By Mr. Vishal Kampani and his close relative) J.M. Financial & Investment Consultancy Services Private Limited J.M. Assets Management Private Limited JM Financial Trustee Company Private Limited JSB Securities Limited Kampani Consultants Limited Persepolis Investment Company Private Limited Capital Market Publishers India Private Limited SNK Investments Private Limited			
Clause (b) (vii)	A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity). None			
<u>Details of transactions with related parties</u>				
Rupees in Crore				
Name of the related party	Nature of relationship	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
JM Financial Limited	Clause (b) (i)			
Dividend paid		16.23	10.82	91.96
Reimbursement of employees expenses		1.16	1.87	2.85
Lead Manager Fees paid		-	0.30	-
Reimbursement of Expenses - Recd		-	0.01	-
Transfer of Gratuity Liability		-	0.10	0.07
JM Financial Home Loans Limited	Clause (b) (i)			
Inter Corporate Deposits given		-	60.00	71.65
Inter Corporate Deposits repaid		-	60.00	71.65
Interest income on Inter Corporate Deposits given		-	0.61	0.53
Investment in equity shares		-	29.70	86.80
Recovery of expenses		0.01	0.05	0.01
Reimbursement of Space Cost		0.11	0.04	-
Direct assignment of identified portfolio of retail mortgage loans from JM Financial Home Loans.		55.15	86.58	-
Receipt of Principal , Interest and Other Charges on Direct assignment of identified portfolio of retail mortgage loans		29.12	13.81	-
Sale of Fixed Assets - Rs 16,874/-		0.00	-	-
EMI for customers of JMFPL received by them and paid back		0.02	-	-
Closing Balance as at the year end - for 2019-20 (Rs. 22,391/-)		0.14	0.00	-
JM Financial Services Limited	Clause (b) (i)			
Inter Corporate Deposits given		436.00	244.00	665.00
Inter Corporate Deposits repaid		436.00	244.00	665.00
Interest income on Inter Corporate Deposits given		0.33	0.21	0.93
Issue of market linked debentures		75.13	50.00	-
Arrangers Fees / Brokerage charges		0.62	5.22	0.08
Reimbursemen of Space Cost Paid		0.03	0.07	0.06
Brokerage charges - Clientle		0.63	0.75	-
Closing balance as at the year end - Debit		16.14	0.67	-
JM Financial Properties & Holdings Limited	Clause (b) (i)			
Inter Corporate Deposits given		-	35.00	147.00
Inter Corporate Deposits repaid		-	35.00	147.00
Interest income on Inter Corporate Deposits given		-	0.06	0.15
Space & other related cost paid		10.15	9.66	9.20
Reimbursement of expenses (paid)		1.53	1.69	1.34
Property Deposit given / (Refunded)		-	-	8.00
Closing balance as at the year end - Security Deposit given - debit		8.00	8.00	8.00



JM FINANCIAL PRODUCTS LIMITED Notes to Standalone Financial Statements					
Name of the related party	Nature of relationship	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	
JM Financial Institutional Securities Limited	Clause (b) (i)				
Transfer of Fixed Assets		-	-	0.01	
Inter Corporate Deposit Given		-	28.00	-	
Inter Corporate Deposit repaid		-	28.00	-	
Interest Income on ICD Given		-	0.01	-	
Brokerage paid on transaction of purchase and sell through recognised stock exchanges as Broker		0.03	0.12	-	
Infinite India Investment Management Limited	Clause (b) (i)				
Inter Corporate Deposits given		-	-	91.70	
Inter Corporate Deposits repaid		-	-	91.70	
Interest income on Inter Corporate Deposits given		-	-	2.72	
Purchase of Debenture		-	-	83.82	
JM Financial & Investment Consultancy Services Private Limited	Clause (b) (vi)				
Space cost paid		0.09	0.09	0.02	
Subscription to NCD Public issue of JM Financial Products Limited		-	10.00	-	
Property Deposit given		1.03	-	0.04	
Closing balance as at the year end - Security Deposit given - debit		0.04	0.04	0.04	
Closing balance as at the year end - NCD - (Credit)		(10.00)	(10.00)	-	
JM Financial Asset Management Limited	Clause (b) (i)				
Transfer of Gratuity Liability (Paid)		0.01	-	-	
Purchase of Unlisted NCD of RMZ Buildcon Pvt Ltd		-	111.60	-	
JM Assets Management Private Limited	Clause (b) (vi)				
Subscription to NCD Public issue of JM Financial Products Limited		-	10.00	-	
Interest Paid on NCD (Public Issue)		1.03	-	-	
Closing balance as at the year end - NCD - (Credit)		(10.00)	(10.00)	-	
Astute Investments	Clause (b) (i)				
Recovery of rent expenses		0.03	0.03	0.03	
Loan Given		224.74	6.00	94.43	
Loan repaid		224.74	30.43	70.00	
Interest income on loan given		1.94	0.72	2.30	
Closing Balance - Loan given		-	-	24.43	
JM Financial Capital Limited	Clause (b) (i)				
Transfer of Staff Loan Liability (Paid)		-	0.02	-	
Transfer of Gratuity Liability		0.01	-	-	
Inter Corporate Deposits given		-	-	75.00	
Inter Corporate Deposits repaid		-	-	75.00	
Interest income on Inter Corporate Deposits taken		-	-	0.46	
Closing Balance as at the year end NCD - (credit)		-	(27.10)	-	



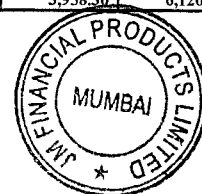
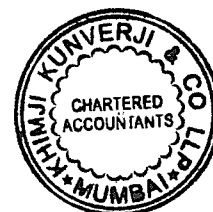
JM FINANCIAL PRODUCTS LIMITED					
Notes to Standalone Financial Statements					
Name of the related party	Nature of relationship	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	
JM Financial Credit Solutions Limited	Clause (b) (i)				
Inter Corporate Deposits given		-	12.00	-	
Inter Corporate Deposits repaid		-	12.00	-	
Interest income on Inter Corporate Deposits given		-	0.00	-	
Loan Purchased		-	60.64	-	
Interest received / receivable on NCD		-	0.19	-	
Gratuity recd on Transfer of employee		-	0.04	-	
Recovery of expenses/support service charges		3.05	5.76	5.70	
Closing Balance as at the year end NCD - (Debit)		-	4.18	-	
Interest receivable on NCD - (Debit) #		-	0.00	-	
# Rs 40,883					
Closing balance as at the year end - debit		3.37	6.22	6.16	
CR Retail Malls (India) Limited	Clause (b) (i)				
Inter Corporate Deposits given		-	1.20	227.05	
Inter Corporate Deposits repaid		-	44.22	214.04	
Interest income on Inter Corporate Deposits given		-	1.63	5.75	
Sell of Debentures		-	-	11.95	
Closing balance as at the year end - debit		-	-	43.02	
JM Financial Assets Reconstruction Company Ltd	Clause (b) (i)				
Inter Corporate Deposits given		136.00	-	25.00	
Inter Corporate Deposits repaid		136.00	-	25.00	
Interest income on Inter Corporate Deposits given		5.40	-	0.03	
Interest income on NCD		-	6.29	-	
amount recd on repayment of NCD		-	35.00	-	
Transfer of Gratuity Liability		-	-	-	
Management Fees Paid		1.26	1.26	1.26	
Reimbursement of Exp Recd		0.06	-	-	
Mr. Vishal Kampani	Clause (a) (iii)				
Managerial remuneration		9.65	8.69	12.65	
Purchase of Bond of Home Credit India Finance Private Limited		-	-	2.55	
Subscription to NCD Public issue of JM Financial Products Limited		-	7.50	-	
Interest Paid on NCD (Public Issue)		0.76	0.17	-	
Closing Balance as at the year end - (credit)		(8.25)	(7.00)	(11.00)	
Closing Balance as at the year end NCD - (credit)		(8.50)	(7.50)	-	
Closing Balance as at the year end NCD Interest payable - (credit)		(0.02)	(0.02)	-	
Mr. Nimesh N Kampani	Clause (a) (iii)				
Subscription to NCD Public issue of JM Financial Products Limited		-	7.00	-	
Interest Paid on NCD (Public Issue)		0.71	-	-	
Closing Balance as at the year end NCD - (credit)		(8.00)	(7.00)	-	
Ms. Aruna N Kampani	Clause (a) (iii)				
Subscription to NCD Public issue of JM Financial Products Limited		-	5.00	-	
Interest Paid on NCD (Public Issue)		0.51	-	-	
Closing Balance as at the year end NCD - (credit)		(6.00)	(5.00)	-	
Mr V P Shetty	Clause (a) (iii)				
Director Siting fees		0.03	0.02	0.02	
Director Commission		0.10	0.10	0.25	
Subscription to NCD Public issue of JM Financial Products Limited		-	1.00	-	
Closing Balance as at the year end - (credit)		(0.10)	(0.10)	(0.25)	
Closing Balance as at the year end NCD - (credit)		(1.00)	(1.00)	-	
Ms.Roshini Bakshi	Clause (a) (iii)				
Director Siting fees		0.03	0.03	0.01	
Director Commission		0.06	0.06	0.05	
Closing Balance as at the year end - (credit)		(0.06)	(0.06)	(0.05)	
Mr.Madhukar R. Umarji	Clause (a) (iii)				
Director Siting fees		-	0.02	0.03	
Director Commission		-	0.06	0.07	
Closing Balance as at the year end - (credit)		-	(0.06)	(0.07)	
Mr.Eknath A. Kshirsagar	Clause (a) (iii)				
Director Siting fees		0.04	0.04	0.04	
Director Commission		0.07	0.07	0.08	
Closing Balance as at the year end - (credit)		(0.07)	(0.07)	(0.08)	
Mr.Dhirendra Singh	Clause (a) (iii)				
Director Siting fees		0.04	0.04	0.03	
Director Commission		0.06	0.06	0.07	
Closing Balance as at the year end - (credit)		(0.06)	(0.06)	(0.07)	



JM FINANCIAL PRODUCTS LIMITED				
Notes to Standalone Financial Statements				
(iv)	Balances of related parties:			
Name of the related party	Nature of relationship	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Payables				
JM Financial Home Loan Limited	Clause (b) (i)	0.14	0.00	-
JM Financial Services Limited	Clause (b) (i)	16.14	0.67	-
J M Assets Management Private Limited	Clause (b) (vi)	(10.00)	(10.00)	-
Astute Investments	Clause (b) (i)	-	-	24.43
JM Financial Capital Limited	Clause (b) (i)	-	(27.10)	-
JM Financial Credit Solutions Limited	Clause (b) (i)	3.37	10.41	6.16
CR Retail Malls (India) Limited	Clause (b) (i)	-	-	43.02
J M Financial & Investment Consultancy Services Private Limited	Clause (b) (vi)	(10.00)	(10.00)	-
Mr. Vishal Kampani	Clause (a) (iii)	(16.77)	(14.52)	(11.00)
Mr. Nimesh N Kampani	Clause (a) (iii)	(8.00)	(7.00)	-
Mrs. Aruna N Kampani	Clause (a) (iii)	(6.00)	(5.00)	-
Mr.V P Shetty	Clause (a) (iii)	(1.10)	(1.10)	(0.25)
Mr.Dhirendra Singh	Clause (a) (iii)	(0.06)	(0.06)	(0.07)
Mr.Eknath A. Kshirsagar	Clause (a) (iii)	(0.07)	(0.07)	(0.08)
Mr.Madhukar R. Umarji	Clause (a) (iii)	-	(0.06)	(0.07)
Mrs.Roshini Bakshi	Clause (a) (iii)	(0.06)	(0.06)	(0.05)
Security Deposits Receivable				
JM Financial Properties & Holdings Limited	Clause (b) (i)	8.00	8.00	8.00
J M Financial & Investment Consultancy Services Private Limited	Clause (b) (i)	0.04	0.04	0.04
37.1 There are no provision for doubtful debts/ advances or amounts written off or written back for debts due from/ due to related parties. 37.2 Managerial remuneration excludes provision for gratuity as the incremental liability has been accounted for by the Company as a whole. 37.3 The transactions disclosed above are exclusive of Goods and Services Tax. 37.4 The related party relationship are identified by management and relied upon by auditors.				



JM FINANCIAL PRODUCTS LIMITED										
Notes to Standalone Financial Statements										
38 Maturity Analysis of Assets and Liabilities										
Rupees in Crore										
Sr No	Particulars	As at March 31, 2021			As at March 31, 2020			As at March 31, 2019		
		Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
1	Assets									
a	Financial Assets									
b	Cash and cash Equivalents	172.86	-	172.86	46.64	-	46.64	142.38	-	142.38
c	Bank Balance other than (a) above	117.49	5.24	122.73	60.00	-	60.00	60.05	-	60.05
d	Loans	1,597.77	1,383.27	2,981.05	1,579.49	2,060.37	3,639.86	2,085.53	3,135.05	5,220.58
e	Investment	1,368.34	197.72	1,566.05	1,167.41	155.05	1,322.46	379.86	161.96	541.82
f	Other Financial Assets	455.68	4.71	460.39	157.45	4.61	162.06	81.44	4.12	85.56
	Total Financial Assets	3,712.14	1,590.94	5,303.08	3,010.99	2,220.03	5,231.02	2,749.26	3,301.13	6,050.39
2	Non Financial Assets									
a	Current Tax Assets (Net)	-	26.88	26.88	-	27.17	27.17	-	24.29	24.29
b	Deferred Tax Assets (Net)	-	42.50	42.50	-	30.94	30.94	-	28.60	28.60
c	Property, Plant and Equipment	-	72.11	72.11	0.01	85.02	85.03	-	6.19	6.19
d	Other Intangible Assets	-	1.06	1.06	-	1.45	1.45	-	1.54	1.54
e	Intangible assets under development	-	-	-	-	-	-	-	0.41	0.41
f	Other Non Financial Assets	8.60	-	8.60	1.24	6.31	7.55	4.27	5.00	9.27
	Total Non Financial Assets	8.60	142.55	151.15	1.25	150.89	152.14	4.27	66.03	70.30
	Total Assets	3,720.74	1,733.49	5,454.23	3,012.24	2,370.92	5,383.16	2,753.53	3,367.16	6,120.69
Sr No	Particulars	As at March 31, 2020			As at March 31, 2020			As at March 31, 2019		
		Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
1	Liabilities and Equity									
a	Financial Liabilities									
b	Payables									
c	Trade payables									
d	(i) total outstanding dues of micro enterprises and small enterprises	0.05	-	0.05	0.02	-	0.02	0.01	-	0.01
e	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	0.24	-	0.24	1.13	-	1.13	0.49	-	0.49
f	Debt Securities	1,291.89	1,944.01	3,235.90	1,163.53	1,567.96	2,731.49	1,738.85	1,748.54	3,487.39
g	Borrowing (Other than Debt Securities)	180.38	91.78	272.16	542.90	283.18	826.08	388.69	647.34	1,036.03
h	Other Financial Liabilities	33.59	73.17	106.76	29.11	76.24	105.35	25.39	0.71	26.10
	Total Financial Liabilities	1,506.15	2,108.96	3,615.11	1,736.69	1,927.38	3,664.07	2,153.43	2,396.59	4,550.02
2	Non Financial Liabilities									
a	Current Tax Liabilities (Net)	0.93	-	0.93	2.79	-	2.79	0.31	-	0.31
b	Provisions	1.76	2.15	3.91	1.92	2.04	3.96	1.85	1.46	3.31
c	Other Non Financial Liabilities	3.41	2.10	5.51	3.32	1.75	5.07	6.80	-	6.80
	Total Non Financial Liabilities	6.10	4.25	10.35	8.03	3.79	11.82	8.96	1.46	10.42
3	Equity									
a	Equity Share Capital	-	544.50	544.50	-	544.50	544.50	-	544.50	544.50
b	Other Equity	-	1,284.27	1,284.27	-	1,162.77	1,162.77	-	1,015.75	1,015.75
	Total Equity	-	1,828.77	1,828.77	-	1,707.27	1,707.27	-	1,560.25	1,560.25
	Total Liabilities and Equity	1,512.25	3,941.98	5,454.23	1,744.72	3,638.44	5,383.16	2,162.39	3,958.30	6,120.69



JM FINANCIAL PRODUCTS LIMITED
Notes to Standalone Financial Statements

39 Financial Instruments

Capital Management

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

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

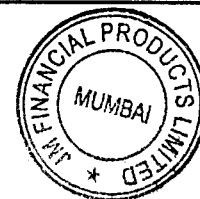
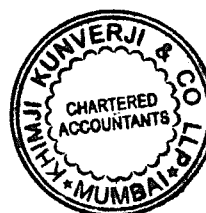
The Company monitors capital using adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

Borrowings	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Debt Securities	3,235.90	2,731.49	3,487.39
Borrowings (Other than Debt Securities)	272.16	826.08	1,036.03
Gross Debt	3,508.06	3,557.57	4,523.42
Less: Cash and cash Equivalents	172.86	46.64	142.38
Less: Other Bank Deposits	122.73	60.00	60.05
Less: Investment in liquid mutual fund	1,288.72	1,096.58	378.13
Adjusted Net Debt	1,923.75	2,354.35	3,942.86
Total Equity	1,828.77	1,707.27	1,560.25
Adjusted Net Debt to equity ratio	1.05	1.38	2.53

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

The Company is subject to capital adequacy ratio ("CAR") requirements which are prescribed by the RBI. The Company is currently required to maintain a minimum 15.00% as prescribed under the prudential norms of the RBI under the Master Direction – Non-Banking Financial Company – Systemically Important Non Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 based on the total capital to risk weighted assets as part of the governance policy. We generally maintain capital adequacy higher than the statutorily prescribed CAR. As at March 31, 2021, the capital adequacy ratio, which was computed on the basis of the applicable RBI requirements, was 34.96%, as compared to the minimum capital adequacy requirement of 15.00% as stipulated by the RBI. We believe that our high capital adequacy gives us significant headroom to grow our business.

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
CRAR prescribed by RBI	15.00%	15.00%	15.00%
Total capital adequacy ratio			
i) Tier I	33.71%	31.25%	24.87%
ii) Tier II	1.25%	0.68%	0.58%



JM FINANCIAL PRODUCTS LIMITED
Notes to Standalone Financial Statements

40 Financial instruments

A Fair value

Classes and categories of financial instruments and their fair values

The following table combines information about:

- classes of financial instruments based on their nature and characteristics
- the carrying amounts of financial instruments
- fair values of financial instruments (except financial instruments when carrying amount approximates their fair value); and
- fair value hierarchy levels of financial assets and financial liabilities for which fair value was disclosed

Set out below, is the accounting classification of financial instruments:

1 Accounting classification

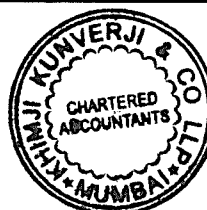
Rupees in Crore				
As at March 31, 2021	FVTPL	FVTOCI	Amortised Cost	Total
Financial Assets				
Cash and cash Equivalents	-	-	172.86	172.86
Bank Balance other than (A) above	-	-	122.73	122.73
Loans	-	-	2,981.04	2,981.04
Investments	1,417.56	-	148.50	1,566.06
Other Financial Assets	428.74	-	31.65	460.38
Total Financial Assets	1,846.30	-	3,456.78	5,303.08
Financial Liabilities				
Borrowings & Debt Securities	-	-	3,508.06	3,508.06
Trade Payables	-	-	0.29	0.29
Other Financial Liabilities	-	-	106.76	106.76
Total Financial Liabilities	-	-	3,615.11	3,615.11
As at March 31, 2020	FVTPL	FVTOCI	Amortised Cost	Total
Financial Assets				
Cash and cash Equivalents	-	-	46.64	46.64
Bank Balance other than (A) above	-	-	60.00	60.00
Loans	-	-	3,639.86	3,639.86
Investments	1,173.96	-	148.50	1,322.46
Other Financial Assets	140.62	-	21.45	162.06
Total Financial Assets	1,314.58	-	3,916.44	5,231.02
Financial Liabilities				
Borrowings & Debt Securities	-	-	3,557.57	3,557.57
Trade Payables	-	-	1.15	1.15
Other Financial Liabilities	-	-	105.35	105.35
Total Financial Liabilities	-	-	3,664.07	3,664.07
As at March 31, 2019	FVTPL	FVTOCI	Amortised Cost	Total
Financial Assets				
Cash and cash Equivalents	-	-	142.38	142.38
Bank Balance other than (A) above	-	-	60.05	60.05
Loans	-	-	5,220.58	5,220.58
Investments	423.02	-	118.80	541.82
Other Financial Assets	49.18	-	36.37	85.56
Total Financial Assets	472.20	-	5,578.18	6,050.39
Financial Liabilities				
Borrowings & Debt Securities	-	-	4,523.42	4,523.42
Trade Payables	-	-	0.50	0.50
Other Financial Liabilities	-	-	26.10	26.10
Total Financial Liabilities	-	-	4,550.02	4,550.02

Notes:

- (a) The Company considers that the carrying amounts recognised in the financial statements for loans, Debt Securities and borrowings approximate their fair values.
 (b) For financial assets that are measured at fair value, except those included in point (a) above, the carrying amounts are equal to the fair values.

Includes debt securities issued at fixed rate of interest for which carrying value and fair value are as under :

Particulars	(Rupees in Crore)	
	Carrying Value	Fair Value
As at March 31, 2021	2,513.27	2,482.16
As at March 31, 2020	2,456.80	2,458.06
As at March 31, 2019	2,371.82	2,338.40



JM FINANCIAL PRODUCTS LIMITED
Notes to Standalone Financial Statements

2 Fair Value Hierarchy and Method of Valuation

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the 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 : Hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all

equity instruments (including bonds) which 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 : The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Rupees in Crore						
As at March 31, 2021	Notes	Carrying Value	Level 1	Level 2	Level 3	Total
Financial Assets						
<u>Measured at FVTPL</u>						
Investments in Mutual Fund		1,288.72	1,288.72	-	-	1,288.72
Investments in Security Receipts		27.47	-	-	27.47	27.47
Investments in Equity Instruments		101.37	44.52	35.08	21.77	101.37
Other Financial Assets						
Debt instruments		428.74	214.19	124.87	89.68	428.74
			-			-
Total Financial Assets		1,846.30	1,547.43	159.95	138.92	1,846.30

As at March 31, 2020	Notes	Carrying Value	Level 1	Level 2	Level 3	Total
Financial Assets						
<u>Measured at FVTPL</u>						
Investments in Mutual Fund		1,096.57	1,096.57	-	-	1,096.57
Investments in Security Receipts		30.52	-	-	30.52	30.52
Investments in Equity Instruments		46.87	20.00	20.32	6.55	46.87
Other Financial Assets						
Debt instruments		140.62	23.05	17.34	100.23	140.62
			-			-
Total Financial Assets		1,314.58	1,139.62	37.66	137.30	1,314.58

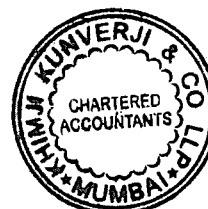
As at March 31, 2019	Notes	Carrying Value	Level 1	Level 2	Level 3	Total
Financial Assets						
<u>Measured at FVTPL</u>						
Investments in Mutual Fund		378.13	378.13	-	-	378.13
Investments in Security Receipts		37.61	-	-	37.61	37.61
Investments in Equity Instruments		7.28	-	-	7.28	7.28
Other Financial Assets						
Debt instruments		49.18	-	49.18	-	49.18
Total Financial Assets		472.20	378.13	49.18	44.89	472.20

Except for those financial instruments for which the carrying amounts are mentioned in the above table, the Company 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 techniques used to determine the fair values:

- Listed equity instruments and mutual funds which are fair valued using quoted prices and closing NAV in the market.
- Discounted cash flow method has been used to determine the fair value. The discounting factor used has been arrived at after adjusting the rate of interest for the financial assets by the difference in the Government Securities rates from date of initial recognition to the reporting dates.
- The Company has made necessary adjustments to the observable and unobservable inputs used for the purpose of valuation



JM FINANCIAL PRODUCTS LIMITED
Notes to Standalone Financial Statements

3 Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the period ended March 31, 2021, March 31, 2020

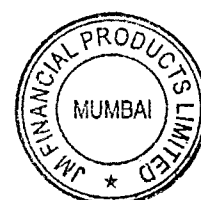
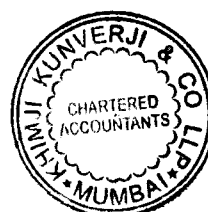
Rupees in Crore				
Particulars	Security receipts	Equity shares	Preference shares	Debt instruments
As at April 01, 2018	56.78	-	7.52	-
Acquisitions	-	-	-	-
Gains / (Losses) recognized	(19.17)	-	(0.24)	-
Reclassification from Level 2 to Level 3	-	-	-	-
Realisations	-	-	-	-
As at March 31, 2019	37.61	-	7.28	-
Acquisitions	-	-	-	106.50
Gains / (Losses) recognized	(5.40)	-	(0.73)	(5.27)
Reclassification from Level 2 to Level 3	-	-	-	-
Realisations	(1.69)	-	-	(1.00)
As at March 31, 2020	30.52	-	6.55	100.23
Acquisitions	-	5.34	9.66	-
Gains / (Losses) recognized	(3.05)	-	0.22	(10.55)
Reclassification from Level 2 to Level 3	-	-	-	-
Realisations	-	-	-	-
As at March 31, 2021	27.47	5.34	16.43	89.68

4 Sensitivity for instruments

Sr No	Nature of Instrument	Fair value As at March 31, 2021	Significant Unobservable Inputs*	Increase / Decrease in the Unobservable Input	Sensitivity Impact for the year ended March 31, 2021	
					FV Increase	FV Decrease
1	Investment in Security receipts	27.47	Investment in Security receipts	5%	1.37	(1.37)
2	Investment in Equity shares	5.34	Impact estimated by the management considering current market conditions	5%	0.27	(0.27)
3	Investment in Preference shares	16.43	Estimated cash flow based on realisation of collaterals value, etc	5%	0.82	(0.82)
4	Debt instruments	89.68	Estimated cash flow based on realisation of collaterals value, etc	5%	4.48	(4.48)

Sr No	Nature of 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
1	Investment in Security receipts	30.52	Investment in Security receipts	5%	1.53	(1.53)
2	Investment in Preference shares	6.55	Estimated cash flow based on realisation of collaterals value, etc	5%	0.33	(0.33)
3	Debt instruments	100.23	Estimated cash flow based on realisation of collaterals value, etc	5%	5.01	(5.01)

Sr No	Nature of 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
1	Investment in Security receipts	37.61	Investment in Security receipts	5%	1.88	(1.88)
2	Investment in Preference shares	7.28	Estimated cash flow based on realisation of collaterals value, etc	5%	0.36	(0.36)



JM FINANCIAL PRODUCTS LIMITED
Notes to Standalone Financial Statements

Nature of 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
Debentures	-	Discount Rate	100 bps	-	-

* There were no significant inter-relationships between unobservable inputs that materially affect fair values

B Financial risk management

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

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

Risk management framework

Risk management forms an integral part of the business. As a lending institution, the Company is exposed to several risks related to the lending business and operating environment. The Company have established a risk management and audit framework to identify, assess, monitor and manage various types of internal and external 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 reviews, identifies, monitors and measures the risk profile and risk measurement system of the Company.

i) Credit Risk

Credit risk is the risk of loss that may occur from defaults by our customers under loan agreements. In order to assess credit risk, a separate set of credit policies that outline a standardized structure approach for customer selection. Credit approvers and relationship managers are responsible for ensuring adherence to these policies.

Company 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.

The company has applied management overlays to the ECL Model to consider the impact of the Covid-19 pandemic on the provision. The probability of default and loss given default have been assessed considering the likelihood of increased credit risk and consequential default due to pandemic.

Collateral held as security and other credit enhancements

The Company has set out security creation requirements in the loan documents. In most lending transaction the company maintains a reasonable security and receivables cover of the loan amount. This gives enough flexibility in the event asset prices come down or there is a cost overrun. It also helps ensure equity of the promoter in terms of the residual value cover.

In order to minimise credit risk, the Credit Committee has developed and maintain the Company's credit risk gradings to categorise exposures according to their degree of risk of default.

The Company 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.

Risk and monitoring team are assisted by officers who are also responsible for the collection of installments from each customer that are serviced by them. The Company believes that our close monitoring of debt servicing enables us to maintain high recovery ratios and maintain satisfactory asset quality.

The Company'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

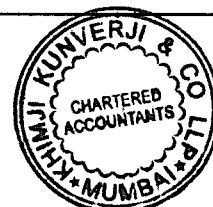
For PD and Loss Given Default (LGD) the Company has relied upon the internal and external information.

The table below shows the credit quality and the exposure to credit risk based on the year-end stage classification. The amounts presented are gross of impairment allowances.

Category	Rupees in Crore		
	March 31, 2020	March 31, 2019	March 31, 2019
Stage 1	2,918.55	3,492.98	5,229.89
Stage 2	155.26	237.38	21.73
Stage 3	57.27	4.56	3.69

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to corporate lending.

Category	Rupees in Crore			
	2020 - 21			Total
	Stage 1	Stage 2	Stage 3	
Gross carrying amount opening balance	3,492.98	237.38	4.56	3,734.92
New assets originated or purchased	851.25	0.64	-	851.89
Assets derecognised or repaid (excluding write offs)	(1,409.26)	(42.48)	(2.17)	(1,453.91)
Transfers to Stage 1	73.89	(73.89)	-	-
Transfers to Stage 2	(89.22)	89.22	-	-
Transfers to Stage 3	(0.84)	(55.61)	56.45	-
"Impact on year end ECL of exposures transferred between stages during the year"	(16.17)	(40.28)	56.45	-
Amount Write off	(0.25)	-	(1.57)	(1.82)
Gross carrying amount closing balance	2,918.55	155.26	57.27	3,131.08



JM FINANCIAL PRODUCTS LIMITED
Notes to Standalone Financial Statements

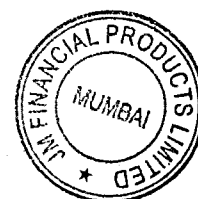
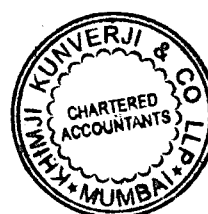
Category	2019 - 20			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	5,229.89	21.73	3.69	5,255.31
New assets originated or purchased	1,223.74	81.97	-	1,305.71
Assets derecognised or repaid (excluding write offs)	(2,812.24)	(13.83)	(0.03)	(2,826.10)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(147.51)	147.51	-	-
Transfers to Stage 3	(0.90)	-	0.90	-
"Impact on year end ECL of exposures transferred between stages during the year"	(148.41)	147.51	0.90	-
Gross carrying amount closing balance	3,492.98	237.38	4.56	3,734.92

Category	2018 - 19			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	6,555.26	13.10	16.83	6,585.19
New assets originated or purchased	2,163.49	-	-	2,163.49
Assets derecognised or repaid (excluding write offs)	(3,462.60)	(0.46)	(28.48)	(3,491.54)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(9.09)	9.09	-	-
Transfers to Stage 3	(17.17)	-	17.17	-
"Impact on year end ECL of exposures transferred between stages during the year"	(26.26)	9.09	17.17	-
Amounts written off	-	-	(1.83)	(1.83)
Gross carrying amount closing balance	5,229.89	21.73	3.69	5,255.31

Category	2020 - 21			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance opening balance	36.35	56.96	1.75	95.06
New assets originated or purchased	57.37	(3.49)	0.01	53.89
Assets derecognised or repaid (excluding write offs)	(11.77)	(1.15)	(1.48)	(14.39)
Transfers to Stage 1	0.83	(2.64)	-	(1.81)
Transfers to Stage 2	(0.89)	4.40	-	3.51
Transfers to Stage 3	(0.08)	(9.79)	23.66	13.79
"Impact on year end ECL of exposures transferred between stages during the year"	(0.14)	(8.03)	23.66	15.49
ECL allowance - closing balance	81.81	44.29	23.94	150.04

Category	2019 - 20			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance opening balance	34.04	0.31	0.37	34.72
New assets originated or purchased	19.73	6.12	1.11	26.96
Assets derecognised or repaid (excluding write offs)	(14.58)	(0.07)	-	(14.65)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(2.84)	50.60	-	47.76
Transfers to Stage 3	(0.00)	-	0.27	0.27
"Impact on year end ECL of exposures transferred between stages during the year"	(2.84)	50.60	0.27	48.03
ECL allowance - closing balance	36.35	56.96	1.75	95.06

Category	2018 - 19			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance opening balance	37.26	0.20	4.24	41.70
New assets originated or purchased	15.87	-	-	15.87
Assets derecognised or repaid (excluding write offs)	(17.13)	(0.13)	(5.59)	(22.85)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(0.24)	0.24	-	-
Transfers to Stage 3	(1.72)	-	1.72	-
"Impact on year end ECL of exposures transferred between stages during the year"	-	-	-	-
ECL allowance - closing balance	34.04	0.31	0.37	34.72



JM FINANCIAL PRODUCTS LIMITED
Notes to Standalone Financial Statements

ii) Liquidity Risk

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

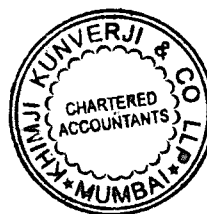
However the Company believes that it has a strong financial position and business is adequately capitalized, have good credit rating and appropriate credit lines available to address liquidity risks.

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

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

"The Company has undrawn lines of credit of Rs.107.92 Crore , Rs. 251.58 Crore and Rs.152.74 Crore as of March 31, 2021, March 31, 2020 and March 31, 2019 respectively, from its bankers for working capital requirements.

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



JM FINANCIAL PRODUCTS LIMITED
Notes to Standalone Financial Statements

Exposure to liquidity risk

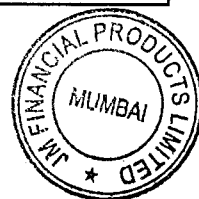
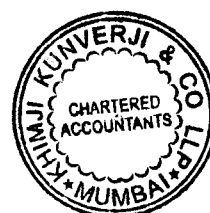
The following are the details of Company's remaining contractual maturities of financial liabilities and assets at the reporting date.

Rupees in Crore					
March 31, 2021	Carrying Amount	0-1 Year	1-3 Years	3-5 Years	More than 5 Years
Financial liabilities					
Debt Securities	3,235.90	1,291.89	1,242.39	237.62	464.01
Borrowing (Other than Debt Securities)	272.16	180.38	76.80	14.98	-
Other Financial Liabilities	106.76	33.59	18.00	18.06	37.11
Trade Payable	0.29	0.29	-	-	-
Total Financial Liabilities	3,615.11	1,506.15	1,337.17	270.66	501.12
Financial Assets					
Cash and cash Equivalents	172.86	172.86	-	-	-
Bank Balance other than above	122.73	117.49	5.24	-	-
Loans	2,981.04	1,597.77	987.94	269.30	126.03
Investments	1,566.05	1,368.34	27.47	-	170.25
Other Financial Assets	460.39	455.68	4.59	0.12	-
Total Financial Assets	5,303.08	3,712.14	1,025.24	269.42	296.28

Rupees in Crore					
March 31, 2020	Carrying Amount	0-1 Year	1-3 Years	3-5 Years	More than 5 Years
Financial liabilities					
Debt Securities	2,731.49	1,163.53	1,286.68	238.53	42.75
Borrowing (Other than Debt Securities)	826.08	542.90	253.28	29.90	-
Other Financial Liabilities	105.35	29.11	15.45	14.60	46.19
Trade Payable	1.15	1.15	-	-	-
Total Financial Liabilities	3,664.07	1,736.69	1,555.41	283.03	88.94
Financial Assets					
Cash and cash Equivalents	46.64	46.64	-	-	-
Bank Balance other than above	60.00	60.00	-	-	-
Loans	3,639.86	1,579.49	976.04	568.41	515.92
Investments	1,322.46	1,167.41	6.55	-	148.50
Other Financial Assets	162.06	157.45	4.46	0.14	0.01
Total Financial Assets	5,231.02	3,010.99	987.05	568.55	664.43

Rupees in Crore					
March 31, 2019	Carrying Amount	0-1 Year	1-3 Years	3-5 Years	More than 5 Years
Financial liabilities					
Debt Securities	3,487.39	1,738.85	1,413.11	335.43	-
Borrowing (Other than Debt Securities)	1,036.03	388.69	623.62	23.72	-
Other Financial Liabilities	26.10	25.39	0.71	-	-
Trade Payable	0.50	0.50	-	-	-
Total Financial Liabilities	4,550.02	2,153.43	2,037.44	359.15	-
Financial Assets					
Cash and cash Equivalents	142.38	142.38	-	-	-
Bank Balance other than above	60.05	60.05	-	-	-
Loans	5,220.58	2,085.53	2,518.53	469.44	147.08
Investments	541.82	379.86	43.16	-	118.80
Other Financial Assets	85.56	81.44	0.52	3.54	0.06
Total Financial Assets	6,050.39	2,749.26	2,562.21	472.98	265.94

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



JM FINANCIAL PRODUCTS LIMITED
Notes to Standalone Financial Statements

iii) Market risk

The Company's activities expose it primarily to the interest rates.

Interest rate risk

The Company is exposed to interest rate risk as it has assets and liabilities based on floating interest rates as well. The Company has an approved Asset and Liability Management Policy which empowers the Asset and Liability Management Committee (ALCO) to assess the interest rate risk run by it and provide appropriate guidelines to the Treasury to manage the risk. The ALCO reviews the interest rate risk on periodic basis and decides on the asset profile and the appropriate funding mix. The ALCO reviews the interest rate gap statement and the interest rate sensitivity analysis.

Exposure to interest rate risk

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

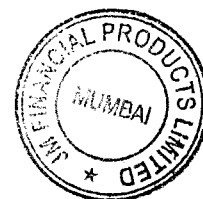
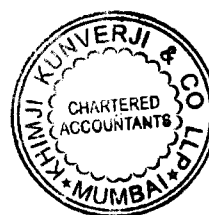
	Rupees in Crore		
	March, 31 2021	March, 31 2020	March, 31 2019
Financial assets			
Fixed-rate instruments	1,616.09	1,354.88	2,556.79
Floating-rate instruments	1,461.81	2,311.97	2,634.67
Total	3,077.90	3,666.85	5,191.46
Financial Liabilities			
Fixed-rate instruments	3,027.08	2,481.77	3,346.39
Floating-rate instruments	266.57	862.55	1,007.81
Total	3,293.65	3,344.32	4,354.20

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 Company's profit before tax would have changed by the following:

	March, 31 2021		March, 31 2020		March, 31 2019	
	100 bps higher	100 bps Lower	100 bps higher	100 bps Lower	100 bps higher	100 bps Lower
Floating-rate borrowings	(2.67)	2.67	(8.63)	8.63	(10.08)	10.08
Floating-rate loans	14.62	(14.62)	23.12	(23.12)	26.35	(26.35)
	11.95	(11.95)	14.49	(14.49)	16.27	(16.27)



JM FINANCIAL PRODUCTS LIMITED
Notes to Standalone Financial Statements

41 Utilisation of Issue Proceeds:

There has been no deviation in the utilisation of issue proceeds of publically issued secured redeemable NCD, from the Objects as stated in the Tranche I, Tranche II and Tranche III document dated April 11, 2019, July 31, 2019 and February 10, 2020 respectively.

42 Employee Stock Option Scheme:

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

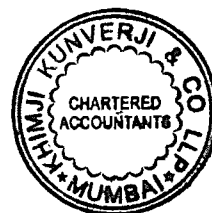
Particular	Rupees in Crore		
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Charge on account of the above scheme included in employee benefit expenses	1.14	1.85	2.83

43 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:

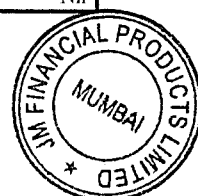
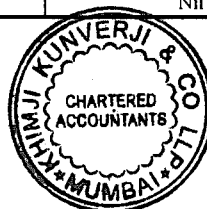
a) Loans and advances in the nature of loans given to subsidiaries and associates:

Name of the company	Relationship	Rupees in Crore					
		FY 2020-21		FY 2019-20		FY 2018-19	
		Maximum Balance	Closing Balance	Maximum Balance	Closing Balance	Maximum Balance	Closing Balance
JM Financial Services Limited	Fellow Subsidiary	200.00	-	150.00		175.00	
Infinite India Investment Management Limited	Fellow Subsidiary	-	-	-		-	
Infinite India Investment Managers Limited (Upto)	Fellow Subsidiary	-	-	-	-	-	-
JM Financial Credit Solutions Limited	Fellow Subsidiary	-	-	12.00		91.70	
JM Financial Properties & Holdings Limited	Fellow Subsidiary	-	-	35.00		108.00	
JM Financial Home Loans Limited	Fellow Subsidiary	-	-	30.00		25.00	
Astute Investments	Fellow Subsidiary	155.85	-	30.43		120.00	24.73
CR Retail Malls (India) Limited	Fellow Subsidiary	-	-	43.02		206.60	43.02
JM Financial Institutional Securities Limited	Fellow Subsidiary	-	-	28.00		-	
JM Financial Capital Limited	Fellow Subsidiary	-	-	-		35.00	
JM Financial Asset Reconstruction Private	Fellow Subsidiary	136.00	-	-		25.00	

Loans and advances shown above are interest bearing, repayable on demand and are utilised for their business purposes.



JM FINANCIAL PRODUCTS LIMITED				
Notes to Standalone Financial Statements				
44	Corporate Governance and Disclosure Norms for NBFCs: (As stipulated in Annexure 4 of Circular No. DNBR (PD) CC No. 002/03.10.001/2014-15, dated November 10, 2014)			
44.1	Capital Risk Adequacy Ratio (CRAR):			
	Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
	CRAR (%)	34.96%	31.92%	25.45%
	CRAR - Tier I capital (%)	33.71%	31.25%	24.87%
	CRAR - Tier II capital (%)	1.25%	0.68%	0.58%
	Amount of subordinated debt raised as Tier-II capital	-	-	-
	Amount raised by issue of Perpetual Debt instruments	-	-	-
44.2	Exposures:			
		Rupees in Crore		
Sr No	Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
I	Exposure to Real Estate			
a)	Direct Exposure			
(i)	Residential Mortgages- Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to Rs. 15 lakh may be shown separately)	128.33	41.70	8.08
	Individual housing loans up to Rs. 15 lakh	3.38	5.45	1.31
(ii)	Commercial Real Estate*- Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi family residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits; * Also includes Commercial Real Estate exposure in Investments.	1,278.76	1,867.46	1,829.37
(iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures-			
	a) Residential,	-	-	-
	b) Commercial Real Estate.	-	-	-
b)	Indirect Exposure Fund based and non fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	148.50	148.50	118.80
	Total Exposure to Real Estate Sector based on primary security	1,558.98	2,063.11	1,957.56
II	Exposure to Capital Market			
(i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	84.96	40.32	-
(ii)	advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	273.00	200.50	363.93
(iii)	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	761.64	880.13	1,478.52
(iv)	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-	-
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-	12.08
(vi)	loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-	-
(vii)	bridge loans to companies against expected equity flows / issues;	-	-	-
(viii)	all exposures to Venture Capital Funds (both registered and unregistered)	-	-	-
	Total Exposure to Capital Market	1,119.60	1,120.95	1,854.53
III	Details of financing of parent company products	Nil	Nil	Nil
IV	Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC	Nil	Nil	Nil
V	Unsecured Advances given against intangible securities	Nil	Nil	Nil



JM FINANCIAL PRODUCTS LIMITED
Notes to Standalone Financial Statements

45 Asset Liability Management Maturity pattern of certain items of Assets and Liabilities:

For FY 2020-21

Rupees in Crore

Particulars	1 day to 7 day	8 day to 14 day	15 day to 30/31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Liabilities											
Borrowing from Banks & Others	4.17	-	35.60	27.69	21.47	42.43	46.21	76.77	14.98	-	269.32
Market Borrowings	54.59	-	382.62	127.77	49.35	105.43	413.84	1,190.64	237.19	462.65	3,024.08
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	68.32	28.14	100.65	216.69	195.80	255.87	679.12	987.94	269.30	126.03	2,927.86
Deposits	0.01	0.01	-	-	-	-	0.23	4.59	0.12	-	4.96
Investments	1,288.72	-	-	-	-	-	79.62	27.47	-	170.25	1,566.06
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-

For FY 2019-20

Rupees in Crore

Particulars	1 day to 7 day	8 day to 14 day	15 day to 30/31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Liabilities											
Borrowing from Banks & Others	25.00	-	-	55.25	75.85	138.97	244.32	253.03	29.90	-	822.32
Market Borrowings	31.50	119.83	290.70	86.09	-	206.03	302.52	1,204.00	238.49	42.27	2,521.43
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	267.67	8.53	17.13	141.14	108.67	423.43	544.84	976.04	568.41	515.92	3,571.78
Deposits	0.01	-	-	-	-	-	-	4.46	0.14	0.01	4.62
Investments	1,096.58	-	-	-	-	-	70.83	-	-	155.05	1,322.46
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-

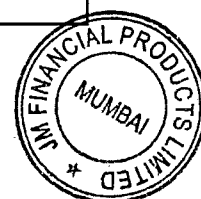
For FY 2018-19

Rupees in Crore

Particulars	1 day to 7 day	8 day to 14 day	15 day to 30/31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Liabilities											
Borrowing from Banks & Others	47.26	-	25.00	16.67	-	40.49	256.31	618.51	28.57	-	1,032.80
Market Borrowings	4.40	-	16.70	111.45	314.46	543.04	667.06	1,413.11	250.85	-	3,321.07
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	139.73	20.59	41.18	227.63	572.49	402.72	617.34	2,518.53	469.44	147.07	5,156.72
Deposits	-	-	-	-	-	-	-	0.05	9.03	0.01	9.09
Investments	378.14	-	-	-	-	-	1.73	35.88	-	126.08	541.83
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-

Notes:

- Information on maturity pattern of advances for which there are no specified repayment terms are based on the reasonable assumptions.
- The above assets does not include Stock-in-Trade acquired from borrowed funds.
- The above statement includes only certain items of assets and liabilities (as stipulated in Annexure 4 of Circular No. DNBR (PD) CC No. 002/03.10.001/2014-15, dated November 10, 2014) and therefore does not reflect the
- EIR effect on loan is given in over 5 years buckets
- Previous year figure are regrouped in different bucket in reference to circular no RBI/2019-20/88 DOR.NBFC (PD) CC. No 102/03.10.001/2019-20 of RBI

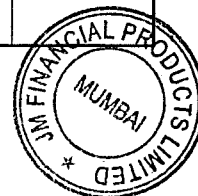
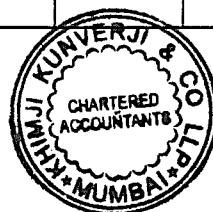


JM FINANCIAL PRODUCTS LIMITED
Notes to Standalone Financial Statements

46 Particulars		Rupees in Crore					
	Liabilities side	2020-21		2019-20		2018-19	
		Amount outstanding	Amount overdue	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
(I)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :						
(a)	Debentures						
(i)	Secured	2,789.51	-	2,438.48	-	2,309.15	-
(ii)	Unsecured (other than	-	-	-	-	55.00	-
(b)	Deferred Credits	-	-	-	-	-	-
(c)	Term Loans	244.79	-	798.46	-	961.81	-
(d)	Inter-corporate loans and	27.12	-	27.04	-	27.16	-
(e)	Commercial Paper (net of	446.39	-	293.01	-	1,123.23	-
(f)	Other Loans (Please Specify)	-	-	-	-	-	-
	Overdraft Accounts	-	-	-	-	-	-
	Cash Credits	-	-	-	-	47.26	-
	CBLO Borrowing (net of unamortised discount)	-	-	-	-	-	-
	Working capital demand loan	-	-	-	-	-	-
	Due under finance lease	0.25	-	0.57	-	0.32	-

		Rupees in Crore		
	Assets side (Amount Outstanding)	2019-20	2019-20	2018-19
(II)	Break up of Loans and Advances including bills receivables (other than those included in (IV) below):			
(a)	Secured	2,980.36	3,621.09	5,155.12
(b)	Unsecured	0.68	18.77	65.46
(III)	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities:			
(a)	Lease assets including lease rentals under sundry debtors:			
(i)	Financial Lease	-	-	-
(ii)	Operating Lease	-	-	-
(b)	Stock on hire including hire charges under sundry debtors:			
(i)	Assets on hire	-	-	-
(ii)	Repossessed Assets	-	-	-
(c)	Other loans counting towards AFC activities:			
(i)	Loans where assets have been repossessed	-	-	-
(ii)	Loans other than (a) above	-	-	-

		Rupees in Crore		
	Amount Outstanding	2020-21	2019-20	2018-19
(IV)	Break – up of Investments:			
(a)	Current Investments:			
1.	Quoted:			
(i)	Shares:			
(a)	Equity	79.62	40.32	-
(b)	Preference	-	-	-
(ii)	Debentures and Bonds	-	-	-
(iii)	Units of Mutual Funds	1,288.70	1,096.58	378.14
(iv)	Government Securities	-	-	-
(v)	Others (Please Specify)	-	-	-
2.	Unquoted:			
(i)	Shares:			
(a)	Equity	-	-	-
(b)	Preference	-	-	-



JM FINANCIAL PRODUCTS LIMITED
Notes to Standalone Financial Statements

		Rupees in Crore		
	Amount Outstanding	2020-21	2019-20	2018-19
	(ii) Debentures and Bonds	-	-	-
	(iii) Units of Mutual Funds	-	-	-
	(iv) Government Securities	-	-	-
	(v) Security receipts	-	30.52	1.68
		-	-	-
(b)	Non Current Investments			
	1. Quoted:			
	(i) Shares:			
	(a) Equity	-	-	-
	(b) Preference	-	-	-
	(ii) Debentures and Bonds	-	-	-
	(iii) Units of Mutual Funds	-	-	-
	(iv) Government Securities	-	-	-
	(v) Security receipts	-	-	35.88
	2. Unquoted:			
	(i) Shares:			
	(a) Equity	153.84	148.50	118.80
	(b) Preference	16.43	6.55	7.28
	(ii) Debentures and Bonds	-	-	-
	(iii) Units of Mutual Funds	-	-	-
	(iv) Government Securities	-	-	-
	(v) Others (Please Specify)	-	-	-

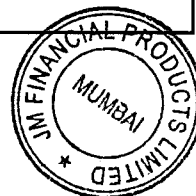
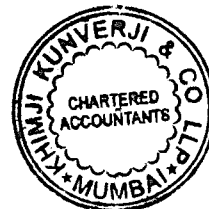
		Rupees in Crore		
(V)	Borrower group – wise classification of assets financed as in (II) and (III) above:	2020-21	2019-20	2018-19
		Amount net of provisions		
Category		Secured	Unsecured	Total
(a)	Related Parties			
	(i) Subsidiaries	-	-	-
	(ii) Companies in the same	-	-	7.50
	(iii) Other related parties	-	-	24.43
(b)	Other than related parties	2,980.36	0.68	2,981.04
		3,621.09	18.77	3,639.86
		5,147.62	5.52	5,153.14
	Total	2,980.36	0.68	2,981.04
		3,621.09	18.77	3,639.86
		5,155.12	65.46	5,220.58

		Rupees in Crore		
(VI)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):	2020-21	2019-20	2018-19
Category		Market Value/ Breakup or fair value or NAV	Book Value (Net of Provisions)	Market Value/ Breakup or fair value or NAV
(a)	Related Parties			
	(i) Subsidiaries	200.42	148.50	149.07
	(ii) Companies in the same group *	-	-	-
	(iii) Other related parties	-	-	-
(b)	Other than related parties **	1,417.56	1,417.56	1,173.96
	Total	1,617.98	1,566.06	1,323.03
		1,322.46	533.71	541.82

		Rupees in Crore		
(VII)	Other Information:	2020-21	2019-20	2018-19
	Particulars			
(a)	Gross Non – Performing Assets			
	(i) Related Parties	-	-	-
	(ii) Other than related parties	57.27	4.56	3.69
(b)	Net Non – Performing Assets			
	(i) Related Parties	-	-	-
	(ii) Other than related parties	33.33	2.81	3.33
(c)	Assets acquired in satisfaction of debt	-	-	-

* Non cumulative redeemable preference shares and therefore considered at cost.

** cost is considered wherever fair value is not available



JM FINANCIAL PRODUCTS LIMITED
Notes to Standalone Financial Statements

47 Disclosure as per format prescribed under notification no RBI/2020-2021/16 DOR No BP BC/3/21.04.048/2020-21 for the year ended March 31, 2021

Type of Borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) Exposure to accounts mentioned at (A) before implementation of the plan**	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution plan ***
Personal Loans	-	-	-	-	-
Corporate Loans*	1	48.50	-	-	4.59
of which, MSMEs	-	-	-	-	-
Others	10	5.31	-	-	0.51
Total	11	53.81	-	-	5.10

* As defined in Section 3 (7) of the Insolvency and Bankruptcy Code, 2016

** Loan Book as on March 31, 2020

*** Minimum provision of 10% provided as per RBI circular

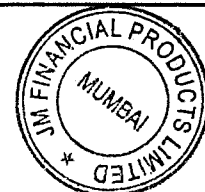
The aforesaid disclosure has been made in accordance with RBI circular having reference RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 under the Resolution Framework for Covid-19 related stress. Since, no other accounts have been restructured, accordingly, the disclosure as required under "Appendix 4 of Master Directions – Disclosures of Restructured Accounts" are not applicable.

There are no restructured advances as on March 31, 2020, hence disclosure of information as required in terms of sub-Para 9 of Paragraph 27 of Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 (issued vide Notification No. DNBR.009/CGM(CDS)-2015 dated March 27, 2015) is not warranted.

48 In accordance with the instructions in aforementioned RBI circular dated April 07 2021, and the Indian Banks' Association ('IBA') advisory letter dated 19 April 2021 the Company has put in place a Board approved policy to refund/ adjust the interest on interest' charged to borrowers during the moratorium period . i.e, 1 March 2020 to 31 August 2020 The Company has estimated the said amount and made a provision in the financial statements for the year ended March 31, 2021

49 Company has purchased loan assets from its subsidiary during FY21 in September 2020 for Rs.48.42 Crore (including premium of Rs.6.73 Crore). In FY20 company has bought loan assets in II tranches , Tranche I Rs.56.86 Crore (Including premium of Rs. 5.46 Crore) in September 2019 & Tranche II Rs.39.22 Crore (Including premium of Rs.4.04 Crore) in December 2019.

Sr No	Particulars	Rupees in Crore		
		As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
1	(a) No. of accounts purchased during the year	35	251	-
	(b) Aggregate Outstanding	47.05	66.77	-
2	(a) Of these, number of accounts restructured during the year	-	-	-
	(b) Aggregate Outstanding	-	-	-



JM FINANCIAL PRODUCTS LIMITED Notes to Standalone Financial Statements				
50 Details of non performing financial assets purchase				
		Rupees in Crore		
Sr No	Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
1	(a) No. of account purchase	-	1.00	-
	(b) Aggregate outstanding*	-	-	-
2	(a) Of these, number of accounts restructured during the year	-	-	-
	(b) Aggregate outstanding	-	-	-
*Loan asset purchase for Rs 60.64 Crore and balance outstanding as on March 31, 2020 is Nil				
51	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 and in accordance therewith, the Company had provided moratorium on the payment of all principal amounts and/or interest, as applicable, falling due between March 1, 2020 and August 31, 2020 to all eligible borrowers classified as standard, even if the said amounts were overdue on February 29, 2020. For all such accounts, where the moratorium was granted, the asset classification remained 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). Given the uncertainty over the potential macro-economic impact and external developments, the Management has considered internal and external information up to the date of approval of these financial results, and has estimated overlays and made certain judgements in accordance with the policy of the Company for the purpose of determination of the provision for impairment of financial assets carried at amortised cost and in relation to revenue recognition. The provision for expected credit loss on financial assets as at March 31, 2021 aggregates Rs. 150.04 crore (as on March 31, 2020 - Rs. 95.06 crore) which includes management overlay for the potential impact on account of the pandemic is Rs. 79.03 crore (as on March 31, 2020 - Rs. 15.67 crore). Based on the current indicators of future economic conditions, the Company considers these provisions to be adequate. Accordingly, the impairment provision for the year ended March 31, 2021 and March 31, 2020 are Rs.63.36 crore and Rs.15.67 crore respectively The extent to which the COVID-19 pandemic will impact the Company'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 the Company. 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 results and the Company will continue to closely monitor any material changes to future economic conditions.			
52	Disclosure in respect of RBI circular on "COVID19 Regulatory Package - Asset Classification and Provisioning" dated April 17, 2020 having reference number RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2019-20 as per para 10			
		Rupees in Crore		
Sr No	Particulars *	As at March 31, 2021*#	As at March 31, 2020	
a	Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended, in terms of paragraph 2 and 3 of the RBI Circular;	95.39	132.54	
b	Respective amount where asset classification benefits is extended as at March 31, 2020	55.37	64.35	
c	Provisions made during the Q4FY2020 and Q1FY2021 in terms of paragraph 5 of the RBI Circular	NA	32.42	
d	Provisions adjusted during the respective accounting periods against slippages and the residual provisions in terms of paragraph 6.	23.14	NA	
*As of March 31, 2021 in respect of such accounts				
# No asset classification benefit and no moratorium is provided as of March 31, 2021				
* No disclosures are available for FY2019				



JM FINANCIAL PRODUCTS LIMITED
Notes to the Standalone financial statements

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Disclosure in liquidity risk management framework dated November 04, 2019 having reference no RBI/2019-20/88 DOR.NBFC (PD) CC. No 102/03.10.001/2019-20

I) Funding Concentration based on significant counterparty (both deposits and borrowings)

As on 31st March 2021

Rupees in Crore

Number of Significant Counterparties	Amount	% of Total deposits	% of Total Liabilities
18	2,426.47	NA	66.9%

As on 31st March 2020

Rupees in Crore

Number of Significant Counterparties	Amount	% of Total deposits	% of Total Liabilities
17	2,407.81	NA	65.5%

II) Top 20 large deposits (amount in Rs. crore and % of total deposits) - Not Applicable
(For Fiscal ended March 31, 2020 - Not Applicable)

III) Top 10 borrowings (amount in Rs. crore and % of total borrowings)

As At 31st March 2021		As At 31st March 2020	
Amount (Rs. crore)*	% of Total Borrowings	Amount (Rs. crore)*	% of Total Borrowings
2,025.22	57.7%	1,981.64	55.7%

*Borrowings number are gross

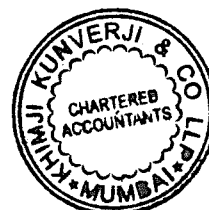
IV) Funding Concentration based on significant instrument/product

Name of the instrument/product	Amount (Rs. crore)	% of Total Liabilities	Amount (Rs. crore)	% of Total Liabilities
	As At 31st March 2021		As At 31st March 2020	
Term Loans	244.79	6.8%	799.60	21.8%
Non Convertible Debentures	2,789.51	76.9%	2,438.48	66.3%
Commercial Papers	446.39	12.3%	293.01	8.0%

V) Stock Ratios:

Commercial papers as a % of total public funds, total liabilities and total assets

Particulars	Amount (Rs. crore)	% of Total Liabilities	Amount (Rs. crore)	% of Total Liabilities
	As At 31st March 2021		As At 31st March 2020	
Total Public funds	3,508	12.7%	3,559	8.2%
Total Liabilities	3,625	12.3%	3,676	8.0%
Total Assets	5,454	8.2%	5,383	5.4%



JM FINANCIAL PRODUCTS LIMITED
Notes to the Standalone financial statements

Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets - None

Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets

Particulars	Amount (Rs. crore)	% of Total Liabilities	Amount (Rs. crore)	% of Total Liabilities
	As At 31st March 2021		As At 31st March 2020	
Total Public funds	3,508	43.1%	3,559	49.0%
Total Liabilities	3,625	41.7%	3,676	47.5%
Total Assets	5,454	27.7%	5,383	32.4%

VI) Institutional set-up for liquidity risk management

The Board of Directors of the Company has constituted the Asset Liability Management Committee and the Risk Management Committee.

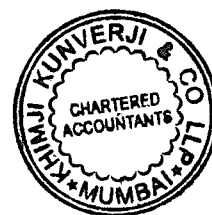
The Asset Liability Management Committee, inter alia, reviews the asset liability profile, risk monitoring system, liquidity risk management, funding and capital planning, profit planning and growth projections, forecasting and analysing different scenarios and preparation of contingency plans. Further, the Risk Management Committee, inter alia, monitors and measures the risk profile of the Company and oversees the integrated risk management system of the Company.

The Company has also constituted the Asset Liability Management Support Group, inter alia, to analyse, monitor and report the liquidity risk profile to the Asset Liability Management Committee.

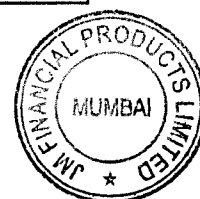
The Company manages liquidity risk by maintaining sufficient cash/treasury surplus and by having access to funding through an adequate amount of committed credit lines to meet obligations, in case required.

Management regularly monitors the position of cash and cash equivalents. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans and maintenance of balance sheet liquidity is considered while reviewing the liquidity position.

The Company manages liquidity risk in accordance with the Company's Asset Liability Management Policy and Liquidity Risk Management Framework. The Asset Liability Management Policy and Liquidity Risk Management Framework is reviewed periodically to realign the same pursuant to any regulatory changes/changes in the economic landscape or business needs.

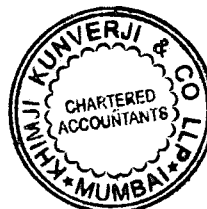


JM FINANCIAL PRODUCTS LIMITED Notes to the Standalone financial statements						
54	Disclosure requirements as per RBI circular dated March 13, 2020 having reference number RBI/2019-20/170, DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 as per para 2 of Prudential Floor of ECL FY 2020-21					
Asset Classification as per RBI Norms	Asset Classification as per RBI Norms	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Rupees in Crore Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	5 = 3-4	6	7
Performing Assets						
Standard	Stage 1	2,918.55	79.64	2,838.91	11.68	67.96
	Stage 2	155.26	44.29	110.97	0.63	43.66
Subtotal		3,073.81	123.93	2,949.88	12.31	111.62
Non-Performing Assets (NPA)						
Substandard	Stage 3	56.32	23.65	32.67	5.64	18.01
Doubtful						
Up to 1 year	Stage 3	0.95	0.29	0.66	0.19	0.10
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		57.27	23.94	33.33	5.83	18.11
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		57.27	23.94	33.33	5.83	18.11
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	49.44	2.17	47.27	-	2.17
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		49.44	2.17	47.27	-	2.17
Total	Stage 1	2,967.99	81.81	2,886.18	11.68	70.13
	Stage 2	155.26	44.29	110.97	0.63	43.66
	Stage 3	57.27	23.94	33.33	5.83	18.11
Total	Total	3,180.52	150.04	3,030.48	18.14	131.90

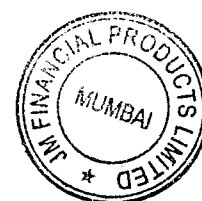
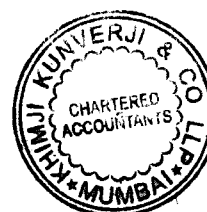


JM FINANCIAL PRODUCTS LIMITED Notes to the Standalone financial statements						
FY 2019-20						
						Rupees in Crore
Asset Classification as per RBI Norms	Asset Classification as per RBI Norms	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	5 = 3-4	6	7
Performing Assets	Standard					
	Stage 1	3,492.98	35.06	3,457.92	14.01	21.05
	Stage 2	237.38	56.44	180.94	0.96	55.48
Subtotal		3,730.36	91.50	3,638.86	14.97	76.53
Non-Performing Assets (NPA)						
Substandard	Stage 3	0.90	0.27	0.63	0.09	0.18
Doubtful	Stage 3	3.66	1.48	2.18	0.74	0.74
Up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		4.56	1.75	2.81	0.83	0.92
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		4.56	1.75	2.81	0.83	0.92
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms						
	Stage 1	116.27	1.29	114.98	-	1.29
	Stage 2	1.94	0.52	1.42	-	0.52
	Stage 3	-	-	-	-	-
Subtotal		118.21	1.81	116.40	-	1.81
Total						
	Stage 1	3,609.25	36.35	3,572.90	14.01	22.34
	Stage 2	239.32	56.96	182.36	0.96	56.00
	Stage 3	4.56	1.75	2.81	0.83	0.92
Total		3,853.14	95.06	3,758.07	15.80	79.26

Note :- Disclosure applicable from FY2019-20 hence comparative numbers are not available for FY2018-19



JM FINANCIAL PRODUCTS LIMITED				
Notes to the Standalone financial statements				
55 Investments				
Rupees in Crore				
	Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(a)	Value of Investments			
(i)	Gross Value of Investments			
	(a) in India	1,566.06	1,322.46	541.82
	(b) outside India	-	-	-
(ii)	Provision for			
	(a) in India	-	-	-
	(b) outside India	-	-	-
(iii)	Net Value of Investments			
	(a) in India	1,566.06	1,322.46	541.82
	(b) outside India	-	-	-
(b)	Movement of provisions held towards depreciation on investments			
(i)	Opening balances	-	-	-
(ii)	Add : Provisions made during the year	-	-	-
(iii)	Less : Write-off / write-back of excess provisions during the year	-	-	-
(iv)	Closing balance	-	-	-
55.1 Additional & Miscellaneous Disclosures:				
(I) Registration obtained from other financial sector regulators				
Company has not registered with other financial sector regulators except with Reserve Bank of India				
(II) Disclosure of Penalties imposed by RBI and other regulators				
		Nil	Nil	Nil
(III) Ratings assigned by credit rating agencies and migration of ratings during the years:				
	Rating particulars	Rating Agency	Rating assigned	
	Commercial Paper Programme	ICRA Limited	ICRA A1+	
		CARE Ratings Limited	Care A1+	
		CRISIL Limited	Crisil A1+	
	Non-Convertible Debentures	ICRA Limited	ICRA AA / Stable	
		CARE Ratings Limited	Care AA/Stable	
		CRISIL Limited	Crisil AA / Stable	
	Bank Loan facility	ICRA Limited	ICRA AA / Stable	
		CRISIL Limited	Crisil AA / Stable	
	Long Term Principal Protected Equity Linked Debentures Programme	ICRA Limited	PP-MLD[ICRA] AA / Stable	
No rating changes during FY2018-19, FY2019-20 however in FY2020-21 consequent to the voluntary request made by the Company, CARE Ratings Limited has withdrawn the rating assigned to the Commercial Papers and Non-Convertible Debentures with effect from October 15, 2020.				
(IV) Net Profit or Loss for the period, prior period items and changes in accounting policies:				
There are no prior period items and changes in accounting policies impacting net profit for the periods considered in preparation of Reformatted Financials				



JM FINANCIAL PRODUCTS LIMITED
Notes to the Standalone financial statements

(V) Revenue Recognition:

Revenue Recognition has not been postponed on account of pending resolution of significant uncertainties

(VI) Provisions and Contingencies

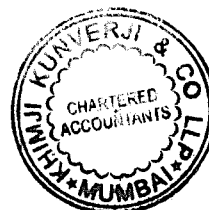
Particulars	Rupees in Crore		
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account			
Provision towards NPA	23.67	1.38	(1.31)
Provision made towards Income tax	55.70	72.90	112.30
Provision made towards deferred tax	(11.63)	(2.35)	-
Provision for Standard Assets	31.31	58.96	(3.11)
Other Provision and Contingencies	1.43	2.14	-

(VII) Draw Down from Reserves

Nil Nil Nil

(VIII) Concentration of Deposits, Advances, Exposures and NPAs

Particulars	Rupees in Crore		
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(a) Concentration of Deposits (for deposit taking NBFCs)			
Total Deposits of twenty largest depositors	NA	NA	NA
Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC	NA	NA	NA
(b) Concentration of Advances			
Total advances to twenty largest borrowers (Rupees in crore)	1,909.11	2,293.96	2,767.82
Percentage of advances to twenty largest borrowers to total advances of the NBFC	60.92%	61.42%	53.31%
(c) Concentration of Exposures			
Total exposure to twenty largest borrowers / customers (Rupees in crore)	1,951.05	2,318.94	2,806.14
Percentage of Exposures to twenty largest borrowers / customers to total exposure of the NBFC on borrowers / customers	61.29%	62.09%	53.40%
(d) Concentration of NPAs			
Total exposure to top four NPA accounts (Rupees in crore)	57.27	4.56	3.69
(e) Sector-wise NPAs			
Percentage of Gross NPAs to Total Advances in that sector			
Sector	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Agriculture & allied activities	-	-	-
MSME	-	-	-
Corporate borrowers	3.72%	-	-
Services	-	-	-
Unsecured personal loans	-	-	-
Auto loans	-	-	-
Other personal loans	-	-	-
Other loans	0.54%	1.06%	0.95%



JM FINANCIAL PRODUCTS LIMITED
Notes to the Standalone financial statements

		Rupees in Crore		
(IX)	Movement of NPAs	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(i)	Net NPAs to Net Advances (%)	1.09%	0.08%	0.06%
(ii)	Movement of NPAs (Gross)			
	(a) Opening balance	4.56	3.69	16.83
	(b) Additions during the year	56.37	134.65	17.18
	(c) Reductions during the year	3.66	133.78	30.31
	(d) Closing balance	57.27	4.56	3.69
(iii)	Movement of Net NPAs			
	(a) Opening balance	2.81	3.33	15.15
	(b) Additions during the year	32.70	64.26	9.03
	(c) Reductions during the year	2.18	64.78	20.85
	(d) Closing balance	33.33	2.81	3.33
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)			
	(a) Opening balance	1.75	0.36	1.68
	(b) Provisions made during the year	23.67	70.39	8.15
	(c) Write-off / write-back of excess provisions	1.48	69.00	9.46
	(d) Closing balance	23.94	1.75	0.36

(X) Disclosure of Complaints

Customer Complaints

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
No. of complaints pending at the beginning of the year	Nil	Nil	Nil
No. of complaints received during the year	8	7	10
No. of complaints redressed during the year	8	7	10
No. of complaints pending at the end of the year	Nil	Nil	Nil

(XI) Disclosure in respect of derivatives, securitisation transactions, overseas assets (for those with joint ventures and subsidiaries abroad), off balance sheet SPV's sponsored are not applicable for the all previous years to the Company.

56 Provision for Standard Assets

To ensure that Non-Banking Financial Companies (NBFC) create a financial buffer to protect them from the effect of economic downturns, the Reserve Bank of India (RBI) issued a Notification No. DNBS.222/CGM(US)-2011 dated January 17, 2011, requiring all NBFCs to make a general provision at 0.40 per cent of the outstanding standard assets. The Company had in the past created provision for standard assets as per guidelines prescribed by the Board of Directors which is sufficient to comply with the aforesaid RBI notification.

		Rupees in Crore		
	Movement in Provision for standard assets	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(a)	Opening balance as at the beginning of the year	31.75	31.75	28.49
(b)	Provisions made during the year	-	-	3.26
(c)	Utilisation of Provisions during the year	-	-	-
(d)	Reversal of Provisions during the year	-	-	-
(e)	Closing balance as at the end of the year	31.75	31.75	31.75



JM FINANCIAL PRODUCTS LIMITED
Notes to the Standalone financial statements

57 Public Disclosure on Liquidity Coverage Ratio (LCR) for the quarter ended March 31, 2021 of JM Financial Products Limited (the Company) as

Sr. No.	Particulars	Total Unweighted Value (average) *	Total Weighted Value (average) #
1	High Quality Liquid Assets (HQLA)	303.79	278.41
	Cash Outflows		
2	Deposits (for deposit taking companies)	-	-
3	Unsecured wholesale funding	-	-
4	Secured wholesale funding	-	-
5	Additional requirements, of which		
(i)	Outflows related to derivative exposures and other collateral requirements	-	-
(ii)	Outflows related to loss of funding on debt products	-	-
(iii)	Credit and liquidity facilities	-	-
6	Other contractual funding obligations	1,643.31	1,889.81
7	Other contingent funding obligations	-	-
8	Total Cash Outflows	1,643.31	1,889.81
	Cash Inflows		
9	Secured lending	-	-
10	Inflows from fully performing exposures	1,698.20	1,273.65
11	Other cash inflows	1,053.20	789.90
12	Total Cash Inflows	2,751.39	2,063.55
			Total Adjusted Value
13	Total HQLA		278.41
14	Total Net Cash Outflows		472.45
15	Liquidity Coverage Ratio (%)		58.93%

* Unweighted Value is calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).

Weighted value is calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow. Data presented

The Company, during the quarter ended March 31, 2021, had maintained average HQLA (after haircut) of Rs. 278.41 Crore. HQLA primarily

Total Net Cash Outflows are computed as per paragraph 5 of Annexure B of the RBI Circular on Liquidity Risk Management Framework for Non-

The average LCR of the Company for the quarter ended March 31, 2021 was 58.93 %

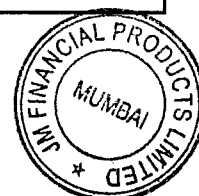
Note : Disclosure effective from FY 2020-21 and therefore comparative figures for previous years are not made available.

58 Expenditure towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 (read with schedule VII thereof)

- Gross amount required to be spent by the Company for FY21 Rs.6.15 crore, FY20 Rs.6.29 crore, and FY19 Rs. 5.82 crore
- Amount spent and paid by way of donations to charitable trusts- FY21 Rs.3.15 crore, FY20 Rs. 6.29 crore, and FY19 Rs. 5.82 crore
- Provision created for CSR expenditure to be done - Rs 3.07 crore (Nil for FY20 and FY19)

59 The Board of Directors of the Company at their meeting held on April 28, 2021 have recommended a dividend of Re. 0.10 per share for the financial year ended 2020-21, subject to the approval of the Members at their ensuing Annual General Meeting.

60 During the FY 2020-21, JM Financial Home Loans Limited, subsidiary of the Company has issued and allotted 1,48,19,206 equity shares of the face value of Rs. 10/- each at an issue price of Rs.33.74 per equity share aggregating to Rs. 50 crores on a preferential basis to one of the Company's fellow subsidiaries, viz., JM Financial Credit Solutions Limited. Consequent upon the said preferential allotment, the Company's shareholding in JM Financial Home Loans Limited has reduced from 99.00% to 90.10%.



JM FINANCIAL PRODUCTS LIMITED
Notes to the Standalone financial statements

61 Unhedged Foreign Currency Exposure

Particulars	Unhedged			Hedged through forward or derivative (#)			Natural Hedge
	<=1 Year	>1 Year	Total	<=1 Year	> Year	Total	<=1 Year
FCY Receivables							
Loans to JV/WOS	-						
Others	-	-	-	-	-	-	-
FCY Payables							
Imports	-						
Trade Credits	-	-	-	-	-	-	-
ECBs	-	-	-	-	-	-	-
Other FCY loans	-	-	-	-	-	-	-
INR to USD swaps	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

#Note: Covered Option(s) is/are not included

62 Previous year's figures have been rearranged / regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

For and on behalf of the Board of Directors

Vishal Kampani

Vishal Kampani
Managing Director
DIN - 00009079

Nishit Shah

Nishit Shah
Chief Financial Officer
Place : Mumbai
Date : August 31, 2021



Annexure- VI
Statement of dividends

Particulars	For the year Ended March 31, 2019	For the year Ended March 31, 2020	For the year Ended March 31, 2021
Equity Share Capital (Rs. in Crore)	544.5	544.5	544.5
Number of shares	5445,00,000	5445,00,000	5445,00,000
Face value of Shares(Rs.)	10.00	10.00	10.00
Dividend declared (Interim) (%)	7.00%	0.00%	0.00%
Dividend per share (Interim) (Rs.)	0.70	0.00	0.00
Dividend declared (Final) (%)	2.00%	3.00%	1.00%
Dividend per share (Final) (Rs.)	0.20	0.30	0.10

For and on behalf of the Board of Directors of JM Financial Products Limited

Nishit Shah

Nishit Shah
Chief Financial Officer



Place :- Mumbai

Date : August 31, 2021

Annexure-VII

Statement of Accounting Ratio:

Sl No	Particulars	Period Ended March 31, 2019	Period Ended March 31, 2020	Period Ended March 31, 2021
	Number of equity shares at the beginning of the year	5443,00,000	5443,00,000	5443,00,000
	Number of equity shares at the end of the year	5443,00,000	5443,00,000	5443,00,000
	Weighted average number of equity shares of Rs. 10 each outstanding during the year (for calculating loss and Reserve %)	5443,00,000	5443,00,000	5443,00,000
	Net profit after tax available for equity shares (Rs. in Crore)	208.40	180.11	117.61
	Shareholders' Fund at the end of the year (Rs. in Crore) *	1,540.25	1,707.23	1,828.17
	Average Shareholders' Fund during the year ((Opening+Closing)/2) (Rs. in Crore)	1,533.85	1,613.78	1,766.02
	Earnings Per Share (EPS) (Face Value of Rs. 10/- each)			
1	Basic Earnings Per Share (EPS) Rs.	3.79	2.94	2.13
2	Diluted Earnings Per Share (EPS) Rs.	3.79	2.94	2.13
	Return on Shareholders' Fund (%)			
3	Considering Shareholders' Fund at the end of the year	11.58%	9.38%	7.14%
4	Considering Average Shareholders' Fund during the year	11.58%	9.88%	7.19%
5	Net Asset Value Per Share (Rs.)	28.63	31.35	33.57
	Total Accounting (Rs. in Crore)	4,321.42	5,517.57	6,586.66
6	Debt Equity Ratio	2.90	2.08	1.50

Notes:

1	Basic Earnings Per Share (EPS) Rs.	Net Profit attributable to equity shareholder Weighted average number of equity shares outstanding during the year
2	Diluted Earnings Per Share (EPS) Rs.	Net Profit attributable to equity shareholder Weighted average number of diluted equity shares outstanding during the year
3	Return on Shareholders' Fund Considering Shareholders' Fund at the end of the year %	Net profit after tax available for equity shares Shareholders' Fund at the end of the year
4	Return on Shareholders' Fund Considering Average Shareholders' Fund during the year %	Net profit after tax available for equity shares Average Shareholders' Fund during the year
5	Net Asset Value Per Share	Shareholders' Fund at the end of the year Number of equity shares outstanding during the year
6	Debt Equity	Total Borrowings Shareholders' Fund at the end of the year

* Shareholders' Fund = Share Capital + Reserves and Surplus

The above Shareholders' Fund computation is based on the audited Financial Statement in compliance with the Section 205(7) of the Companies Act, 2013

Certified as is correct.

For and on behalf of the Board of Directors of JM Financial Products Limited

Mudit Shah
Chief Financial Officer

Place : Mumbai
Date : August 31, 2021



Independent Auditors' Examination Report on the reformatted consolidated statement of assets and liabilities as at March 31, 2021, 2020 and 2019 and reformatted consolidated statements of profit and loss and cash flows for each of the years ended March 31, 2021, 2020 and 2019 of JM Financial Products Limited (collectively, the "Reformatted Consolidated Financial Information")

The Board of Directors
JM Financial Products Limited
7th Floor, Cnergy, Appasaheb Marathe Marg
Prabhadevi, Mumbai- 400 025

Dear Sirs / Madams,

1. We have examined the attached Reformatted Consolidated Financial Information of JM Financial Products Limited (the "Company" or the Holding Company), its subsidiary (together referred to as "the Group") as at March 31, 2021, 2020 and 2019 and for each of the years ended March 31, 2021, 2020 and 2019, annexed to this report and prepared by the Company for the purpose of inclusion in the offer document in connection with its Proposed Public Issue of Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value Rs. 1,000 each ("Secured NCDs") and/or Unsecured, Rated, Listed, Redeemable, Non-Convertible Debentures in the nature of subordinated debt and eligible for inclusion as Tier II Capital of face value Rs. 1,000 each ("Unsecured NCDs") aggregating upto Rs. 1,500 crore ("NCDs") through one or more tranches The Reformatted Consolidated Financial Information, which have been approved by the NCD Public Issue Committee of the Board of Directors of the Company dated August 31, 2021, have been prepared by the Company in accordance with the requirements of:

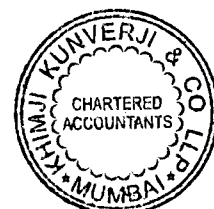
- a) Section 26 of Chapter III of The Companies Act, 2013, as amended (the "Act"); and
- b) relevant provisions of the Securities and Exchange Board of India (issue and Listing of Non-Convertible Securities) Regulations, 2021 issued by the Securities and Exchange Board of India ("SEBI"), as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992 (the "SEBI Act").

Management's Responsibility for the Reformatted Consolidated Financial Information

- 2. The preparation of Reformatted Consolidated Financial Information is based on audited consolidated financial statements of the Company prepared in accordance with the Indian Accounting Standard (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India in accordance with the accounting principles generally accepted in India, which are to be included in the Draft Shelf Prospectus and the Shelf Prospectus, is the responsibility of the Management of the Company for the purpose set out in paragraph 13 below.
- 3. The Management's responsibility includes designing, implementing and maintaining adequate internal controls relevant to the preparation and presentation of the Reformatted Consolidated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Act and the Regulations.

Auditors' Responsibilities

- 4. We have examined such Reformatted Consolidated Financial Information taking into consideration:
 - a) the terms of reference and our engagement agreed with you vide our engagement letter dated August 18, 2021 requesting us to carry out work on such Reformatted Consolidated Financial Information in connection with the Company's Issue of NCDs;



- b) the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (the "Guidance Note"); and
- c) the requirements of Section 26 of the Act and the Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the Regulations in connection with the Issue of NCD.
- d) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Reformatted Consolidated Financial Information.

Reformatted Consolidated Financial Information

- 5. The Reformatted Consolidated Financial Information have been compiled by the management from the audited Consolidated Ind AS financial statements of the Company as at and for each of the years ended March 31, 2021, 2020 and 2019, which have been approved by the Board of Directors at their meetings held on April 28, 2021, May 04, 2020 and April 26, 2019 respectively.
- 6. For the purpose of our examination, we have relied on Auditors' reports issued by us, dated April 28, 2021, May 04, 2020 and April 26, 2019 on the consolidated Ind AS financial statements of the Company as at and for each the years ended March 31, 2021, March 31, 2020 and March 31, 2019 respectively as referred in Paragraph 5 above

Our report dated April 28, 2021 on the Audited Consolidated Ind AS Financial Statement as at and for the year ended March 31, 2021, included:

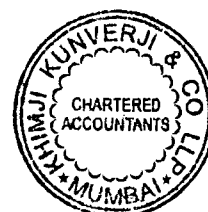
Emphasis of Matter

- We draw attention to note no. 44 of the consolidated Ind AS Financial Statements, which describes the extent to which the COVID-19 pandemic may impact the Company's and Group's results will depend on future developments, which being uncertain, the said note narrates management's proposed future actions based on its assessment of internal and external factors and macro level developments. Our opinion is not modified in respect of this matter.

Other Matter

- We did not audit the financial statements of a subsidiary whose financial statements reflect total assets (before consolidation adjustment) of Rs.516.38 crore as at March 31, 2021, total revenues (before consolidation adjustment) of Rs.56.96 crore and net profit after tax including OCI (before consolidation adjustment) of Rs. 3.37 crore and net cash outflows amounting to Rs.67.95 crore for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by Deloitte Haskins & Sells LLP ('the other auditors') whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, and our report in terms of sub sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the



work done and the reports of the other auditors. and the financial statements furnished by the Management.

Our report dated May 04, 2020 on the Audited Consolidated Ind AS Financial Statement as at and for the year ended March 31, 2020, included:

Emphasis of Matter

- We draw attention to note no. 44 of the consolidated Ind AS Financial Statements, which describes the extent to which the COVID-19 pandemic may impact the Company's and Group's results will depend on future developments, which being highly uncertain, the said note narrates management's proposed future actions based on its assessment of internal and external factors and macro level developments. Our opinion is not modified in respect of this matter.

Other Matter

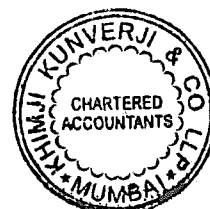
We did not audit the financial statements of the subsidiary whose financial statements reflect total assets (before consolidation adjustments) of Rs.329.99 crore as at March 31, 2020, total revenues of Rs.50.54 crore (before consolidation adjustments), total net profit after tax (before consolidation adjustments) of Rs.7.26 crore and net cash outflows amounting to Rs.6.83 crore for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by Deloitte Haskins & Sells LLP whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, and our report in terms of sub sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and reliance on the reports of the other auditors and the financial statements furnished by the Management.

Our report dated April 26, 2019 on the Audited Consolidated Ind AS Financial Statement as at and for the year ended March 31, 2019, included:

Other Matters

- The comparative financial information of the Group for the year ended March 31, 2018 and the transition date opening Balance Sheet as at April 01, 2017 included in these Consolidated Ind AS financial statements, are based on the previously issued statutory consolidated financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by Deloitte Haskins & Sells LLP, Chartered Accountants (predecessor auditor) for the year ended March 31, 2018 and for the year ended March 31, 2017, whose reports dated April 30, 2018 and April 27, 2017 respectively, expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Group on transition to the Ind AS, which have been audited by us with respect to Holding Company and by other auditor with respect to the Subsidiary as noted in paragraph 6 below. Our opinion is not modified in respect of this matter.



- We did not audit the financial statements of a subsidiary whose financial statements reflect total assets of Rs.212.22 crore as at March 31, 2019, total revenues of Rs.11.83 crore and net cash outflows amounting to Rs.7.91 crore for the year ended on that date, as considered in the consolidated Ind AS 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 Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, and our report in terms of sub sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.
- Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors. and the financial statements furnished by the Management.

7. In respect of Reformatted Ind AS Consolidated Financial Information for the year ended March 31, 2021, March 31, 2020 and March 31, 2019:

We have not examined the reformatted financial statements of JM Financial Home Loans Limited ('the Subsidiary') for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019, whose reformatted financial information reflects total assets, total revenues, net cash flows included in the Reformatted Consolidated Financial Information is tabulated below. These Ind AS financial statement and other financial information have been audited by other auditors and reformatted financial information have been certified by the management and our opinion on the Reformatted Ind AS Consolidated Financial Information insofar as it relates to the aforesaid subsidiary is based solely on the management certified Reformatted Ind AS Consolidated Financial Information.

(Rs in crore)

Particulars	Amount as on March 2021	Amount as on March 2020	Amount as on March 2019
Total Assets	516.38	329.99	212.43
Revenue	56.96	50.54	11.83
Net Cash (Outflow)/ Inflow	67.95	6.83	(7.91)

Our opinion above on the Reformatted Ind AS Consolidated Financial Information, and our report on Other Legal and Regulatory Requirements, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

8. Taking into consideration the requirements of Section 26 of Part I of Chapter III of the Act, the Regulations and the terms of our engagement agreed with you, we further report that:
- a) the Reformatted Consolidated Financial Information of the Company have been examined by us, as set out in Annexure I to Annexure V. These Reformatted Consolidated Financial Information have been prepared after regrouping as in management's opinion were appropriate and more fully described in Significant Accounting policies and notes (Refer Annexure V).



Khimji Kunverji & Co LLP

Chartered Accountants

b) based on our examination as above:

- i) the Reformatted Consolidated Financial Information have to be read in conjunction with the notes given in Annexure V; and
- ii) the figures of earlier periods have been regrouped (but not restated retrospectively for changes in accounting policies), wherever necessary, to conform to the classification adopted for the Reformatted Consolidated Financial Information as at and for the year ended March 31, 2021.

9. In the preparation and presentation of Reformatted Consolidated Financial Information based on audited consolidated financial statements as referred to in paragraph 6 above, no adjustments have been made for any events occurring subsequent to dates of the audit reports specified in paragraph 6 above.

10. In our opinion, the Reformatted consolidated Financial Information referred to in paragraph 9 above, as disclosed in the Annexures to this report, read with respective significant accounting policies disclosed in Annexure V, and after making adjustments and regroupings as considered appropriate and disclosed has been prepared by the Company by taking into consideration the requirement of Section 26 of Part I of Chapter III of the Act and the Regulations.

Other Matter

11. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by the Previous Auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

Restrictions on Use

13. This report is intended solely for use of the management for inclusion in the Draft Shelf Prospectus and the shelf Prospectus to be filed with SEBI, BSE Limited and ROC in connection with the proposed Issue of NCD of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

Yours faithfully,

For Khimji Kunverji & Co LLP

Chartered Accountants

Firm Registration Number: 105146W/ W100621



Vinit K Jain

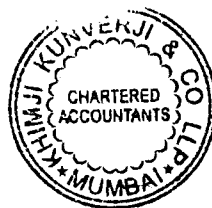
Partner

Membership No.: 145911

ICAI UDIN: 21145911AAAAACV8297

Mumbai

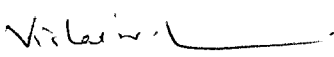
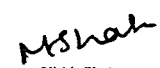
August 31, 2021

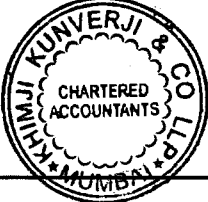
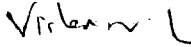


JM FINANCIAL PRODUCTS LIMITED					
Reformatted Consolidated Summary Statement of Assets and Liabilities					
(Rupees in Crore)					
Sr. No.		Notes	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
	ASSETS				
(1)	Financial Assets				
(a)	Cash and cash equivalents	4	252.32	58.15	147.02
(b)	Other Bank Balances	5	125.81	60.05	60.10
(c)	Loans	6	3,388.87	3,937.06	5,421.99
(d)	Investments	7	1,417.56	1,173.96	423.02
(e)	Other Financial assets	8	460.92	163.06	86.39
	Total Financial Assets		5,645.48	5,392.28	6,138.52
(2)	Non-financial Assets				
(a)	Current tax assets (net)	9	26.88	27.43	24.39
(b)	Deferred tax Assets (net)	10	46.48	33.12	28.66
(c)	Property, Plant and Equipment	11	78.53	92.20	9.50
(d)	Intangible assets	11	2.01	2.65	2.82
(e)	Intangible assets under development	11	-	-	0.39
(f)	Other non-financial assets	12	10.31	8.86	10.01
	Total Non-financial Assets		164.21	164.26	75.77
	Total Assets		5,809.69	5,556.54	6,214.29
	LIABILITIES AND EQUITY				
(1)	Financial Liabilities				
(a)	Payables				
	(i) Trade Payables	13			
	(i) Total outstanding dues of micro enterprises and small enterprises		0.09	0.05	0.02
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		1.34	2.64	1.61
(b)	Debt Securities	14	3,413.65	2,795.48	3,546.15
(c)	Borrowings (Other than Debt Securities)	15	395.47	931.96	1,073.88
(d)	Other financial liabilities	16	116.36	113.38	28.16
	Total Financial Liabilities		3,926.91	3,843.51	4,649.82
(2)	Non-Financial Liabilities				
(a)	Current tax liabilities (Net)	17	1.11	2.79	0.31
(b)	Provisions	18	4.99	5.09	3.77
(c)	Other non-financial liabilities	19	6.26	5.43	7.15
	Total Non-Financial Liabilities		12.36	13.31	11.23
(3)	EQUITY				
(a)	Equity Share capital	20	544.50	544.50	544.50
(b)	Other Equity	21	1,305.91	1,153.73	1,007.54
	Equity attributable to owners		1,850.41	1,698.23	1,552.04
(c)	Non Controlling Interests		20.01	1.49	1.20
	Total Equity		1,870.42	1,699.72	1,553.24
	Total Liabilities and Equity		5,809.69	5,556.54	6,214.29
Notes to the consolidated financial statements		1 to 50			
In terms of our report attached					
For Khimji Kunverji & Co LLP			For and on behalf of the Board of Directors		
Chartered Accountants			Vishal Kampani		
Firm Registration No: 105146W /W100621			Managing Director		
Vinit K Jain			DIN - 00009079		
Partner			Nishit Shah		
Membership Number : 145911			Chief Financial Officer		
Place : Mumbai			Place : Mumbai		
Date : August 31, 2021			Date : August 31, 2021		

JM FINANCIAL PRODUCTS LIMITED					
Reformatted Consolidated Summary Statement of Profit and Loss					
Rupees in Crore					
Sr. No.	Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
(I)	Revenue from operations				
(i)	Interest Income	22	560.94	738.09	862.11
(ii)	Fees and Commission Income	23	30.06	43.14	42.49
(iii)	Other Operating Income	24	57.37	23.87	54.21
(iv)	Net gain on fair value changes	25	51.92	56.73	(15.82)
(v)	Net gain on derecognition of financial instruments under amortised cost category	26	6.60	13.76	-
	Total Revenue from operations		706.89	875.59	942.98
(II)	Other Income	27	6.44	6.91	1.84
(III)	Total Income (I+II)		713.33	882.50	944.82
(IV)	Expenses				
(i)	Finance Costs	28	341.76	466.40	524.82
(ii)	Impairment on financial instruments	29	61.47	63.30	(5.54)
(iii)	Employee Benefits Expenses	30	74.40	66.66	61.77
(iv)	Depreciation, amortization and impairment	11	15.80	15.50	3.28
(v)	Operating and other expenses	31	37.69	41.50	51.33
	Total Expenses		531.12	653.36	635.66
(V)	Profit / (loss) before exceptional items and tax (III-IV)		182.21	229.14	309.16
(VI)	Tax Expense:				
	Current tax		58.74	74.15	112.30
	Deferred tax		(13.49)	(4.42)	(0.84)
	Tax adjustment of earlier years (net)		0.29	-	-
	Total tax expenses		45.54	69.73	111.46
(VII)	Profit / (loss) for the period from continuing operations (V-VI)		136.67	159.41	197.70
(VIII)	Other Comprehensive Income				
	Items that will not be reclassified to profit or loss				
	- Remeasurement of employee defined benefit obligation		0.48	(0.13)	0.14
	- Income tax on above		(0.12)	0.03	(0.05)
	Other Comprehensive Income		0.36	(0.10)	0.09
(IX)	Total Comprehensive Income for the period (VII+VIII) (Comprising Profit (Loss) and other Comprehensive Income for the period)		137.03	159.31	197.80
	Net Profit Attributable to :				
	Owners of the Company		136.68	159.42	197.62
	Non Controlling Interest		(0.01)	(0.01)	0.08
	Other Comprehensive Income Attributable to :				
	Owners of the Company		0.35	(0.10)	0.09
	Non Controlling Interest		0.00	(0.00)	(0.00)
	Total Comprehensive Income Attributable to :				
	Owners of the Company		137.03	159.31	197.71
	Non Controlling Interest		0.00	(0.01)	0.08
(X)	Earnings per equity share				
	Basic EPS (in Rs.) (Not annualised)		2.51	2.93	3.63
	Diluted EPS (in Rs.) (Not annualised)		2.51	2.93	3.63
Notes to the consolidated financial statements		1 to 50			
In terms of our report attached					
For Khimji Kunverji & Co LLP					
Chartered Accountants					
Firm Registration No: 105146W /W100621					
Vinit K Jain			For and on behalf of the Board of Directors		
Partner			Vishal Kampani		
Membership Number : 145911			Managing Director		
Place : Mumbai			DIN - 00009079		
Date : August 31, 2021			Nishit Shah		
			Chief Financial Officer		
			Place : Mumbai		
			Date : August 31, 2021		



JM FINANCIAL PRODUCTS LIMITED			
Reformatted Consolidated Summary of Cash flow statement			
(Rupees in Crore)			
PARTICULARS	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
A Net Profit before tax	182.21	229.14	309.17
Adjustment for :			
Depreciation/ Amortisation	15.80	15.50	3.28
Loan funds written off	1.82	-	1.82
Interest expenses - Others	323.64	453.53	0.03
Provision for Non Performing Assets	23.67	1.38	(1.31)
Provision for standard assets	-	-	4.53
Interest Income on fixed deposits with Banks and others	(2.11)	(0.01)	(0.05)
Finance Income on rent deposit	(0.42)	(0.38)	-
Provision for bonus - written back	(0.02)	(0.81)	-
Impairment on financial instruments	37.80	61.93	(6.82)
Net loss on fair value changes	(1.96)	3.06	15.81
Profit on sale of current investments	(49.96)	(59.79)	(47.12)
Derecognition of Security Deposit	0.12	-	-
Provision for TDS receivable	0.96	1.55	-
Operating Profit before Working Capital Changes	531.55	705.10	279.34
Changes in working capital			
Adjustment for (increase)/ decrease in operating assets:			
Loans and advances and other current assets	477.89	1,436.75	1,203.52
Stock-in-trade	(301.29)	(91.45)	(49.18)
Operating fixed deposits with banks	(62.73)	0.05	145.45
Accrued interest income related to operating activities	14.90	(4.22)	0.13
Adjustment for increase/ (decrease) in operating liabilities:			
Trade payables, other liabilities and provisions	9.21	1.95	(9.12)
Accrued interest expenses related to operating activities	(1.01)	44.15	29.64
Cash (used in) operations	668.52	2,092.33	1,599.78
Direct taxes paid (net)	(60.05)	(74.74)	(121.50)
Net Cash (used in) Operating Activities (A)	608.47	2,017.59	1,478.28
B Cash flow from Investing Activities			
Purchase of fixed assets	(1.23)	(3.80)	(6.69)
Sale of fixed assets	-	-	0.01
Investment in a subsidiary	-	-	1.20
Sale of investments	1,368.88	817.40	-
Sale / (Purchase) of current investments (net)	(1,559.19)	(1,511.63)	(343.02)
Interest received	2.11	0.01	0.05
Increase in deposits placed (net)	(3.04)	(0.05)	-
Net Cash generated from Investing Activities (B)	(192.47)	(698.07)	(348.45)
C Cash flow from Financing Activities			
Proceeds / (Repayments) from long term borrowings (net)	22.31	(119.30)	(271.82)
Proceeds from issue of equity share capital	50.00	0.30	-
Proceeds from / (Repayments) short term borrowings (net)	58.03	(830.22)	(807.71)
NCD issue Expenses	(8.51)	12.72	-
Lease Rent Paid	(13.90)	(13.33)	-
Interest paid	(313.63)	(445.45)	(0.03)
Dividend paid (Including Corporate Dividend Tax)	(16.13)	(13.11)	(111.59)
Net Cash flow from Financing Activities (C)	(221.83)	(1,408.39)	(1,191.15)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	194.17	(88.87)	(61.32)
Cash and cash equivalents at the beginning of the year	58.15	147.02	208.34
Cash and cash equivalents at the end of the year	252.32	58.15	147.02
Notes:			
(1) Reconciliation of cash and cash equivalents:			
As per Balance Sheet (Refer note 17)	375.05	118.15	207.12
Less: Balances with banks in deposit	122.73	60.00	60.10
As per Cash-flow statement	252.32	58.15	147.02
(2) Balances with banks in deposit includes for FY 21 Rs.122.42 crore, FY20 Rs.60.05 crore, FY19 Rs.60.05 crore, crore placed as securities against overdraft facilities availed from the banks.			
In terms of our report attached			
For Khimji Kunverji & Co LLP Chartered Accountants Firm Registration No: 105146W /W100621	For and on behalf of the Board of Directors		
 Vinit K Jain Partner Membership Number : 145911 Place : Mumbai Date : <u>August 31, 2021</u>	 Vishal Kampani Managing Director DIN - 00009079		
	 Nishit Shah Chief Financial Officer Place : Mumbai Date : <u>August 31, 2021</u>		

JM FINANCIAL PRODUCTS LIMITED							
Reformatted Consolidated Summary Statement of Changes in Equity							
A. Equity share capital (Rupees in Crore)							
	Balance as at March 31, 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	Changes in equity share capital during the year	Balance as at March 31, 2021
Equity Share Capital	544.50	-	544.50	-	544.50	-	544.50
B. Other Equity (Rupees in Crore)							
Particulars	Reserves and Surplus						Total
	Securities Premium	Capital Redemption Reserves	General Reserves	Retained earnings/ (accumulated deficit)	Capital Reserves	Statutory Reserves	
Balance as at April 1, 2018	38.23	0.00	-	606.82	-	276.29	921.34
Addition/Reduction during the year	-	-	-	-	-	-	-
Profit for the year	-	-	-	197.71	-	-	197.71
Transfer to statutory reserves	-	-	-	(41.00)	-	41.00	-
Final /Interim dividend	-	-	-	(92.57)	-	-	(92.57)
Corporate dividend tax	-	-	-	(19.03)	-	-	(19.03)
Other comprehensive income	-	-	-	0.09	-	-	0.09
Balance at March 31, 2019	38.23	0.00	-	652.02	-	317.29	1,007.54
Profit for the year	-	-	-	159.41	-	-	159.41
Transfer to statutory reserves	-	-	-	(34.48)	-	34.48	-
Final /Interim dividend	-	-	-	(10.89)	-	-	(10.89)
Corporate dividend tax	-	-	-	(2.24)	-	-	(2.24)
Other comprehensive income	-	-	-	(0.09)	-	-	(0.09)
Balance at March 31, 2020	38.23	0.00	-	763.73	-	351.77	1,153.73
Addition/Reduction during the year	35.18	-	-	-	-	-	35.18
Profit for the year	-	-	-	136.67	-	-	136.67
Transfer to statutory reserves	-	-	-	(28.64)	-	28.64	-
Capital Reserve on Consolidation	(31.48)	-	-	-	31.48	-	-
Non Controlling Interest	(3.70)	-	-	-	-	-	(3.70)
Final /Interim dividend	-	-	-	(16.33)	-	-	(16.33)
Other comprehensive income	-	-	-	0.36	-	-	0.36
Balance at March 31, 2021	38.23	0.00	-	855.80	31.48	380.41	1,305.91
C. Non Controlling Interests (Rupees in Crore)							
	Balance as at April 1, 2018	Changes in Non Controlling Interest during the year	Balance as at March 31, 2019	Changes in Non Controlling Interest during the year	Balance as at March 31, 2020	Changes in Non Controlling Interest during the year	Balance as at March 31, 2021
Equity Share Capital	-	1.20	1.20	0.29	1.49	18.52	20.01
The accompanying notes form an integral part of the consolidated financial statements - note no 1 to 50							
In terms of our report attached							
For Khimji Kunverji & Co LLP							
Chartered Accountants							
Firm Registration No: 105146W /W100621							
 Vinit K Jain Partner Membership Number : 145911 Date : August 31, 2021  For and on behalf of the Board of Directors  Vishal Kampani Managing Director DIN - 00009079  Nishit Shah Chief Financial Officer Place : Mumbai Date : August 31, 2021							

JM FINANCIAL PRODUCTS LIMITED
Notes on Reformatted Consolidated Summary Financial Statements

1 Principles of consolidation:

Reformatted consolidated financial statements relate to JM Financial Products Limited (the holding Group) and its subsidiary together referred as "the Group" or "the Group". Reformatted consolidated financial statements have been prepared on the following basis:

- a. The financial statements of the subsidiary used in the consolidation are drawn upto the same reporting date as that of the Group.
- b. The financial statements of the Holding Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

Non-Controlling Interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the Company. Non-Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Reformatted Consolidated Summary Statement of Assets and Liabilities.

- c. Reformatted consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and appropriate adjustments are made to the financial statements of subsidiary when they are used in preparing the consolidated financial statements that are presented in the same manner as the Group's separate financial statements.

The name of the subsidiary of the Company which is included in the consolidation and the Group's holding therein is as under:

Name of Subsidiary	Incorporation / Registration	Percentage of Holding		
		As at March 2021	As at March 2020	As at March 2019
JM Financial Home Loans Limited	India	90.10%	99.00%	99.00%

2 Significant Accounting Policies

2.1 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

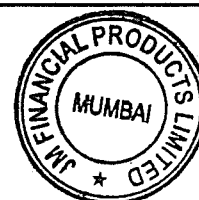
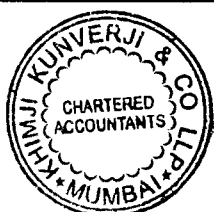
The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

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 consolidated 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 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



JM FINANCIAL PRODUCTS LIMITED

Notes on Reformatted Consolidated Summary Financial Statements

2.2 Presentation of consolidated financial statements

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

Amounts in the consolidated financial statements are presented in Indian Rupees in crores 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.

Previous year figures have been re-grouped or reclassified, to confirm with current year's grouping / classifications. There is no impact on Equity or Net Profit due to these regrouping / reclassifications.

2.3 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

2.3.1 Interest Income

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. Interest on financial instruments measured as at fair value is included within the fair value movement during the period.

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The calculation of the EIR includes all fees and points paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at FVTPL, transaction costs are recognised in consolidated profit or loss at initial recognition.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses (ECLs)). For financial assets originated or purchased credit-impaired (POCI) the EIR reflects the ECLs in determining the future cash flows expected to be received from the financial asset.

2.3.2 Fees and Commission Income

Fee and commission income include fees other than those that are an integral part of EIR. The fees included in this part of the statement of consolidated profit and loss include among other things fees charged for servicing a loan

2.3.3 Investment Income

The gains/ losses on sale of investments are recognised in the Statement of Consolidated 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.

2.3.4 Dividend Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.



JM FINANCIAL PRODUCTS LIMITED
Notes on Reformatted Consolidated Summary Financial Statements

2.4 Leasing

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

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

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

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

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

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

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.

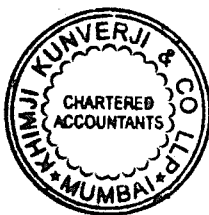
For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Lease liability has been presented in Note 16 “Other Financial Liabilities” and ROU asset has been presented in Note 11 “Property, Plant and Equipment”.

2.4.1 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 consolidated 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 consolidated profit or 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 (see note 2.6 below).



JM FINANCIAL PRODUCTS LIMITED
Notes on Reformatted Consolidated Summary Financial Statements

2.4.2 Operating Lease

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

As such, a lessee's current operating lease accounting model will change significantly. The lessor accounting model will largely remain unchanged from that applied under current guidance.

2.5 Foreign currency transactions

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

2.6 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 Consolidated Statement of profit and loss in the period in which they are incurred.

2.7 Employee benefits

Retirement benefit costs and termination benefits:

Defined Contribution Plan

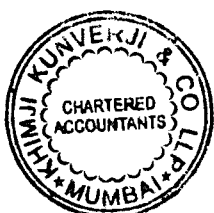
Payments to defined contribution plans are recognised as expense in the Statement of Profit & Loss of the year when employees have rendered service entitling them to the contributions. The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that cash refund or a reduction in the future payment is available.

Defined Benefit Obligation:

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

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

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



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

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

Short-term benefits:

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

Other long-term benefits:

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

2.8 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. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 42.

The fair value determined at the grant date of the equity-settled share-based payments to employees of the Company is expensed on a straight-line basis over the vesting period with a corresponding increase in equity.

At the end of each year, the Company revisits its estimate of the number of equity instruments expected to vest and recognizes any impact in the Statement of consolidated profit and loss, such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

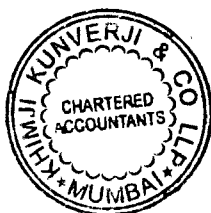
For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in consolidated profit or loss for the year.

2.9 Income tax

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 tax currently payable 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.



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Notes on Reformatted Consolidated Summary Financial Statements

Deferred tax

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

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

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

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

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

2.10 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.

2.11 Property, plant and equipment and Intangible Assets

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

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

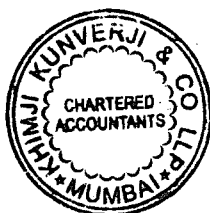
Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Property, plant and equipment

Office Premise	3 Years
Leasehold improvements	3 Years
Computers	3 Years
Office equipment	5 Years
Furniture and fixtures	10 Years
Vehicles	5 Years

Assets costing less than Rs. 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.



JM FINANCIAL PRODUCTS LIMITED**Notes on Reformatted Consolidated Summary Financial Statements**

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 consolidated profit or loss.

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

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 Consolidated Balance Sheet are disclosed as "Intangible assets under development".

Intangible assets are amortised on straight line basis over the estimated useful life of 5 years. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

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

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 consolidated profit or loss when the asset is derecognised.

Deemed cost on transition to Ind AS

For transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as of April 1, 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Impairment losses on non financial assets

The Company reviews as at the end of each year the carrying amount of its non-financial assets is PPE and intangible 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 Consolidated 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 consolidated profit or loss.

2.12 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



JM FINANCIAL PRODUCTS LIMITED**Notes on Reformatted Consolidated Summary Financial Statements**

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

2.13 Commitments

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

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

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

2.14 Statement of Consolidated Cash Flows

Statement of Consolidated 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 Consolidated Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

2.15 Segments

Based on "Management Approach" as defined by Ind AS 108, The Chief Operating Decision Maker (CODM) evaluates the "Operating Segments". Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. 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 Company as a whole and are not allocable to segments on a reasonable basis have been included under Unallocated Income / Costs.

2.16 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 and trade payables.



JM FINANCIAL PRODUCTS LIMITED

Notes on Reformatted Consolidated Summary Financial Statements

2.16.1 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 consolidated 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 consolidated 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 consolidated 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.

2.16.2 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.

2.16.3 Classification of Financial Assets:

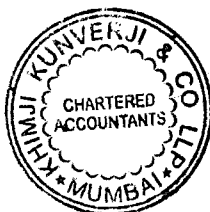
- Debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are subsequently measured at amortised cost;
- all other 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.



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Notes on Reformatted Consolidated Summary Financial Statements

2.16.4 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.

2.16.5 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 FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

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

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

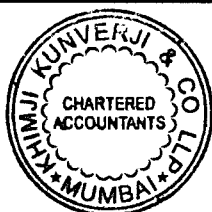
2.16.6 Financial assets at fair value through profit or loss (FVTPL)

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.



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2.16.7 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.

2.16.8 Impairment of financial assets

Overview of the Expected Credit Loss principles

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

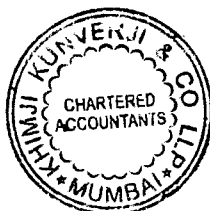
Expected credit losses (ECL) are a probability-weighted estimate of the present value of credit losses. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash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

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

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



JM FINANCIAL PRODUCTS LIMITED**Notes on Reformatted Consolidated Summary Financial Statements**

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

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

- Stage 1: 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 18 and loans under short term financing, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

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

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

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

2.16.9 Derecognition of financial assets

A financial asset is derecognised only when:

- The Company has transferred the rights 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 obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial assets. In such cases, the financial assets 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.

2.16.10 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.

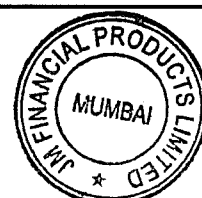
2.16.11 Financial liabilities and equity instruments**Classification as debt or equity**

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

2.16.12 Equity Instrument

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

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



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2.16.13 Financial liabilities

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

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

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

2.16.14 Financial liabilities at FVTPL

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

A financial liability is classified as held for trading if:

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

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

2.16.15 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.

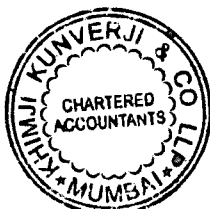
2.16.16 Derecognition of financial liabilities

The Company derecognises 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 recognised in profit or loss.

2.17 Cash and Cash Equivalents

Cash and cash equivalent in the consolidated 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 consolidated cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above.



JM FINANCIAL PRODUCTS LIMITED

Notes on Reformatted Consolidated Summary Financial Statements

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

Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Expected Credit Loss

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

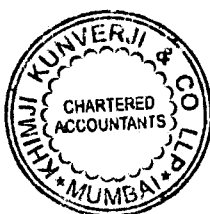
Fair Valuation

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

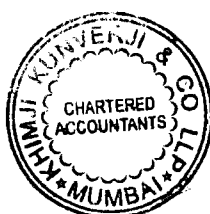
Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 40.

Leases:

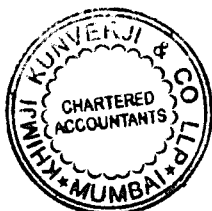
Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances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



JM FINANCIAL PRODUCTS LIMITED				
Notes on Reformatted Consolidated Summary Financial Statements				
Rupees in Crore				
Note	Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
4	Cash and cash equivalents			
	Cash in hand	0.11	-	0.05
	Balances with banks			
	- in current accounts	57.21	58.15	92.38
	- in deposit accounts	195.00	-	40.00
	Cheques on hand	-	-	14.59
	Total	252.32	58.15	147.02
5	Other balances with Banks			
	Deposit Accounts under lien against which overdraft facilities are availed (Note 5.1)	122.42	59.95	60.00
	Deposit Accounts under lien against which bank guarantee facilities.	3.39	0.10	0.10
	Total	125.81	60.05	60.10
5.1	Deposit accounts under lien of Rs.122.42 crore (FY 2019-20 Rs 59.95 Crore FY 2018-19 Rs. 60.00 crore,) against which overdraft facilities remained outstanding as at the year end of Rs. Nil (FY 2019-20 Rs.Nil, FY 2018-19 Rs.Nil)			
6	Loans			
	At amortised cost			
(i)	Term Loans (refer note 6.1)	2,887.02	3,691.90	4,712.64
(ii)	Demand Loan	623.64	295.95	716.69
(iii)	Interest accrued	53.18	68.08	63.86
		3,563.84	4,055.93	5,493.19
	Less: Impairment loss allowance /EIR	(174.97)	(118.87)	(71.20)
	Net	3,388.87	3,937.06	5,421.99
	Break up of loans into secured and unsecured			
(i)	Secured by tangible assets	3,509.98	3,969.07	5,363.87
(ii)	Loan funds (Unsecured)	0.68	18.78	65.46
(iii)	Interest accrued	53.18	68.08	63.86
	Gross	3,563.84	4,055.93	5,493.19
	Less: Impairment loss allowance	(159.79)	(98.80)	(36.07)
	EIR	(15.18)	(20.08)	(35.13)
	Total	3,388.87	3,937.06	5,421.99
Note :	The loans are given in India to other than Public sectors			
6.1	Term loan included unlisted Non Convertible Debenture amounting to Rs 114.11 Crore (FY 2019-20 Rs 225.08 Crore, FY 2018-19 Rs 219.55 Crore)			



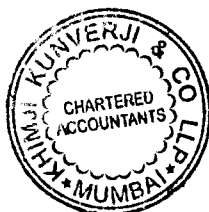
JM FINANCIAL PRODUCTS LIMITED				
Notes on Reformatted Consolidated Summary Financial Statements				
Rupees in Crore				
7	Investments			
Particulars	Quantity	As at March 31, 2021		
		Amortised cost	At Fair Value Through profit and loss account	Total
Investments				
Mutual Funds Units of Rs. 10/- each, Fully Paid Up				
Axis Mutual Fund	8,72,478	-	199.34	199.34
Aditya Birla Sunlife Mutual Fund	66,46,691	-	220.36	220.36
ICICI Pru Mutual Fund	52,88,962	-	161.17	161.17
Frankline India Liquid Fund	6,47,285	-	200.13	200.13
HDFC Mutual Fund	4,79,243	-	193.88	193.88
Kotak Mutual Fund	4,79,124	-	199.28	199.28
Nippon India Mutual Fund	2,27,531	-	114.52	114.52
ICICI Prudential Overnight Fund	3,825	-	0.04	0.04
Preference Shares				
Compulsory Convertible Preference Share				
Fairassets Tech India Private Limited -Series B	406	-	0.21	0.21
Fairassets Technologies India Private Limited - Series A3	12,508	-	6.55	6.55
BRFL Textiles Private Limited - Series B	96,62,336	-	9.66	9.66
Equity Shares				
In Others (unquoted)				
Investment in Equity Shares (Fully paid up)				
Quoted				
Spandana Sphoorty Financial Limited	4,64,794	-	25.36	25.36
NTPC Ltd	6,00,000	-	6.39	6.39
Bajaj Finserv Limited	2,000	-	1.93	1.93
D B Corp Ltd	8,00,000	-	7.19	7.19
Bandhan Bank Limited	1,00,000	-	3.39	3.39
HDFC Ltd -Warrant	1,45,200	-	9.72	9.72
Bajaj Holdings & Investment Limited	3,000	-	0.99	0.99
Motilal Oswal Financial Services Limited	85,000	-	5.31	5.31
UTI Asset Management Company Limited	15,000	-	0.87	0.87
Nippon Life India Asset Management Limited	10,000	-	0.34	0.34
Equitas Holdings Limited	1,00,000	-	0.87	0.87
Equitas Small Finance Bank Ltd	85,000	-	0.51	0.51
Brookfield India Real Estate Trust	7,50,000	-	16.74	16.74
Unquoted				
Fairassets Technologies India Private Limited of Rs. 10/- each *	2	-	0.00	0.00
*Rs 10,480/-				
BRFL Textiles Pvt Ltd of Rs 10/- each	53,37,664	-	5.34	5.34
Security Receipts				
(Unquoted)				
Class A Security Receipts of Rs 1,000/- each fully paid up	200,000	-	0.00	0.00
(Face value partly redeemed)				
Class A Security Receipts of Rs 1,000/- each fully paid up	535,500	-	27.47	27.47
Total		-	1,417.56	1,417.56
Break up of gross investments:				
(i) Investments outside India		-	-	-
(ii) Investments in India		-	1,417.56	1,417.56
Total		-	1,417.56	1,417.56



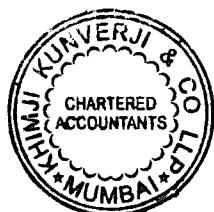
JM FINANCIAL PRODUCTS LIMITED				
Notes on Reformatted Consolidated Summary Financial Statements				
	QTY	As at March 31, 2020		
		Amortised cost	At Fair Value Through profit and loss account	Total
Investments				
Mutual Funds Units of Rs. 10/- each, Fully Paid Up				
JM Liquid Fund Growth Option	184,110,602.354	-	1,000.41	1,000.41
Frankline India Liquid Fund	199,918.293	-	59.64	59.64
SBI Liquid Fund	47,277.000	-	14.70	14.70
ICICI Prudential Overnight Fund	2,026,051.000	-	21.83	21.83
Preference Shares				
<u>Compulsory Convertible Preference Share</u>				
Fairassets Tech India Private Ltd -Series B	406	-	0.21	0.21
Fairassets Technologies India Private Limited - Series A3	12,508	-	6.34	6.34
<u>Equity Shares</u>				
<u>In Others (unquoted)</u>				
<u>Investment in Equity Shares (Fully paid up)</u>				
<u>Quoted</u>				
Spandana Sphoorty Financial Limited #	541535	-	20.32	20.32
# Lock in upto 14-08-2020				
Power Grid Corporation of India Ltd	550,000	-	8.75	8.75
NTPC Ltd	600,000	-	5.05	5.05
Coal India Limited	200,000	-	2.80	2.80
Sterling And Wilson Solar Ltd	85,000	-	0.65	0.65
Hero MotoCorp Limited	10,000	-	1.61	1.61
Motherson Sumi Systems Limited	25,000	-	0.15	0.15
Bajaj Finserv Limited	1,500	-	0.69	0.69
ITC Limited	2,000	-	0.03	0.03
InduInd Bank	7,500	-	0.26	0.26
<u>Unquoted</u>				
Fairassets Technologies India Private Limited of Rs. 10/- each *	2	-	0.00	0.00
*Rs 11,542/-				
<u>Security Receipts</u>				
<u>(Unquoted)</u>				
Class A Security Receipts of Rs 1,000/- each fully paid up	200,000	-	0.00	0.00
(Face value partly redeemed)				
Class A Security Receipts of Rs 1,000/- each fully paid up	535,500	-	30.52	30.52
Total – Gross		-	1,173.96	1,173.96
Less: Impairment loss allowance		-	-	-
Total – Net		-	1,173.96	1,173.96
Break up of gross investments:				
(i) Investments outside India		-	-	-
(ii) Investments in India		-	1,173.96	1,173.96
Total		-	1,173.96	1,173.96



JM FINANCIAL PRODUCTS LIMITED				
Notes on Reformatted Consolidated Summary Financial Statements				
		Rupees in Crore		
		As at March 31, 2019		
	QTY	Amortised cost	At Fair Value Through profit and loss account	Total
Investments				
Mutual Funds Units of Rs. 10/- each, Fully Paid Up				-
JM High Liquid Fund - JM Liquid Fund (Direct) Growth Option	5,036,162.5810	-	25.78	25.78
Reliance Mutual Fund - Reliance Liquid Fund	54,859.0160	-	25.03	25.03
Frankline Mutual Fund - Franklin India Liquid fund	268,319.3040	-	75.09	75.09
Kotak Mutual Fund - Kotak Liquid Direct Plan Growth	264,466.3140	-	100.08	100.08
ICICI Mutual Fund - ICICI Prudential Liquid Fund	5,504,703.4430	-	152.15	152.15
Preference Shares				
Compulsory Convertible Preference Share				
Fairassets Technologies India Private Limited - Series A3	12,508	-	7.05	7.05
Fairassets Tech India Private Ltd -Series B	406	-	0.23	0.23
Equity Shares				
In Others (unquoted)				
Fairassets Technologies India Private Limited of Rs. 10/- each *	2	-	0.00	0.00
*Rs 11,542/-				
Security Receipts				
(Unquoted)				
Class A Security Receipts of Rs 1,000/- each fully paid up	200,000	-	1.68	1.68
(Face value partly redeemed)				
Class A Security Receipts of Rs 1,000/- each fully paid up	535,500	-	35.93	35.93
Total - Gross		-	423.02	423.02
Less: Impairment loss allowance		-	-	-
Total - Net		-	423.02	423.02
Break up of gross investments:				
(i) Investments outside India		-	-	-
(ii) Investments in India		-	423.02	423.02
Total		-	423.02	423.02



JM FINANCIAL PRODUCTS LIMITED				
Notes on Reformatted Consolidated Summary Financial Statements				
Rupees in Crore				
Note	Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
8	Other Financial assets			
	Security deposits			
	To Related Parties	3.95	3.61	3.27
	To Others	1.66	1.59	1.21
	Advances to employees	0.07	0.01	0.03
	Others Financial Assets			
	Other receivables	26.03	17.15	32.59
	Interest accrued on deposits	0.47	0.08	0.11
	Stock in Trade			
	Debt instruments			
	G Sec Securities	171.58	-	-
	Corporate Bonds	248.19	136.73	48.69
	Accrued Interest on stock in trade	8.97	3.89	0.49
	Total	460.92	163.06	86.39
9	Current tax assets (net)			
	Advance tax (net of provision for tax)	26.88	27.43	24.39
		26.88	27.43	24.39
10	Deferred tax Assets (Net)			
	(Refer Note 32.2)			
	Measurement of Financial Liabilities at Amortised Cost	7.16	1.04	(3.98)
	Impairment of Financial instruments	26.53	16.25	13.20
	Fair Valuation of Investments	4.00	5.88	5.58
	Provision on standard financial assets	7.99	7.99	11.10
	Disallowances under section 43B and 35D of the Income Tax Act, 1961	2.55	1.90	1.82
	Difference between books and tax written down value of fixed assets	1.19	0.82	0.94
	Donations (Section 80G of the Income Tax Act, 1961)	-	(0.76)	-
	Provision for doubtful assets	(2.94)	-	-
	Total	46.48	33.12	28.66



JM FINANCIAL PRODUCTS LIMITED
Notes on Reformatted Consolidated Summary Financial Statements

11 Property, Plant and Equipment - As at March 31, 2021

Rupees in Crore

	Gross Block				Accumulated Depreciation				Net Block
	As at April 1, 2020	Additions/ Adjustments	(Deductions)/ Adjustments	As at March 31, 2021	As at April 1, 2020	Charge for the year	(Deductions)/ Adjustments	As at March 31, 2021	As at March 31, 2021
Property, Plant and Equipment									
Freehold Land	0.28	-	-	0.28	-	-	-	-	0.28
Leasehold improvements	5.36	0.26	(0.05)	5.57	2.55	0.99	(0.01)	3.53	2.04
Computers	3.92	0.41	(0.00)	4.33	2.04	1.12	(0.00)	3.16	1.17
Office Equipment	1.20	0.05	(0.01)	1.24	0.50	0.25	(0.01)	0.74	0.50
Furniture and fixtures	3.05	0.08	(0.02)	3.11	0.75	0.34	(0.02)	1.07	2.04
Vehicles	1.53	-	-	1.53	0.96	0.32	-	1.28	0.25
Leased Assets									
Vehicles	1.65	-	-	1.65	0.90	0.33	-	1.23	0.42
Office premises (Refer note 35)	94.16	1.35	(1.44)	94.07	11.25	11.48	(0.49)	22.24	71.83
Total Property Plant and Equipment	111.15	2.15	(1.52)	111.78	18.95	14.83	(0.53)	33.25	78.53

Intangible assets - As at March 31, 2021

Software	4.91	0.34	-	5.25	2.27	0.97	-	3.24	2.01
Total Intangible Assets	4.91	0.34	-	5.25	2.27	0.97	-	3.24	2.01

Intangible assets under development - As at March 31, 2021

	-	-	-	-	-	-	-	-	-

Property, Plant and Equipment - As at March 31, 2020

Rupees in Crore

	Gross Block				Accumulated Depreciation				Net Block
	As at April 1, 2019	Additions/ Adjustments	(Deductions)/ Adjustments	As at March 31, 2020	As at April 1, 2019	Charge for the year	(Deductions)/ Adjustments	As at March 31, 2020	As at March 31, 2020
Property, Plant and Equipment									
Freehold Land	0.28	-	-	0.28	-	-	-	-	0.28
Leasehold improvements	4.54	0.82	-	5.36	1.62	0.92	-	2.55	2.82
Computers	2.95	0.97	-	3.92	1.00	1.04	-	2.04	1.88
Office Equipment	1.04	0.16	-	1.20	0.27	0.23	-	0.50	0.70
Furniture and fixtures	2.53	0.52	-	3.05	0.36	0.39	-	0.75	2.30
Vehicles	1.53	-	-	1.53	0.64	0.32	-	0.96	0.57
Leased Assets									
Vehicles *	0.82	0.57	0.26	1.65	0.32	0.32	0.26	0.90	0.75
Office premises (Refer note 35)	-	94.81	(0.65)	94.16	-	11.33	(0.08)	11.25	82.91
Total Property Plant and Equipment	13.69	97.85	(0.39)	111.15	4.21	14.55	0.18	18.95	92.20

*Includes adjustments in related to inadvertent error during the transition period of IND AS

Intangible assets - As at March 31, 2020

Software	4.14	0.77	-	4.91	1.31	0.95	-	2.26	2.65
Total Intangible Assets	4.14	0.77	-	4.91	1.31	0.95	-	2.26	2.65

Intangible assets under development - As at March 31, 2020

	-	-	-	-	-	-	-	-	-

Property, Plant and Equipment - As at March 31, 2019

Rupees in Crore

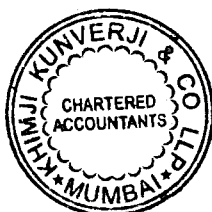
	Gross Block				Accumulated Depreciation				Net Block
	As at April 1, 2018	Additions/ Adjustments	(Deductions)/ Adjustments	As at March 31, 2019	As at April 1, 2018	Charge for the year	(Deductions)/ Adjustments	As at March 31, 2019	As at March 31, 2019
Property, Plant and Equipment									
Freehold Land	0.21	0.07	-	0.28	-	-	-	-	0.28
Leasehold improvements	1.67	2.88	-	4.55	0.89	0.73	-	1.62	2.93
Computers	1.50	1.48	0.03	2.95	0.30	0.71	0.02	0.99	1.96
Office Equipment	0.28	0.76	-	1.04	0.07	0.20	-	0.27	0.77
Furniture and fixtures	0.46	2.07	-	2.53	0.09	0.27	-	0.36	2.17
Vehicles	1.53	-	-	1.53	-	0.57	-	0.57	0.96
Leased Assets									
Vehicles	0.39	0.42	-	0.81	0.35	0.03	-	0.38	0.43
Total Property Plant and Equipment	6.04	7.68	0.03	13.69	1.70	2.51	0.02	4.19	9.50

Intangible assets - As at March 31, 2019

Software	2.01	2.13	-	4.14	0.54	0.78	-	1.32	2.82
Total Intangible Assets	2.01	2.13	-	4.14	0.54	0.78	-	1.32	2.82

Intangible assets under development - As at March 31, 2019

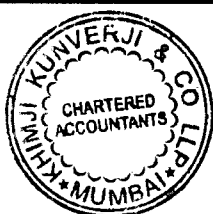
	-	-	-	-	-	-	-	-	0.39



JM FINANCIAL PRODUCTS LIMITED				
Notes on Reformatted Consolidated Summary Financial Statements				
		Rupees in Crore		
Note	Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
12	Other non-financial assets			
	Capital advances	0.14	0.17	0.16
	Advance against expenses	0.08	0.41	-
	Prepaid expenses	0.68	1.02	5.45
	Balance with statutory authorities	9.41	7.26	4.40
	Total	10.31	8.86	10.01
13	Trade Payables			
	(i) Total outstanding dues of micro and small enterprises	0.09	0.05	0.02
	(ii) Total outstanding dues of creditors other than micro and small	1.34	2.64	1.61
	Total	1.43	2.69	1.63
	Particulars			
	(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	0.09	0.05	0.02
	(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 further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-	-
14	Debt Securities			
	(At amortized cost)			
	Commercial Paper (refer note no 14.1 and 14.2)	446.39	293.01	1,123.23
	Non Convertible Debentures (refer note no 14.3 and 14.4)	2,967.25	2,502.47	2,422.92
	Total	3,413.65	2,795.48	3,546.15
14.1	The maximum amount of commercial paper outstanding at any time during the year was Rs 3443.00 crore (Rs.3,946.70 crore for FY 2019-20, Rs.3,859.70 crore for FY 2018-19).			
14.2	Interest rate of commercial paper issued during the year ranges from 3.90% to 9.15% p.a. (7.00% to 13.00% p.a. for FY 2019-20, 7.50% to 11.00% p.a. for FY 2018-19)			
14.3	Non-Convertible Debentures are secured by way of first charge on freehold land and hypothecation on certain identified loan fund balances of the Company.			



JM FINANCIAL PRODUCTS LIMITED			
Notes on Reformatted Consolidated Summary Financial Statements			
14.4	Maturity profile and rate of interest/ discounted rate of interest of Non-Convertible Debentures (NCDs) at face value.		
Particulars	As at March 31, 2021 (Rs in Crore)	As at March 31, 2020 (Rs in Crore)	As at March 31, 2019 (Rs In Crore)
Private Placement - Face vlaue - Rs 10,00,000 each			
0.00% NCD redeemable in year 2019-20 *	-	-	264.70
0.00% NCD redeemable in year 2020-21 *	-	133.60	158.60
0.00% NCD redeemable in year 2021-22 *	385.00	385.00	385.00
0.00% NCD redeemable in year 2022-23 *	110.00	110.00	110.00
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
9.20% NCD redeemable in year 2022-23	-	150.00	150.00
9.34% NCD redeemable in year 2021-22	109.80	109.80	109.80
9.42% NCD redeemable in year 2019-20	-	-	75.00
9.55% NCD redeemable in year 2017-18	-	-	55.00
10% NCD redeemable in the year 2021-22	-	-	25.00
10.00% NCD redeemable in year 2022-23	50.00	50.00	-
10.10% NCD redeemable in the year 2024-25	6.30	6.30	6.30
9.50 % NCD redeemable in the year 2028-29	25.00	25.00	25.00
5.77% NCD redeemable in year 2022-23**	150.00	-	-
7.75% NCD redeemable in year 2022-23	300.00	-	-
8.00% NCD redeemable in year 2025-26	10.00	-	-
8.40% NCD redeemable in year 2022-23	150.00	-	-
8.50 % NCD redeemable in the year 2024-25	50.00	-	-
8.65% NCD redeemable in year 2027-28	50.00	-	-
8.65% NCD redeemable in year 2028-29	50.00	-	-
8.65% NCD redeemable in year 2029-30	50.00	-	-
8.65% NCD redeemable in year 2030-31	50.00	-	-
8.81% NCD redeemable in year 2030-31	155.00	-	-
8.75% NCD redeemable in year 2030-31	95.00	-	-
9.10% NCD redeemable in year 2021-22	33.33	-	-
9.10% NCD redeemable in year 2022-23	33.34	-	-
9.10% NCD redeemable in year 2023-24	58.33	-	-
9.20% NCD redeemable in the year 2023-24	50.00	-	-
9.25% NCD redeemable in year 2022-23	5.10	5.10	-
10.00% NCD redeemable in year 2021-22	25.00	25.00	-
NCD redeemable in year 2019-20**	-	-	139.00
NCD redeemable in year 2020-21**	-	88.40	108.40
Private Placement - Face vlaue - Rs 2,00,000 each			
NCD redeemable in year 2021-22**	50.00	50.00	120.00
NCD redeemable in year 2022-23**	75.00	-	-
Public issue - Face value - Rs 1,000 each			
0.00% NCD redeemable in year 2021-22 *	40.22	40.22	-
0.00% NCD redeemable in year 2022-23 *	38.78	38.78	-
0.00% NCD redeemable in year 2023-24 *	4.54	4.54	-
0.00% NCD redeemable in year 2024-25 *	4.14	4.14	-
0.00% NCD redeemable in year 2026-27 *	8.31	8.31	-
9.50% NCD redeemable in year 2021-22	31.12	31.12	-
9.90% NCD redeemable in year 2021-22	44.31	44.31	-
10.20% NCD redeemable in year 2022-23	202.31	202.31	-
9.70% NCD redeemable in year 2023-24	12.52	12.52	-
9.29% NCD redeemable in year 2023-24	11.42	11.42	-
9.85% NCD redeemable in year 2024-25	15.38	15.38	-
10.04% NCD redeemable in year 2024-25	66.92	66.92	-
10.30% NCD redeemable in year 2024-25	29.50	29.50	-
10.50% NCD redeemable in year 2024-25	100.10	100.10	-
9.48% NCD redeemable in year 2024-25	12.69	12.69	-



JM FINANCIAL PRODUCTS LIMITED				
Notes on Reformatted Consolidated Summary Financial Statements				
Particulars	As at March 31, 2021 (Rs in Crore)	As at March 31, 2020 (Rs in Crore)	As at March 31, 2019 (Rs in Crore)	
9.90% NCD redeemable in year 2024-25	10.34	10.34	-	
10.00% NCD redeemable in year 2029-30	2.37	2.37	-	
9.57% NCD redeemable in year 2029-30	4.97	4.97	-	
	2,766.14	2,308.15	2,261.80	
* Redeemable at premium				
** Market linked debentures (MLD)				
***Unsecured				
Maturity profile above is disclosed at face value without considering premium / unamortized discount on issue for FY21 Rs 0.50 crore, FY20 Rs 0.59 crore. and FY19 Rs 1.50 crore, impact of effective interest rate adjustment for FY 21 Rs 0.82 crore, FY20 Rs 6.43 crore and FY19 Rs 9.40 and preliminary expenses on issue of non convertible debenture for FY 21 17.07, FY20 Rs 12.72 crore, FY19 Nil.				
15 Borrowings (Other than Debt Securities)				
Term loan				
<u>Secured</u>				
(i) from banks (refer note no 15.1) *	270.17	830.19	947.17	
(ii) from other parties (refer note no 15.1)	66.67	25.00	50.00	
Processing fees EIR	(0.79)	(1.87)	(1.61)	
Interest accrued but not due on term loan	0.47	1.18	0.63	
Finance lease obligations (refer note 15.2)	0.36	0.72	0.32	
Cash Credit Facility from Banks (refer note no 15.3)	-	-	47.26	
Overdraft from banks (refer note 15.4)	2.00	9.60	2.84	
Interest accrued but not due on Cash Credit	-	-	0.12	
NHB - Refinance	29.48	-	-	
<u>Unsecured</u>				
Inter Corporate Deposit	25.00	65.10	25.00	
Interest accrued but not due on inter corporate deposit	2.12	2.05	2.15	
Total	395.47	931.97	1,073.88	
15.1 Term Loan from a Bank & Other parties :				
a) Term Loan is secured by way of floating first pari passu charge by way of hypothecation on certain identified loan fund balances of the Company.				
b) Maturity profile and rate of interest of Term Loan:				
Residual Maturities	As at 31.03.2021			
	Upto one year April -2021 to March -2022	1-3 years April -2022 to March -2024	3 years & above April -2024 onwards	
8% to 9%	111.39	7.05	-	
9% to 10%	45.39	88.00	25.00	
10% to 11%	15.00	30.00	15.00	
	171.78	125.05	40.00	
Maturity profile shown without considering effective interest rate impact amounting to Rs 0.79 Crore				
Residual Maturities	As at 31.03.2020			
	Upto one year April -2020 to March -2021	1-3 years April -2021 to March -2023	3 years & above April -2023 onwards	
8% to 9%	33.34	-	-	
9% to 10%	359.28	265.62	-	
10% to 11%	136.94	30.00	30.00	
	529.56	295.62	30.00	
Maturity profile shown without considering effective interest rate impact amounting to Rs 1.83 crore				



JM FINANCIAL PRODUCTS LIMITED
Notes on Reformatted Consolidated Summary Financial Statements

Residual Maturities	As at 31.03.2019		
	Upto one year April -2019 to March -2020	1-3 years April -2020 to March -2022	3 years & above April -2022 onwards
8% to 9%	94.44	155.53	-
9% to 10%	226.03	484.07	37.73
	320.47	639.60	37.73

Maturity profit shown without considering effective interest rate impact amounting to Rs 2.26 crore

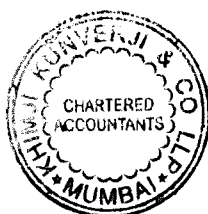
* The rate of interest for the above term loans is linked to the MCLR/base rates of the banks and is subject to change from time to time. The above categorisation of loans has been based on the interest rates, prevalent as on the respective reporting dates.

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

15.3 Cash credit facility are secured by way of hypothecation on certain identified loan fund balances of the Company.

15.4 Bank overdraft facility are secured by way of lien mark on fixed deposit.

16 Other financial liabilities			
Employee benefits payable	28.87	19.48	24.80
Other Liabilities	3.32	7.44	1.84
Directors' commission payable	0.29	0.35	0.50
Advance from customers	2.89	2.22	1.02
Lease Liability refer note 35	77.91	83.89	-
Provision for CSR Expenditure	3.07	-	-
Total	116.36	113.38	28.16
17 Current tax liabilities (Net)			
Provision for tax (net of advance tax)	1.11	2.79	0.31
Total	1.11	2.79	0.31
18 Provisions			
Provision for Gratuity (refer note no 36)	3.23	2.88	2.08
Provision for compensated absence	1.76	2.21	1.69
Total	4.99	5.09	3.77
19 Other non-financial liabilities			
Statutory dues	4.16	3.67	3.49
Income received in advance	2.10	1.76	3.66
Total	6.26	5.43	7.15



JM FINANCIAL PRODUCTS LIMITED
Notes on Reformatted Consolidated Summary Financial Statements

Rupees in Crore

Note - 20

Particulars	As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	Number	Amount	Number	Amount	Number	Amount
[a] Authorised share capital						
Equity shares of the par value of Rs. 10 each	11000,00,000	1,100.00	11000,00,000	1,100.00	11000,00,000	1,100.00
Preference Shares of the par value of Rs.10 each	1000,00,000	100.00	1000,00,000	100.00	1000,00,000	100.00
Total	12000,00,000	1,200.00	12000,00,000	1,200.00	12000,00,000	1,200.00
[b] Issued						
Equity shares of Rs.10 each	5445,00,000	544.50	5445,00,000	544.50	5445,00,000	544.50
Total	5445,00,000	544.50	5445,00,000	544.50	5445,00,000	544.50
[c] Subscribed and paid up						
Equity shares of Rs.10 each	5445,00,000	544.50	5445,00,000	544.50	5445,00,000	544.50
Total	5445,00,000	544.50	5445,00,000	544.50	5445,00,000	544.50

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

Equity : Outstanding as on April 1, 2020 Issued during the year Outstanding as on March 31, 2021	As at March 31, 2021	
	Number of Shares	Amount
	5445,00,000	544.50
	-	-
	5445,00,000	544.50
Equity : Outstanding as on April 1, 2019 Issued during the year Outstanding as on March 31, 2020	As at March 31, 2020	
	Number of Shares	Amount
	5445,00,000	544.50
	-	-
	5445,00,000	544.50
Equity : Outstanding as on April 1, 2018 Issued during the year Outstanding as on March 31, 2019	As at March 31, 2019	
	Number of Shares	Amount
	5445,00,000	544.50
	-	-
	5445,00,000	544.50

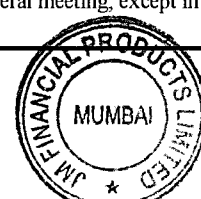
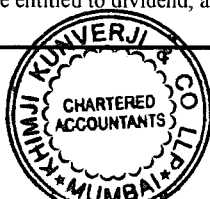
[e] Details of shareholders holding more than 5% of the aggregate shares in the Company:

Name of the shareholder JM Financial Limited and its nominees (5 shares held by nominees)	As at March 31, 2021	
	Number of	Amount
	5414,88,750	99.45%
Name of the shareholder JM Financial Limited and its nominees (5 shares held by nominees)	As at March 31, 2020	
	Number of	Amount
	5409,68,650	99.35%
Name of the shareholder JM Financial Limited and its nominees (5 shares held by nominees)	As at March 31, 2019	
	Number of	Amount
	5409,39,050	99.35%

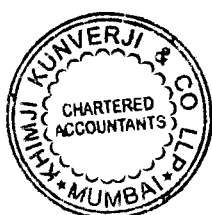
Terms and rights attached to each class of shares :

Equity Shares :

The group has only one class of shares referred to as equity shares having a face value of Rs 10/-. Each holder of equity shares is entitled to one vote per share. The shareholders are entitled to dividend, as and when declared and approved by the shareholders in the ensuring Annual General meeting, except in case of interim dividend.



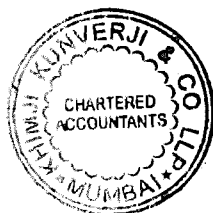
JM FINANCIAL PRODUCTS LIMITED				
Notes on Reformatted Consolidated Summary Financial Statements				
Rs in Crore				
Note	Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
21	Other Equity			
	Retained earnings			
	Balance as at the beginning of the year	763.73	652.02	606.82
	Addition/(Reduction) during the year			
	Transfer to statutory reserves	(28.64)	(34.48)	(41.00)
	Final /Interim dividend	(16.33)	(10.89)	(92.57)
	Corporate dividend tax	-	(2.24)	(19.03)
	Other comprehensive income	0.36	(0.09)	0.09
	Profit for the year	136.67	159.41	197.71
	Retained earnings	855.79	763.73	652.02
	Securities premium account	38.23	38.23	38.23
	Capital Redemption Reserve*	0.00	0.00	0.00
	*Rs. 1,000/-			
	Statutory reserve			
	(under section 45-IC of The Reserve Bank of India Act, 1934)			
	Opening balance	351.77	317.29	276.29
	Addition/(Reduction) during the year	28.64	34.48	41.00
	Statutory reserve	380.41	351.77	317.29
	Capital Reserves			
	Opening balance	-	-	-
	Addition/(Reduction) during the year	31.48	-	-
	Capital Reserves	31.48	-	-
	Total	1,305.91	1,153.73	1,007.54
For addition and deductions under each of the above heads, refer Statement of changes in equity				
Securities premium account				
Securities premium account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the				
General reserve				
The General Reserve is used from time to time to transfer profits from Retained earnings for appropriate purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of Other comprehensive income, items included in the General Reserve will not be reclassified subsequently to Profit or Loss.				
Statutory Reserve				
Statutory Reserve is the reserve created by transferring a sum not less than twenty per cent of its net profit every year in terms of Section 45-IC of the RBI Act, 1934.				
Retained earnings				
Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.				



JM FINANCIAL PRODUCTS LIMITED
Notes on Reformatted Consolidated Summary Financial Statements

22	Interest income	(Rs in Crore)		
	Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020	Year Ended March 31, 2019
	Interest income at Amortised Cost			
	Interest on Loans	560.94	738.09	862.11
	Total	560.94	738.09	862.11
23	Fees and commission Income	(Rs in Crore)		
	Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020	Year Ended March 31, 2019
	Advisory and other fees	18.40	36.71	40.06
	Brokerage Income	11.66	6.43	2.43
	Total	30.06	43.14	42.49
24	Other Operating Income	(Rs in Crore)		
	Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020	Year Ended March 31, 2019
	Income from trading in debt instruments (net)	57.37	23.87	7.10
	Profit on sale of investments	-	-	47.11
	Total	57.37	23.87	54.21
25	Net gain/ (loss) on fair value changes *	(Rs in Crore)		
	Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020	Year Ended March 31, 2019
	(A) Net gain/ (loss) on financial instruments at fair value through profit and loss account :-			
	a) On trading portfolio			
	- Investments	-	-	-
	- Derivatives			
	- Others			
	b) On financial instruments designated at fair value through profit and loss account	51.92	56.73	(15.82)
	(B) Others	-	-	-
	-Cumulative (gain)/loss reclassified to profit or loss on sale of debt instruments at FVTOCI	-	-	-
	Total Net gain/(loss) on fair value changes (C)	51.92	56.73	(15.82)
	Fair Value changes:			
	-Realised	50.25	60.07	-
	-Unrealised	1.67	(3.34)	(15.82)
	Total Net gain/(loss) on fair value changes(D) to tally with (C)	51.92	56.73	(15.82)
	Fair Value changes:			
	-Financial assets mandatorily measured at FVTPL			
	-Held for trading financial liabilities			
	-Financial assets designated at FVTPL			
	-Financial liabilities designated at FVTPL	-	-	-
	Total Net gain/(loss) on fair value changes(E) to tally with (C)	51.92	56.73	(15.82)

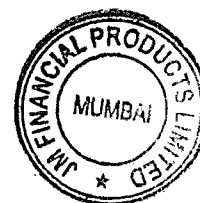
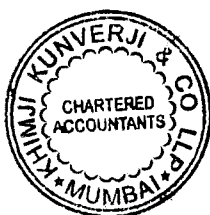
*Fair value changes in this schedule are other than those arising on account of interest income/expense



JM FINANCIAL PRODUCTS LIMITED			
Notes on Reformatted Consolidated Summary Financial Statements			
26	Net gain on derecognition of financial instruments under amortised cost category	(Rs in Crore)	
	Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
	Profit on sale of Loan	-	13.76
	Prepayment of Borrowing	6.60	-
	Total	6.60	13.76
27	Other Income	(Rs in Crore)	
	Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
	Interest on:		
	- Fixed deposits with banks	2.10	0.01
	- Others	0.01	0.01
	Profit on Sale of Fixed Assets (net)	-	-
	Provision for bonus written back	0.02	0.81
	Miscellaneous income	3.30	3.76
	Finance Income on rent deposit	0.43	0.38
	Promotional Service Income	-	-
	Int Income on Commercial Paper	-	1.34
	Dividend on Shares	0.58	0.60
	Total	6.44	6.91
28	Finance costs	(Rs in Crore)	
	Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
	At Amortised Cost		
	Debt Securities	269.17	346.35
	Borrowings (Other than Debt Securities)	64.64	111.68
	Other Interest expense	7.95	8.37
	Total	341.76	466.40
29	Impairment on financial instruments	(Rs in Crore)	
	Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
	Provision for Expected Credit Loss On loans	37.32	61.34
	Provision On receivables	0.48	0.58
	Provision for Expected Credit Loss (Stage 3)	23.67	1.38
	Total	61.47	63.30
30	Employee benefits expense	(Rs in Crore)	
	Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
	Salaries, bonus, other allowances and benefits	70.24	62.65
	Contribution to provident and other funds	2.95	2.96
	Gratuity (refer note 36)	1.04	0.67
	OCL Impact of Ind AS	-	0.03
	Staff welfare expenses	0.17	0.35
	Total	74.40	66.66



JM FINANCIAL PRODUCTS LIMITED			
Notes on Reformatted Consolidated Summary Financial Statements			
31	Operating and Other expenses	(Rs in Crore)	
Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020	Year Ended March 31, 2019
Professional and consultancy charges	9.50	6.68	8.92
Space and other related costs	0.08	0.22	13.02
Rates and taxes	5.10	4.31	3.53
Loss on sale of fixed Assets	0.05	-	-
Membership and subscription	0.47	0.63	0.65
Manpower cost	2.18	2.04	1.36
Auditors' remuneration (refer note 31.1)	0.20	0.19	0.28
Electricity	0.52	1.00	0.73
Communication expenses	0.36	0.35	0.24
Travelling and conveyance	0.37	1.56	1.10
Insurance	0.97	0.75	0.49
Printing and stationery	0.20	0.34	0.24
Repairs and maintenance - others	1.60	1.27	1.08
Loan funds written off	1.82	-	1.82
Donations	7.24	7.29	6.82
Provision for TDS receivable	0.95	1.56	-
Directors' commission	0.29	0.35	0.50
Sitting fees to directors	0.16	0.16	0.15
Marketing Expenses	2.35	8.09	4.40
DSA Commission	0.18	0.21	0.47
Miscellaneous expenses	3.10	4.50	5.53
Total	37.69	41.50	51.33
31.1	Payment to Auditors': (Excluding goods & service tax)	(Rs in Crore)	
Audit Fees	0.11	0.11	0.12
In any other manner (Certifications, limited reviews, etc.)	0.09	0.08	0.15
Out of pocket expenses *	0.00	0.00	0.00
* FY 2020-21 Rs. 2,266/-, FY 2019-20 Rs. 33,566/-, FY 2018-19 Rs.33,187/-			
Total	0.20	0.19	0.27
Fees paid in connection with Public issue of NCD included for measurement of financial liabilities at amortized cost	0.02	0.13	-
Total	0.22	0.32	0.27



JM FINANCIAL PRODUCTS LIMITED
Notes on Reformatted Consolidated Summary Financial Statements

32 Income Tax

Particulars	(Rupees in Crore)		
	Year ended 31.03.2021	Year ended 31.03.2020	Year ended 31.03.2019
Current tax	58.74	74.15	112.30
Tax adjustment in respect of earlier years	0.29	-	-
Deferred tax	(13.49)	(4.42)	(0.84)
Total income tax expenses recognised in the current year	45.54	69.73	111.46
Income tax expense recognised in other comprehensive income	(0.12)	(0.03)	(0.05)

32.1 Reconciliation of total tax charge

Particulars	(Rupees in Crore)		
	Year ended 31.03.2021	Year ended 31.03.2020	Year ended 31.03.2019
Income tax expense for the year reconciled to the accounting profit:			
Profit before tax	186.39	229.14	309.16
Income tax rate	25.17%	25.17%	35.00%
Income tax expense	46.91	57.67	108.03
Tax Effect of:			
Effect of income that is exempt from tax	(0.16)	(0.15)	-
14A disallowance	0.01	(2.09)	-
Effect of expenses that are not deductible in determining taxable profits	1.38	0.91	1.22
Adjustment in respect of earlier years (net)	0.29	-	-
Effect of income taxable at lower rate	(3.56)	-	-
Effect of change in tax rates	-	8.00	-
Others	0.67	5.39	2.21
Income tax expense recognised in profit and loss	45.54	69.73	111.46

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 1st April 2019, subject to certain conditions. The Company has adopted the option of reduced rate and accordingly, opening deferred tax asset as on April 1, 2019, amounting to Rs 8.0 crore has been reversed during the year ended March 31, 2020.



JM FINANCIAL PRODUCTS LIMITED
Notes on Reformatted Consolidated Summary Financial Statements

32.2 Deferred tax

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, 2021

(Rupees in Crore)

Deferred tax asset / (liability)	Opening balance	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Closing balance
Re-measurement of Financial Liabilities at Amortised Cost	0.86	6.30	-	7.16
Impairment of Financial instruments	16.44	10.10	-	26.54
Fair Valuation of Investments	5.88	(1.88)	-	4.00
Provision on standard financial assets	7.98	-	-	7.98
Disallowances under section 43B and 35D of the Income Tax Act, 1961	1.89	0.71	(0.05)	2.55
Difference between books and tax written down value of fixed assets	0.83	0.36	-	1.19
Provision for doubtful financial assets	-	(2.94)	-	(2.94)
Donations (Section 80G of the Income Tax Act, 1961)	(0.76)	0.76	-	-
Employee defined benefit obligation	-	0.07	(0.07)	-
Total	33.12	13.48	(0.12)	46.48

For the year ended March 31, 2020

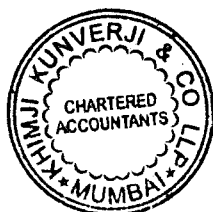
(Rupees in Crore)

Deferred tax asset / (liability)	Opening balance	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Closing balance
Re-measurement of Financial Liabilities at Amortised Cost	(3.98)	4.84	-	0.86
Impairment of Financial instruments	13.21	3.23	-	16.43
Fair Valuation of Investments	5.58	0.30	-	5.88
Provision on standard financial assets	11.08	(3.10)	-	7.98
Disallowances under section 43B and 35D of the Income Tax Act, 1961	1.82	0.03	0.04	1.89
Difference between books and tax written down value of fixed assets	0.96	(0.13)	-	0.83
Donations (Section 80G of the Income Tax Act, 1961)	-	(0.76)	-	(0.76)
Employee defined benefit obligation	-	0.01	(0.01)	-
Total	28.67	4.42	0.03	33.12

For the year ended March 31, 2019

(Rupees in Crore)

Deferred tax asset / (liability)	Opening balance	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Closing balance
Re-measurement of Financial Liabilities at Amortised Cost	(2.09)	(1.89)	-	(3.98)
Impairment of Financial instruments	17.54	(4.34)	-	13.20
Fair Valuation of Investments	(0.01)	5.59	-	5.58
Provision on standard financial assets	9.86	1.22	-	11.08
Disallowances under section 43B and 35D of the Income Tax Act, 1961	1.80	0.02	-	1.82
Difference between books and tax written down value of fixed assets	0.78	0.18	-	0.96
Employee defined benefit obligation	-	0.05	(0.05)	-
Total	27.88	0.83	(0.05)	28.66



JM FINANCIAL PRODUCTS LIMITED				
Notes on Reformatted Consolidated Summary Financial Statements				
Rupees in Crore				
Note	Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
33	<u>Contingent Liabilities and commitments</u>			
(a)	Contingent Liabilities	6.00	6.00	5.66
(b)	Undisbursed Commitment *	100.14	177.83	326.50
(c)	Capital Commitments: Estimated amount of contracts remaining to be executed on capital account and not provided for	0.46	0.21	0.10

*This disclosure is given pursuant to the notification no.DNBS.CC.PD.No.252/03.10.01/2011-12 dated 26th Dec, 2011 issued by Reserve Bank of India.

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

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit for the year (In Rs Crore)	136.67	159.41	197.70
Profit attributable to equity shareholders (In Rs Crore)	136.67	159.41	197.70
Weighted average number of equity shares outstanding during the year for calculating basic earnings per share (Nos.)	5445,00,000	5445,00,000	5445,00,000
Basic earnings per share (Rupees)	2.51	2.93	3.63
Weighted average number of equity shares outstanding during the year for calculating diluted earnings per share (Nos.)	5445,00,000	5445,00,000	5445,00,000
Diluted earnings per share (Rupees)	2.51	2.93	3.63
Nominal value per share (Rupees)	10.00	10.00	10.00

35 **Lease Transactions**
Following are the changes in the carrying value of the right of use assets for the year ended March 31, 2021:

Category	Gross Block			Accumulated Depreciation			Net Block
	As at April 1, 2020	Additions/ Adjustments	As at March 31, 2021	As at April 1, 2020	Additions/ Adjustments	As at March 31, 2021	As at March 31, 2021
Office premises	94.16	2.78	96.95	11.25	10.99	22.24	74.70
Total	94.16	2.78	96.95	11.25	10.99	22.24	74.70

The aggregate depreciation expenses on ROU assets is included under depreciation and amortization expenses in the Statement of Profit and

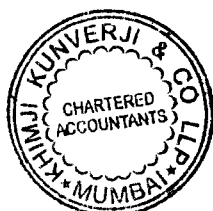
Following are the changes in the carrying value of the right of use assets for the year ended March 31, 2020:

Category	Gross Block			Accumulated Depreciation			Net Block
	As at April 1, 2019	Additions/ Adjustments	As at March 31, 2020	As at April 1, 2019	Additions/ Adjustments	As at March 31, 2020	As at March 31, 2020
Office premises	-	94.16	94.16	-	11.25	11.25	82.91
Total	-	94.16	94.16	-	11.25	11.25	82.91

The aggregate depreciation expenses on ROU assets is included under depreciation and amortization expenses in the Statement of Profit and

Following is the movement in lease liabilities during the ended March 31, 2021 and March 31, 2020.

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Opening Balance	83.89	-
Additions During the Year	1.35	89.74
Deletions during the Year	1.04	0.58
Finance Cost Accrued during the year	7.64	8.07
Payment of Lease Liabilities	13.93	13.34
Closing Balance	77.91	83.89



JM FINANCIAL PRODUCTS LIMITED
Notes on Reformatted Consolidated Summary Financial Statements

Following table summarizes impact on profit for the year ended March 31, 2020*.

Rupees in Crore	
Increase/(Decrease)	Year Ended March 31, 2020 (Rupees in Crore)
Other operational expenses	(13.31)
Depreciation and amortization expenses	11.25
Finance Cost	8.07
Profit before tax	6.01

* Disclosure only for FY2019-20

During the year ended March 31, 2020 the group has adopted Ind AS 116 – “Leases” with effect from April 01, 2019 and applied the standard to its lease retrospectively. In accordance with the requirement of the standard, the lease liability at the present value of remaining lease payments at the date of initial application i.e. April 01, 2019 has been recognised and “Right of use assets” has been recognised at an amount equal to the “Lease Liability” as at that date. In the reformatting statement of profit and Loss for the current period, the nature of expenses in respect of leases has changed from lease rent in previous to depreciation cost for “Right of use lease assets” and interest accrued on “Lease liability”. The group has not restated the comparative information in this respect

Operating Lease

A Statement showing contractual Maturities of Lease liability as on March 31, 2020 on an undiscounted basis

Particulars	Rupees in Crore		
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Not later than one year	14.65	14.06	9.69
Later than one year and not later than five years	53.42	54.55	43.73
Later than five years	43.02	55.96	68.14
Total	111.10	124.57	121.56

B Finance Leases

The Company has taken vehicles on finance lease for a period of 36 months. The minimum lease rentals outstanding as at the year end are as under:

Particulars	Rupees in Crore					
	Minimum Lease payments			Present values of Minimum Lease payments		
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Not later than one year	0.30	0.45	0.13	0.22	0.32	0.08
Later than one year and not later than five years	0.11	0.52	0.40	0.03	0.33	0.32
Later than five years	-	-	-	-	-	-
Total	0.41	0.97	0.53	0.25	0.65	0.40

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Employee Benefits:

Short-term employee benefits:

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

Defined Contribution Plan:

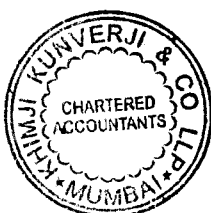
The group operates defined contribution plan (Provident fund) for all qualifying employees of the Group. The employees of the Group are members of a retirement contribution plan operated by the government. The Group is required to contribute a specified percentage of payroll cost to the retirement contribution 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 and other Fund aggregating Rs 2.95 crore (FY 2019-20 Rs.2.96 crore, FY 2018-19 Rs.2.31 crore.) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expenses.

Defined benefit obligation

The Group'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 Group and hence it underwrites all the risks pertaining to the plan. The actuarial risks associated are:



JM FINANCIAL PRODUCTS LIMITED
Notes on Reformatted Consolidated Summary Financial Statements

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 Group. 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 Group, which results in a higher liability for the Group and is therefore a plan risk for the Group.

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

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Discount Rate	6.90%	6.80%	7.55%
Expected rate of Salary Increase	7.00%	7.00%	7.00%
Other Assumption	Indian Assured Lives (2012-14)	Indian Assured Lives (2012-14)	Indian Assured Lives (2012-14)
Mortality Rate	Ultimate	Ultimate	Ultimate

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

Rupees in Crore

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Present value of defined benefit obligation	3.23	2.88	2.08
Fair value of plan assets	-	-	-
Net liability	3.23	2.88	2.08

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

Rupees in Crore

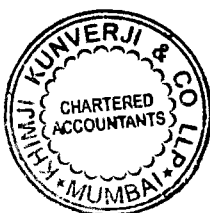
Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Current Service Cost	0.86	0.56	0.38
Interest Cost	0.18	0.13	0.11
Past Services Cost	-	-	-
Impact of inter group transfer	-	(0.03)	-
Total expenses charged to Profit & Loss Account	1.04	0.67	0.49

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

d) Amount recognised in Other Comprehensive Income

Rupees in Crore

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Opening amount recognized in OCI outside Profit and Loss Account	(0.13)	0.25	(0.02)
Components of defined benefits costs recognised in profit or loss.			
Remeasurements on the net defined benefit liability :			
- Actuarial (gain)/LOSS from change in demographic assumptions	-	-	(0.00)
- Actuarial (gain)/loss from change in financial assumptions	0.04	(0.21)	0.05
- Actuarial (gain)/loss from change in experience adjustments	0.44	0.08	0.22
Total amount recognised in OCI outside Profit and Loss Account	0.48	(0.13)	0.25



JM FINANCIAL PRODUCTS LIMITED
Notes on Reformatted Consolidated Summary Financial Statements

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

Particulars	Rupees in Crore		
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Opening defined benefit obligation	2.88	2.07	1.63
Current service cost	0.86	0.56	0.38
Past service cost	-	-	-
Interest cost	0.18	0.14	0.11
Remeasurements (gains)/losses:			
- Actuarial (gain)/loss from change in demographic assumptions	-	-	(0.00)
- Actuarial (gain)/loss from change in financial assumptions	(0.04)	0.21	0.05
- Actuarial (gain)/loss from change in experience adjustments	(0.44)	(0.08)	0.22
- Liabilities Assumed on Acquisition / (Settled on Divestiture)	(0.00)	0.14	0.07
Benefits paid	(0.21)	(0.17)	(0.39)
Closing defined benefit obligation	3.23	2.88	2.07

f) 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

Particulars	As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	Decrease	Increase	Decrease	Increase	Decrease	Increase
Discount rate (- / +0.5%)	0.85	0.50	0.66	0.36	0.09	(0.09)
% change compared to base due to sensitivity	5.30%	-4.88%	5.00%	-4.60%	4.58%	-4.22%
Salary growth rate (- / +0.5%)	0.53	0.80	0.36	0.66	-0.07	0.07
% change compared to base due to sensitivity	-3.69%	3.62%	-4.62%	4.97%	-3.21%	3.46%

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.

g) Projected benefits payable:

Particulars	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Expected benefits for year 1	0.41	0.34	0.48
Expected benefits for year 2	0.11	0.33	0.07
Expected benefits for year 3	0.12	0.10	0.30
Expected benefits for year 4	0.14	0.11	0.08
Expected benefits for year 5	0.14	0.12	0.08
Expected benefits for year 6 and above	7.33	6.03	4.04

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Related Party Disclosure:

Names of related parties and description of Relationship

Clause (a) **A person or a close member of that person's family is related to a reporting entity if that person:**

(i) has control or joint control over the reporting entity:

None

(ii) has significant influence over the reporting entity.

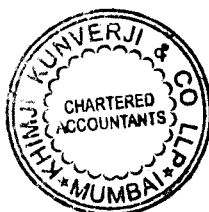
None

(iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

Mr. Vishal Kampani

Close members of Mr. Vishal Kampani:

Mr. Nimesh Kampani
 Ms Aruna Kampani
 Ms Madhu Kampani
 Ms. Amishi Gambhir
 Mr. Shiv Kampani



JM FINANCIAL PRODUCTS LIMITED
Notes on Reformatted Consolidated Summary Financial Statements

Details of Directors

Non Executive Directors

Mr. V P Shetty
Mr. Subodh Shinkar
Mr. Atul Mehra

Independent Directors

Mr. Eknath A. Kshirsagar
Mr. Dharendra Singh
Mrs. Roshini Bakshi

Clause (b) (i) An entity is related to a reporting entity if the entity and the reporting entity are members of the same group

Holding Company

JM Financial Limited

Subsidiaries

JM Financial Home Loans Limited

Fellow Subsidiaries

JM Financial Services Limited
JM Financial Overseas Holdings Private Limited
JM Financial Securities Inc
JM Financial Singapore Pte Ltd.
JM Financial Credit Solutions Limited
JM Financial Properties & Holdings Limited
JM Financial Asset Management Limited
Infinite India Investment Management Limited
JM Financial Asset Reconstruction Company Limited
CR Retail Malls (India) Limited
JM Financial Capital Limited
JM Financial Commtrade Limited
JM Financial Institutional Securities Limited (w.e.f January 1, 2018)
Astute Investments

Clause (b) (ii) **Associates or Joint Ventures**

JM Financial Trustee Company Private Limited

Clause (b) (iii) **Both entities are joint venture of the same third party.**

None

Clause (b) (iv) **One entity is a joint venture of a third entity and the other entity is an associate of the third entity.**

None

Clause (b) (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.

None

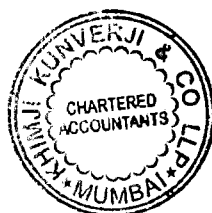
Clause (b) (vi) The entity is controlled or jointly controlled by a person identified in (a).

(By Mr. Vishal Kampani and his close relative)

J.M. Financial & Investment Consultancy Services Private Limited
J.M. Assets Management Private Limited
JM Financial Trustee Company Private Limited
JSB Securities Limited
Kampani Consultants Limited
Persepolis Investment Company Private Limited
Capital Market Publishers India Private Limited
SNK Investments Private Limited

Clause (b) (vii) **A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of**

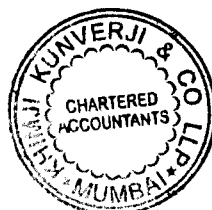
None



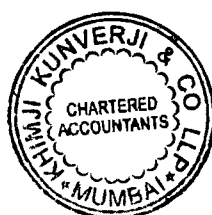
JM FINANCIAL PRODUCTS LIMITED
Notes on Reformatted Consolidated Summary Financial Statements

Details of transactions with related parties

Name of the related party	Nature of relationship	Rupees in Crore		
		As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
JM Financial Limited	Clause (b) (i)			
Dividend paid		16.23	10.82	91.96
Reimbursement of employees expenses		0.98	2.22	2.99
Lead Manager Fees paid		-	0.30	-
Reimbursement of Expenses - Recd		-	0.01	-
Transfer of Gratuity Liability		-	0.10	0.07
JM Financial Services Limited	Clause (b) (i)			
Inter Corporate Deposits given		436.00	244.00	665.00
Inter Corporate Deposits repaid		436.00	244.00	665.00
Interest income on Inter Corporate Deposits given		0.33	0.21	0.93
Issue of market linked debentures		75.13	51.10	-
Arrangers Fees / Brokerage charges		0.62	5.27	0.21
Reimbursemen of Space Cost Paid		0.10	0.15	0.07
Brokerage charges - Clientle		0.63	0.75	-
Purchase of Fixed Assets		0.03	-	-
Closing balance as at the year end - Debit		16.14	0.67	0.01
JM Financial Properties & Holdings Limited	Clause (b) (i)			
Inter Corporate Deposits given		-	35.00	147.00
Inter Corporate Deposits repaid		-	35.00	147.00
Interest income on Inter Corporate Deposits given		-	0.06	0.15
Space & other related cost paid		10.15	9.66	9.20
Reimbursement of expenses (paid)		1.53	1.69	1.34
Property Deposit given / (Refunded)		-	-	8.00
Closing balance as at the year end - Security Deposit given - Debit		8.00	8.00	8.00
JM Financial Institutional Securities Limited	Clause (b) (i)			
Transfer of Fixed Assets		-	-	0.01
Inter Corporate Deposit Given		-	28.00	-
Inter Corporate Deposit repaid		-	28.00	-
Interest Income on ICD Given		-	0.01	-
Brokerage paid on transaction of purchase and sell through		0.03	0.12	-
Infinite India Invst M Ltd	Clause (b) (i)			
Inter Corporate Deposits given		31.00	-	91.70
Inter Corporate Deposits repaid		31.00	-	91.70
Interest income on Inter Corporate Deposits given		0.30	-	2.72
Purchase of Debenture		-	-	83.82
J M Financial & Investment Consultancy Services Pvt Ltd	Clause (b) (vi)			
Space cost paid		0.13	0.14	0.07
Subscription to NCD Public issue of JM Financial Products Limited		-	10.00	-
Property Deposit given		-	-	0.04
Interest Paid on NCD (Public Issue)		1.03	-	-
Closing balance as at the year end - Security Deposit given - debit		0.06	0.04	0.04
Closing balance as at the year end - NCD - (Credit)		(10.00)	(10.00)	-
JM Financial Asset Management Limited	Clause (b) (i)			
Transfer of Gratuity Liability (Paid)		0.01	-	-
Purchase of Unlisted NCD of RMZ Buildcon Pvt Ltd		-	111.60	-



JM FINANCIAL PRODUCTS LIMITED					
Notes on Reformatted Consolidated Summary Financial Statements					
Name of the related party	Nature of relationship	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	
J M Assets Management Private Limited	Clause (b) (vi)				
Subscription to NCD Public issue of JM Financial Products Limited		-	10.00	-	
Interest Paid on NCD (Public Issue)		1.03	-	-	
Closing balance as at the year end - NCD - (Credit)		(10.00)	(10.00)	-	
Astute Investments	Clause (b) (i)				
Recovery of rent expenses		0.03	0.03	0.03	
Loan Given		224.74	6.00	94.43	
Loan repaid		224.74	30.43	70.00	
Interest income on loan given		1.94	0.72	2.30	
Closing Balance - Inter Corporate Deposits given		-	-	24.43	
JM Financial Capital Limited	Clause (b) (i)				
Transfer of Staff Loan Liability *		-	0.02	-	
Transfer of Gratuity (Received)		0.01	-	-	
Inter Corporate Deposits given		-	-	75.00	
Inter Corporate Deposits repaid		-	-	75.00	
Interest income on Inter Corporate Deposits taken		-	-	0.46	
Closing Balance as at the year end NCD - (credit)		-	(27.10)	-	
JM Financial Credit Solutions Limited	Clause (b) (i)				
Inter Corporate Deposits given		-	12.00	-	
Inter Corporate Deposits repaid		-	12.00	-	
Loan Purchased		-	60.64	-	
Interest received / receivable on NCD		-	0.19	-	
Gratuity recd on Transfer of employee		-	0.04	-	
Recovery of expenses/support service charges		3.05	5.76	5.70	
Subscription to equity shares of JM Financial Home Loans Ltd		50.00	-	-	
Closing Balance as at the year end NCD - (Debit) *		-	4.18	-	
Interest receivable on NCD - (Debit)		-	-	-	
Closing balance as at the year end - debit		3.37	6.22	6.16	
CR Retail Malls (India) Limited	Clause (b) (i)				
Inter Corporate Deposits given		-	1.20	227.05	
Inter Corporate Deposits repaid		-	44.22	214.04	
Interest income on Inter Corporate Deposits given		-	1.63	5.75	
Inter Corporate Deposits taken		10.00	60.00	-	
Inter Corporate Deposits repaid		50.00	20.00	-	
Interest Expenses on Inter Corporate Deposits taken		1.46	0.15	-	
Sale of Debentures		-	-	11.95	
Closing balance as at the year end - debit		-	-	43.02	
JM Financial Assets Reconstruction Company Ltd	Clause (b) (i)				
Inter Corporate Deposits given		136.00	-	25.00	
Inter Corporate Deposits repaid		136.00	-	25.00	
Interest income on Inter Corporate Deposits given		5.40	-	0.03	
Interest income on NCD		-	6.29	-	
amount recd on repayment of NCD		-	35.00	-	
Management Fees Paid		1.26	1.26	1.26	
Transfer of Fixed Assets		-	0.04	-	
Reimbursement of Expenses		0.06	0.06	-	

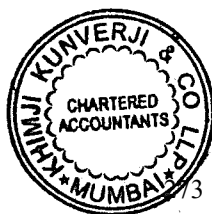


JM FINANCIAL PRODUCTS LIMITED
Notes on Reformatted Consolidated Summary Financial Statements

Name of the related party	Nature of relationship	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Mr. Vishal Kampani	Clause (a) (iii)			
Managerial remuneration		9.65	8.69	12.65
Purchase of Bond of Home Credit India Finance Private Limited		-	-	2.55
Subscription to NCD Public issue of JM Financial Products Limited		-	7.50	-
Interest Paid on NCD (Public Issue)		0.76	0.17	-
Closing Balance as at the year end - (credit)		(8.25)	(7.00)	(11.00)
Closing Balance as at the year end NCD - (credit)		(8.50)	(7.50)	-
Closing Balance as at the year end NCD Interest payable - (credit)		(0.02)	(0.02)	-
Mr. Nimesh N Kampani	Clause (a) (iii)			
Subscription to NCD Public issue of JM Financial Products Limited		-	7.00	-
Interest paid on NCD (Public Issue)		0.71	-	-
Closing Balance as at the year end NCD - (credit)		(8.00)	(7.00)	-
Ms. Aruna N Kampani	Clause (a) (iii)			
Subscription to NCD Public issue of JM Financial Products Limited		-	5.00	-
Interest paid on NCD (Public Issue)		0.51	-	-
Closing Balance as at the year end NCD - (credit)		(6.00)	(5.00)	-
Mr V P Shetty	Clause (a) (iii)			
Director Siting fees		0.03	0.02	0.02
Director Commission		0.10	0.10	0.25
Subscription to NCD Public issue of JM Financial Products Limited		-	1.00	-
Closing Balance as at the year end - (credit)		(0.10)	(0.10)	(0.25)
Closing Balance as at the year end NCD - (credit)		(1.00)	(1.00)	-
Ms.Roshini Bakshi	Clause (a) (iii)			
Director Siting fees		0.03	0.03	0.01
Director Commission		0.06	0.06	0.05
Closing Balance as at the year end - (credit)		(0.06)	(0.06)	(0.05)
Mr.Madhukar R. Umarji	Clause (a) (iii)			
Director Siting fees		-	0.02	0.03
Director Commission		-	0.06	0.07
Closing Balance as at the year end - (credit)		-	(0.06)	(0.07)
Mr.Eknath A. Kshirsagar	Clause (a) (iii)			
Director Siting fees		0.04	0.04	0.04
Director Commission		0.07	0.07	0.08
Closing Balance as at the year end - (credit)		(0.07)	(0.07)	(0.08)
Mr.Dhirendra Singh	Clause (a) (iii)			
Director Siting fees		0.04	0.04	0.03
Director Commission		0.06	0.06	0.07
Closing Balance as at the year end - (credit)		(0.06)	(0.06)	(0.07)

(iv) **Balances of related parties:**

Rupees in Crore				
Name of the related party	Nature of relationship	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Payables				
JM Financial Services Limited	Clause (b) (i)	16.14	(0.53)	-
JM Financial Asset Reconstruction Company Limited	Clause (b) (i)	-	0.06	-
J M Assets Management Private Limited	Clause (b) (i)	(10.00)	(10.00)	-
Astute Investments	Clause (b) (i)	-	-	24.43
JM Financial Capital Limited	Clause (b) (i)	-	(27.10)	-
JM Financial Credit Solutions Limited	Clause (b) (i)	3.37	10.41	6.16
CR Retail Malls (India) Limited	Clause (b) (i)	-	(40.10)	43.02
J M Financial & Investment Consultancy Services Private Limited	Clause (b) (i)	(10.00)	(10.00)	-
Mr. Vishal Kampani	Clause (a) (iii)	(16.77)	(14.52)	(11.00)
Mr. Nimesh N Kampani	Clause (a) (iii)	(8.00)	(7.00)	-
Mrs. Aruna N Kampani	Clause (a) (iii)	(6.00)	(5.00)	-
Mr.V P Shetty	Clause (a) (iii)	(1.10)	(1.10)	(0.25)
Mr.Dhirendra Singh	Clause (a) (iii)	(0.06)	(0.06)	(0.07)
Mr.Eknath A. Kshirsagar	Clause (a) (iii)	(0.07)	(0.07)	(0.08)
Mr.Madhukar R. Umarji	Clause (a) (iii)	-	(0.06)	(0.07)
Mrs.Roshini Bakshi	Clause (a) (iii)	(0.06)	(0.06)	(0.05)



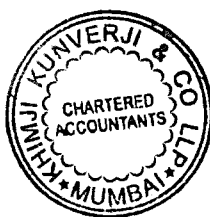
JM FINANCIAL PRODUCTS LIMITED				
Notes on Reformatted Consolidated Summary Financial Statements				
Rupees in Crore				
Name of the related party	Nature of relationship	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Security Deposits Receivable				
JM Financial Properties & Holdings Limited	Clause (b) (i)	8.00	8.00	8.00
J M Financial & Investment Consultancy Services Private Limited	Clause (b) (i)	0.06	0.06	0.06

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

37.2 Managerial remuneration excludes provision for gratuity as the incremental liability has been accounted for by the group as a whole.

37.3 The transactions disclosed above are exclusive of Goods and Services Tax.

37.4 The related party relationship are identified by management and relied upon by auditors.

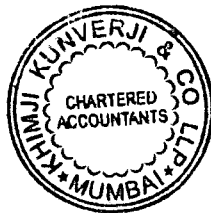


JM FINANCIAL PRODUCTS LIMITED
Notes on Reformatted Consolidated Summary Financial Statements

38 Maturity Analysis of Assets and Liabilities

(Rupees in Crore)

Sr No	Particulars	As at March 31, 2021			As at March 31, 2020			As at March 31, 2019		
		Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
1	Assets									
A	Financial Assets									
	Cash and cash Equivalents	252.32	-	252.32	58.15	-	58.15	147.02	-	147.02
	Bank Balance other than (A) above	117.54	8.27	125.81	60.05	-	60.05	60.10	-	60.10
	Loans	1,622.74	1,766.13	3,388.87	1,588.96	2,348.10	3,937.06	2,092.73	3,329.26	5,421.99
	Investment	1,368.34	49.22	1,417.56	1,167.41	6.55	1,173.96	379.86	43.16	423.02
	Other Financial Assets	455.58	5.34	460.92	157.91	5.15	163.06	81.86	4.53	86.39
	Total Financial Assets	3,816.52	1,828.96	5,645.48	3,032.48	2,359.80	5,392.28	2,761.57	3,376.95	6,138.52
2	Non Financial Assets									
	Current Tax Assets (Net)	-	26.88	26.88	-	27.43	27.43	-	24.39	24.39
	Deferred Tax Assets (Net)	-	46.48	46.48	-	33.12	33.12	-	28.66	28.66
	Property, Plant and Equipment	-	78.53	78.53	0.01	92.19	92.20	-	9.50	9.50
	Intangible Assets	-	2.01	2.01	-	2.65	2.65	-	2.82	2.82
	Intangible assets under development	-	-	-	-	-	-	-	0.39	0.39
	Other Non Financial Assets	10.17	0.14	10.31	2.70	6.17	8.86	5.02	4.99	10.01
	Total Non Financial Assets	10.17	154.04	164.21	2.71	161.55	164.26	5.02	70.75	75.77
	Total Assets	3,826.69	1,983.00	5,809.69	3,035.19	2,521.35	5,556.54	2,766.59	3,447.70	6,214.29
1	Liabilities and Equity									
A	Financial Liabilities									
	Payables									
	Trade payables									
	(i) total outstanding dues of micro enterprises and small enterprises	0.09	-	0.09	0.05	-	0.05	0.02	-	0.02
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1.34	-	1.34	2.64	-	2.64	1.61	-	1.61
	Debt Securities	1,323.25	2,090.40	3,413.65	1,166.28	1,629.20	2,795.48	1,826.10	1,720.05	3,546.15
	Borrowing (Other than Debt Securities)	219.50	175.97	395.47	606.67	325.29	931.96	373.53	700.34	1,073.88
	Other Financial Liabilities	40.63	75.73	116.36	32.24	81.14	113.38	27.08	1.07	28.16
	Total Financial Liabilities	1,584.81	2,342.10	3,926.91	1,807.88	2,035.63	3,843.51	2,228.36	2,421.46	4,649.82
2	Non Financial Liabilities									
	Current Tax Liabilities (Net)	0.93	0.18	1.11	2.79	-	2.79	0.31	-	0.31
	Provisions	2.17	2.81	4.98	2.54	2.55	5.09	2.17	1.60	3.77
	Other Non Financial Liabilities	4.16	2.10	6.26	3.68	1.75	5.43	7.15	-	7.15
	Total Non Financial Liabilities	7.26	5.10	12.36	9.01	4.30	13.31	9.63	1.60	11.23
3	Equity									
	Equity Share Capital	-	544.50	544.50	-	544.50	544.50	-	544.50	544.50
	Other Equity	-	1,305.91	1,305.91	-	1,153.73	1,153.73	-	1,007.54	1,007.54
	Non Controlling Interests	-	20.01	20.01	-	1.49	1.49	-	1.20	1.20
	Total Equity	-	1,870.43	1,870.43	-	1,699.72	1,699.72	-	1,553.24	1,553.24
	Total Liabilities and Equity	1,592.06	4,217.63	5,809.69	1,816.89	3,739.65	5,556.54	2,237.99	3,976.30	6,214.29



JM FINANCIAL PRODUCTS LIMITED

Notes on Reformatted Consolidated Summary Financial Statements

39 Financial Instruments

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.

For the purpose of the Group's capital management, capital includes issued capital and other equity reserves. 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.

(Rupees in Crore)

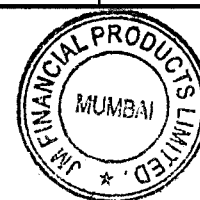
Borrowings	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Debt Securities	3,413.65	2,795.48	3,546.15
Borrowings (Other than Debt Securities)	395.47	931.96	1,073.88
Gross Debt	3,809.12	3,727.44	4,620.03
Less: Cash and cash Equivalents	252.32	58.15	147.02
Less: Other Bank Deposits	125.81	60.05	60.10
Less: Investment in liquid mutual fund	1,417.56	1,173.96	378.13
Adjusted Net Debt	2,013.43	2,435.28	4,034.78
Total Equity	1,870.42	1,699.72	1,553.24
Adjusted Net Debt to equity ratio	1.08	1.43	2.60

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

The Company is subject to capital adequacy ratio ("CAR") requirements which are prescribed by the RBI. The Company is currently required to maintain a minimum 15.00% as prescribed under the prudential norms of the RBI under the Master Direction – Non-Banking Financial Company – Systemically Important Non Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 based on the total capital to risk weighted assets as part of the governance policy. We generally maintain capital adequacy higher than the statutorily prescribed CAR. As at March 31, 2021, the capital adequacy ratio, which was computed on the basis of the applicable RBI requirements, was 34.96%, as compared to the minimum capital adequacy requirement of 15.00% as stipulated by the RBI. We believe that our high capital adequacy gives us significant headroom to grow our business.

(Rupees in Crore)

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
CRAR prescribed by RBI	15.00%	15.00%	15.00%
Total capital adequacy ratio			
i) Tier I	33.71%	31.25%	24.87%
ii) Tier II	1.25%	0.68%	0.58%



JM FINANCIAL PRODUCTS LIMITED
Notes on Reformatted Consolidated Summary Financial Statements

40 Financial instruments

A Fair value

Classes and categories of financial instruments and their fair values

The following table combines information about:

- classes of financial instruments based on their nature and characteristics
- the carrying amounts of financial instruments
- fair values of financial instruments (except financial instruments when carrying amount approximates their fair value); and
- fair value hierarchy levels of financial assets and financial liabilities for which fair value was disclosed

Set out below, is the accounting classification of financial instruments:

1 Accounting classification

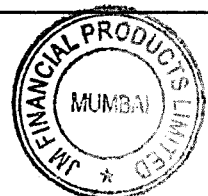
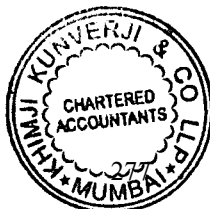
(Rupees in Crore)

As at March 31, 2021	FVTPL	FVTOCI	Amortised Cost	Total
Financial Assets				
Cash and cash Equivalents	-	-	252.32	252.32
Bank Balance other than (A) above	-	-	125.81	125.81
Loans	-	-	3,388.87	3,388.87
Investments	1,417.56	-	-	1,417.56
Other Financial Assets	428.74	-	32.18	460.92
Total Financial Assets	1,846.30	-	3,799.18	5,645.48
Financial Liabilities				
Borrowings & Debt Securities	-	-	3,809.12	3,809.12
Trade Payables	-	-	1.43	1.43
Other Financial Liabilities	-	-	116.36	116.36
Total Financial Liabilities	-	-	3,926.91	3,926.91

(Rupees in Crore)

As at March 31, 2020	FVTPL	FVTOCI	Amortised Cost	Total
Financial Assets				
Cash and cash Equivalents	-	-	58.15	58.15
Bank Balance other than (A) above	-	-	60.05	60.05
Loans	-	-	3,937.06	3,937.06
Investments	1,173.96	-	-	1,173.96
Other Financial Assets	140.62	-	22.44	163.06
Total Financial Assets	1,314.58	-	4,077.70	5,392.28
Financial Liabilities				
Debt Securities	-	-	2,795.48	2,795.48
Borrowings (Other than Debt Securities)	-	-	931.96	931.96
Trade Payables	-	-	2.69	2.69
Other Financial Liabilities	-	-	113.38	113.38
Total Financial Liabilities	-	-	3,843.51	3,843.51

As at March 31, 2019	FVTPL	FVTOCI	Amortised Cost	Total
Financial Assets				
Cash and cash Equivalents	-	-	147.02	147.02
Bank Balance other than (A) above	-	-	60.10	60.10
Loans	-	-	5,421.99	5,421.99
Investments	423.02	-	-	423.02
Other Financial Assets	49.18	-	37.21	86.39
Total Financial Assets	472.20	-	5,666.33	6,138.52
Financial Liabilities				
Debt Securities	-	-	3,546.15	3,546.15
Borrowings (Other than Debt Securities)	-	-	1,073.88	1,073.88
Trade Payables	-	-	1.63	1.63
Other Financial Liabilities	-	-	28.16	28.16
Total Financial Liabilities	-	-	4,649.82	4,649.82



JM FINANCIAL PRODUCTS LIMITED
Notes on Reformatted Consolidated Summary Financial Statements

Notes:

- a The group considers that the carrying amounts recognised in the financial statements for loans, Debt Securities and borrowings approximate their fair values.
b For financial assets that are measured at fair value, except those included in point (a) above, the carrying amounts are equal to the fair values.

Includes debt securities issued at fixed rate of interest for which carrying value and fair value are as under :

As At	(Rupees in Crore)	
	Carrying Value	Fair Value
As at March 31, 2021	2,691.02	2,658.89
As at March 31, 2020	2,520.79	2,516.60
As at March 31, 2019	2,430.58	2,393.65

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 : Hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which 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.

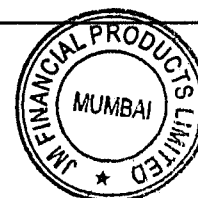
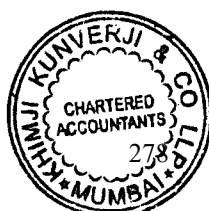
Level 2 : The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

(Rupees in Crore)					
As at March 31, 2021	Carrying Value	Level 1	Level 2	Level 3	Total
Financial Assets					
Measured at FVTPL					
Investments in Mutual Fund	1,288.72	1,288.72	-	-	1,288.72
Investments in Security Receipts	27.47	-	-	27.47	27.47
Investments in Equity Instruments	101.37	44.52	35.08	21.77	101.37
Other Financial Assets					
Debt instruments	428.74	214.19	124.87	89.68	428.74
Total Financial Assets	1,846.30	1,547.43	159.95	138.92	1,846.30
As at March 31, 2020	Carrying Value	Level 1	Level 2	Level 3	Total
Financial Assets					
Measured at FVTPL					
Investments in Debentures or Bonds					
Investments in Mutual Fund	1,096.57	1,096.57	-	-	1,096.57
Investments in Security Receipts	30.52	-	-	30.52	30.52
Investments in Equity Instruments	46.87	20.00	20.32	6.55	46.87
Other Financial Assets					
Debt instruments	140.62	23.05	17.34	100.23	140.62
Total Financial Assets	1,314.58	1,139.62	37.66	137.30	1,314.58
As at March 31, 2019	Carrying Value	Level 1	Level 2	Level 3	Total
Financial Assets					
Measured at FVTPL					
Investments in Mutual Fund	378.13	378.13	-	-	378.13
Investments in Security Receipts	37.61	-	-	37.61	37.61
Investments in Equity Instruments	7.28	-	-	7.28	7.28
Other Financial Assets					
Debt instruments	49.18		49.18		49.18
Total Financial Assets	472.20	378.13	49.18	44.89	472.20

Except for those financial instruments for which the carrying amounts 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.



JM FINANCIAL PRODUCTS LIMITED
Notes on Reformatted Consolidated Summary Financial Statements

Valuation techniques used to determine the fair values:

- (a) Listed equity instruments and mutual funds which are fair valued using quoted prices and closing NAV in the market.
(b) Discounted cash flow method has been used to determine the fair value. The discounting factor used has been arrived at after adjusting the rate of interest for the financial assets by the difference in the Government Securities rates from date of initial recognition to the reporting dates.
(c) Those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

3 Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the period ended March 31, 2021, March 31, 2020 and March 31, 2019.

(Rupees in Crore)				
Particulars	Security receipts	Equity shares	Preference shares	Debt instruments
As at April 01, 2018	56.78	0	7.52	0
Acquisitions	-	-	-	-
Gains / (Losses) recognized	(19.17)	-	(0.24)	-
Reclassification from Level 2 to Level 3	-	-	-	-
Realisations	-	-	-	-
As at March 31, 2019	37.61	0	7.28	0
Acquisitions	-	-	-	106.50
Gains / (Losses) recognized	(5.40)	-	(0.73)	(5.27)
Reclassification from Level 2 to Level 3	-	-	-	-
Realisations	(1.69)	-	-	(1.00)
As at March 31, 2020	30.52	-	6.55	100.23
Acquisitions	-	5.34	9.66	-
Gains / (Losses) recognized	(3.05)	-	0.22	(10.55)
Reclassification from Level 2 to Level 3	-	-	-	-
Realisations	-	-	-	-
As at March 31, 2021	27.47	5.34	16.43	89.68

4 Sensitivity for instruments

(Rupees in Crore)

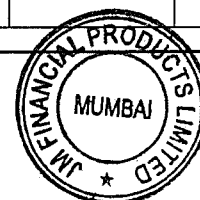
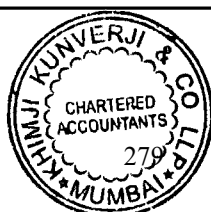
Nature of Instrument	Fair value As at March 31, 2021	Significant Unobservable Inputs	Increase / Decrease in the Unobservable Input	Sensitivity Impact for the year ended March 31, 2021	
				FV Increase	FV Decrease
Investment in Security receipts	27.47	Investment in Security receipts	5%	1.37	(1.37)
Investment in Equity shares	5.34	Impact estimated by the management considering current market conditions	5%	0.27	(0.27)
Investment in Preference shares	16.43	Estimated cash flow based on realisation of collaterals value, etc	5%	0.82	(0.82)
Debt instruments	89.68	Estimated cash flow based on realisation of collaterals value, etc	5%	4.48	(4.48)

(Rupees in Crore)

Nature of 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 Security receipts	30.52	Investment in Security receipts	5%	1.53	(1.53)
Investment in Preference shares	6.55	Estimated cash flow based on realisation of collaterals value, etc	5%	0.33	(0.33)
Debt instruments	100.23	Estimated cash flow based on realisation of collaterals value, etc	5%	5.01	(5.01)

(Rupees in Crore)

Nature of 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	37.61	Investment in Security receipts	5%	1.88	(1.88)
Investment in Preference shares	7.28	Estimated cash flow based on realisation of collaterals value, etc	5%	0.36	(0.36)



JM FINANCIAL PRODUCTS LIMITED
Notes on Reformatted Consolidated Summary Financial Statements

B 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 and interest rate risk)

Risk management framework

Risk management forms an integral part of the business. As a lending institution, the group is exposed to several risks related to the lending business and operating environment. The group have established a risk management and audit framework to identify, assess, monitor and manage various types of internal and external 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 reviews, identifies, monitors and measures the risk profile and risk measurement system of the group.

i) Credit Risk

Credit risk is the risk of loss that may occur from defaults by our customers under loan agreements. In order to assess credit risk, a separate set of credit policies that outline a standardized structure approach for customer selection. Credit approvers and relationship managers are responsible for ensuring adherence to these policies.

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.

The Group has applied management overlays to the ECL Model to consider the impact of the Covid-19 pandemic on the provision. The probability of default and loss given default have been assessed considering the likelihood of increased credit risk and consequential default due to pandemic.

Collateral held as security and other credit enhancements

The Group has set out security creation requirements in the loan documents. In most lending transaction the Group maintains a reasonable security and receivables cover of the loan amount. This gives enough flexibility in the event asset prices come down or there is a cost overrun. It also helps ensure equity of the promoter in terms of the residual value cover.

In order to minimise credit risk, the Credit Committee has developed and maintain the Group's credit risk gradings to categorise exposures according to their degree of risk of default.

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.

Risk and monitoring team are assisted by officers who are also responsible for the collection of installments from each customer that are serviced by them. The Group believes that our close monitoring of debt servicing enables us to maintain high recovery ratios and maintain satisfactory asset quality.

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

For PD and Loss Given Default (LGD) the group has relied upon the internal and external information.

The table below shows the credit quality and the exposure to credit risk based on the year-end stage classification. The amounts presented are gross of impairment allowances.

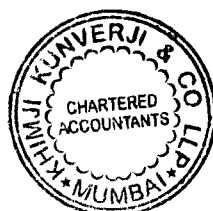
(Rupees in Crore)

Category	March 31,2021	March 31,2020	March 31,2019
Stage 1	3,307.98	3,791.08	5,432.63
Stage 2	181.05	239.51	21.73
Stage 3	59.64	5.26	3.69

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to corporate lending.

(Rupees in Crore)

Category	2020 - 21			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	3,791.08	239.51	5.26	4,035.85
New assets originated or purchased	1,033.89	1.90	0.01	1,035.80
Assets derecognised or repaid (excluding write offs)	(1,476.42)	(42.58)	(2.17)	(1,521.17)
Transfers to Stage 1	73.89	(73.89)	-	-
Transfers to Stage 2	(111.93)	111.93	-	-
Transfers to Stage 3	(2.27)	(55.82)	58.09	-
"Impact on year end ECL of exposures transferred between stages during the year"	(40.31)	(17.78)	58.09	-
Amount Write Off	(0.25)	-	(1.57)	(1.82)
Gross carrying amount closing balance	3,307.98	181.05	59.64	3,548.66



JM FINANCIAL PRODUCTS LIMITED
Notes on Reformatted Consolidated Summary Financial Statements

Category	2019 - 20			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	5,432.63	21.73	3.69	5,458.05
New assets originated or purchased	1,430.11	81.97	-	1,512.08
Assets derecognised or repaid (excluding write offs)	(2,920.43)	(13.83)	(0.03)	(2,934.28)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(149.64)	149.64	-	-
Transfers to Stage 3	(1.60)	-	1.60	-
"Impact on year end ECL of exposures transferred between stages during the year"	(151.24)	149.64	1.60	-
Gross carrying amount closing balance	3,791.08	239.51	5.26	4,035.85

Category	2018 - 19			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	6,576.42	13.10	16.83	6,606.35
New assets originated or purchased	2,347.02	-	-	2,347.02
Assets derecognised or repaid (excluding write offs)	(3,464.54)	(0.46)	(28.48)	(3,493.48)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(9.09)	9.09	-	-
Transfers to Stage 3	(17.17)	-	17.17	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	(1.83)	(1.83)
Gross carrying amount closing balance	5,432.63	21.73	3.69	5,458.05

(Rupees in Crore)

Category	2020 - 21			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance opening balance	39.61	57.23	1.96	98.80
New assets originated or purchased	60.86	(3.00)	0.08	57.94
Assets derecognised or repaid (excluding write offs)	(12.83)	(1.15)	(1.48)	(15.46)
Transfers to Stage 1	0.83	(2.64)	-	(1.81)
Transfers to Stage 2	(1.09)	6.58	-	5.49
Transfers to Stage 3	(0.12)	(9.82)	24.77	14.83
"Impact on year end ECL of exposures transferred between stages during the year"	(0.38)	(5.88)	24.77	18.51
ECL allowance - closing balance	87.26	47.20	25.33	159.79

(Rupees in Crore)

Category	2019 - 20			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance opening balance	35.39	0.31	0.37	36.07
New assets originated or purchased	22.64	6.12	1.11	29.87
Assets derecognised or repaid (excluding write offs)	(15.54)	(0.07)	-	(15.62)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(2.87)	50.87	-	48.00
Transfers to Stage 3	(0.01)	-	0.48	0.48
"Impact on year end ECL of exposures transferred between stages during the year"	-	-	-	-
ECL allowance - closing balance	39.61	57.23	1.96	98.80

(Rupees in Crore)

Category	2018-19			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance opening balance	37.33	0.20	4.24	41.77
New assets originated or purchased	17.16	-	-	17.16
Assets derecognised or repaid (excluding write offs)	(17.14)	(0.13)	(5.59)	(22.86)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(0.24)	0.24	-	-
Transfers to Stage 3	(1.72)	-	1.72	-
"Impact on year end ECL of exposures transferred between stages during the year"	-	-	-	-
ECL allowance - closing balance	35.39	0.32	0.37	36.07

ii) Liquidity Risk

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group access public funds for businesses. Liquidity may be affected due to severe liquidity crunch in the market or due to market disruptions where the group is unable to access public funds.

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

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

The Group has undrawn lines of credit of Rs. 218.92 Crore, Rs. 251.63 Crore, and Rs.152.74 Crore as of March 31, 2021, 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.



JM FINANCIAL PRODUCTS LIMITED
Notes on Reformatted Consolidated Summary Financial Statements

Exposure to liquidity risk

The following are the details of Group's remaining contractual maturities of financial liabilities and assets at the reporting date.

(Rupees in Crore)

March 31, 2021	Carrying Amount	0-1 Year	1-3 Years	3-5 Years	More than 5 Years
Financial liabilities					
Debt Securities	3,413.65	1,323.25	1,297.49	303.92	488.99
Borrowing (Other than Debt Securities)	395.47	219.50	127.95	38.06	9.96
Other Financial Liabilities	116.36	40.63	20.14	18.48	37.11
Trade Payable	1.43	1.43	-	-	-
Total Financial Liabilities	3,926.91	1,584.81	1,445.58	360.46	536.06
Financial Assets					
Cash and cash Equivalents	252.32	252.32	-	-	-
Bank Balance other than above	125.81	117.54	5.27	3.00	-
Loans	3,388.87	1,610.45	1,043.87	323.01	411.54
Investments	1,417.56	1,368.34	27.47	-	21.75
Other Financial Assets	460.92	455.58	5.02	0.32	-
Total Financial Assets	5,645.48	3,804.23	1,081.63	326.33	433.29

(Rupees in Crore)

March 31, 2020	Carrying Amount	0-1 Year	1-3 Years	3-5 Years	More than 5 Years
Financial liabilities					
Debt Securities	2,795.48	1,166.28	1,316.70	244.80	67.70
Borrowing (Other than Debt Securities)	931.96	606.67	281.37	43.91	-
Other Financial Liabilities	113.38	32.24	17.55	15.18	48.41
Trade Payable	2.69	2.69	-	-	-
Total Financial Liabilities	3,843.51	1,807.89	1,615.62	303.89	116.11
Financial Assets					
Cash and cash Equivalents	58.15	58.15	-	-	-
Bank Balance other than above	60.05	60.05	-	-	-
Loans	3,937.06	1,588.96	994.84	592.79	760.46
Investments	1,173.96	1,167.41	6.55	-	-
Other Financial Assets	163.06	157.92	4.49	0.65	0.01
Total Financial Assets	5,392.28	3,032.49	1,005.88	593.44	760.47

(Rupees in Crore)

March 31, 2019	Carrying Amount	0-1 Year	1-3 Years	3-5 Years	More than 5 Years
Financial liabilities					
Debt Securities	3,546.15	1,826.10	1,438.03	250.80	31.22
Borrowing (Other than Debt Securities)	1,073.88	373.53	670.34	30.00	-
Other Financial Liabilities	28.16	27.08	0.03	0.03	1.02
Trade Payable	1.63	1.63	-	-	-
Total Financial Liabilities	4,649.82	2,228.35	2,108.40	280.83	32.24
Financial Assets					
Cash and Cash Equivalents	147.02	147.02	-	-	-
Bank Balance other than above	60.10	60.10	-	-	-
Loans	5,421.99	2,092.73	2,532.65	486.60	310.02
Investments	423.02	379.86	43.17	-	-
Other Financial Assets	86.38	81.86	0.02	0.38	4.11
Total Financial Assets	6,138.52	2,761.57	2,575.84	486.98	314.13

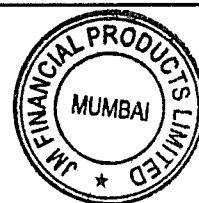
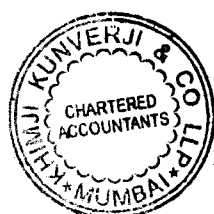
The inflows/(outflows) disclosed in the above table represent the contractual cash flows relating to financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity

iii) Market risk

The Group's activities expose it primarily to the interest rates.

Interest rate risk

The group is exposed to interest rate risk as it has assets and liabilities based on floating interest rates as well. The group has an approved Asset and Liability Management Policy which empowers the Asset and Liability Management Committee (ALCO) to assess the interest rate risk run by it and provide appropriate guidelines to the Treasury to manage the risk. The ALCO reviews the interest rate risk on periodic basis and decides on the asset profile and the appropriate funding mix. The ALCO reviews the interest rate gap statement and the interest rate sensitivity analysis.



JM FINANCIAL PRODUCTS LIMITED
Notes on Reformatted Consolidated Summary Financial Statements

Exposure to interest rate risk

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

(Rupees in Crore)

	March, 31 2021	March, 31 2020	March, 31 2019
Financial assets			
Fixed-rate instruments	1,637.63	1,381.93	2,591.88
Floating-rate instruments	1,860.38	2,591.40	2,801.99
Total	3,498.02	3,973.33	5,392.87
Financial Liabilities			
Fixed-rate instruments	3,328.15	2,651.64	3,443.01
Floating-rate instruments	266.57	862.55	1,007.81
Total	3,594.72	3,514.19	4,450.82

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:

(Rupees in Crore)

	March, 31 2021		March, 31 2020		March, 31 2019	
	100 bps higher	100 bps Lower	100 bps higher	100 bps Lower	100 bps higher	100 bps Lower
Floating-rate borrowings	(2.67)	2.67	(8.63)	8.63	(10.08)	10.08
Floating-rate loans	18.60	(18.60)	25.91	(25.91)	28.01	(28.01)
	15.94	(15.94)	17.29	(17.29)	17.93	(17.93)



JM FINANCIAL PRODUCTS LIMITED**Notes on Reformatted Consolidated Summary Financial Statements****41 Utilisation of Issue Proceeds:**

There has been no deviation in the utilisation of issue proceeds of publically issued secured redeemable NCD, from the Objects as stated in the Tranche I, Tranche II and Tranche III document dated April 11, 2019, July 31, 2019 and February 10, 2020 respectively.

42 Employee Stock Option Scheme:

During the current year, based on the request made by the Company, JM Financial Limited (ultimate holding company), granted the Stock Options to the eligible employees and/or directors (the Employees) of the Company. Out of the total number of Options granted by JM Financial Limited, the following Stock Options cost pertain to the employees of the Company

Rupees in Crore

Particular	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Charge on account of the above scheme included in employee benefit expenses	1.14	2.20	2.96

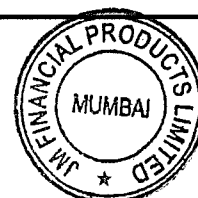
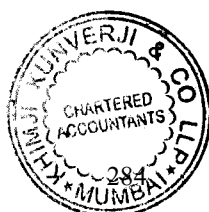
43 Disclosure required in terms of Regulation 34(3) and 53(f) Of Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015:

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

Rupees in Crore

Name of the company	Relationship	Maximum Balance	Closing Balance	Maximum Balance	Closing Balance	Maximum Balance	Closing Balance
		FY 2020-21		FY 2019-20		FY 2018-19	
JM Financial Services Limited	Fellow Subsidiary	200.00	-	150.00	-	175.00	-
JM Financial Investment Managers Limited (upto January 18 2018)	Fellow Subsidiary	-	-	-	-	-	-
Infinite India Investment Management Limited	Fellow Subsidiary	-	-	-	-	91.70	-
JM Financial Credit Solutions Limited	Fellow Subsidiary	-	-	12.00	-	-	-
JM Financial Properties & Holdings Limited	Fellow Subsidiary	-	-	35.00	-	108.00	-
Astute Investments	Fellow Subsidiary	155.85	-	30.43	-	120.00	24.73
CR Retail Malls (India) Limited	Fellow Subsidiary	-	-	43.02	-	206.60	43.02
JM Financial Institutional Securities Limited	Fellow Subsidiary	-	-	28.00	-	-	-
JM Financial Capital Limited	Fellow Subsidiary	-	-	-	-	35.00	-
JM Financial Asset Reconstruction Private Limited	Fellow Subsidiary	136.00	-	-	-	25.00	-

Loans and advances shown above are interest bearing, repayable on demand and are utilised for their business purposes.



JM FINANCIAL PRODUCTS LIMITED
Notes on Reformatted Consolidated Summary Financial Statements

- 44 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 and in accordance therewith, the group had provided moratorium on the payment of all principal amounts and/or interest, as applicable, falling due between March 1, 2020 and August 31, 2020 to all eligible borrowers classified as standard, even if the said amounts were overdue on February 29, 2020. For all such accounts, where the moratorium was granted, the asset classification remained 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).

The provision for expected credit loss on financial assets as at March 31, 2021 aggregates Rs. 159.79 crore (as on March 31, 2020 - Rs. 98.80 crore, as on March 31, 2019 - Rs 36.07 crore) which includes management overlay for the potential impact on account of the pandemic is Rs. 84.43 crore (as on March 31, 2020 - Rs. 17.30 crore). Based on the current indicators of future economic conditions, the Company considers these provisions to be adequate. Accordingly, the impairment provision for the year ended March 31, 2021 and year ended March 31, 2020 are Rs.67.13 crore and Rs.17.30 crore respectively

The extent to which the pandemic impact future results of the Company will depend on future developments, which are highly uncertain. Given the uncertainty over the potential macro-economic condition and judicial decisions, the impact of the COVID pandemic may be different from that estimated as at the date of approval of these financial results 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.



JM FINANCIAL PRODUCTS LIMITED
Notes on Reformatted Consolidated Summary Financial Statements

45 A) Entities considered for Consolidation

Information about the composition of the Group at the end of the reporting period is as follows:

Name of the Entity	Principal activity	Country of incorporation	Proportion of ownership interest and voting power held by the group		
			As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Subsidiary in India JM Financial Home Loans Limited	Housing Finance	India	(%) 90.1%	(%) 99.0%	(%) 99.0%

B) Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/Associate.

i) As at and for the year ended March 31, 2021

(Rupees in Crore)

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	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss
Parent JM Financial Products Limited	1,667.97	89.18%	137.63	100.70%	0.20	57.14%	137.83	100.60%
Subsidiary in India JM Financial Home Loans Limited	182.44	9.75%	(0.95)	-0.70%	0.15	42.86%	(0.80)	-0.59%
	1,850.41	98.93%	136.68	100.01%	0.35	100.00%	137.03	100.01%
Non Controlling Interests in subsidiary JM Financial Home Loans Limited	20.01	1.07%	(0.01)	-0.01%	0.00	0.00%	(0.01)	0.00%
Total	1,870.42	100%	136.67	100%	0.35	100%	137.02	100%

ii) As at and for the year ended March 31, 2020

Rupees in Crore

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	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss
Parent JM Financial Products Limited	1,550.65	91.23%	160.13	100.45%	2.00	-21.73%	205.90	104.14%
Subsidiary in India JM Financial Home Loans Limited	147.59	8.68%	(0.71)	-0.45%	(0.12)	111.19%	(8.18)	-4.14%
	1,698.23	99.91%	159.42	100.00%	(0.10)	99.00%	197.72	100.00%
Non Controlling Interests in subsidiary JM Financial Home Loans Limited	1.49	0.09%	(0.01)	0.00%	(0.00)	1.00%	(0.01)	0.00%
Total	1,699.72	100%	159.41	100%	(0.10)	100%	197.71	100%

iii) As at and for the year ended March 31, 2019

Rupees in Crore

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	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss
Parent JM Financial Products Limited	1,441.42	92.80%	205.80	104.10%	0.09	100.00%	205.90	104.10%
Subsidiary in India JM Financial Home Loans Limited	110.61	7.12%	(8.18)	-4.14%	0.00	0.84%	(8.18)	-4.14%
	1,552.04	99.92%	197.62	99.96%	0.09	100.84%	197.71	99.96%
Non Controlling Interests in subsidiary JM Financial Home Loans Limited	1.20	0.08%	0.08	0.04%	(0.00)	-0.84%	0.08	0.04%
Total	1,553.24	100%	197.70	100%	0.09	100%	197.80	100%



JM FINANCIAL PRODUCTS LIMITED
Notes on Reformatted Consolidated Summary Financial Statements

- 46 Expenditure towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 (read with schedule VII thereof)
- a) Gross amount required to be spent by the Group during the year FY21 Rs. 6.24 crore, FY20 Rs.6.29 crore, and FY19 Rs. 5.82 crore.
- b) Amount spent and paid during the year by way of donations to charitable trusts for FY21 Rs. 3.17 crore, FY20 Rs. 6.29 crore, and FY19 Rs. 5.82 crore.
- c) Provision created for CSR expenditure to be done - FY21 Rs 3.07 crore, FY20 Rs Nil, FY19 Rs Nil
- 47 The Board of Directors of the Company at their meeting held on April 28, 2021 have recommended a dividend of Re. 0.10 per share for the financial year ended 2020-21, subject to the approval of the Members at their ensuing Annual General Meeting.
- 48 During the quarter ended March 31, 2021, JM Financial Home Loans Limited, subsidiary of the Company has issued and allotted 1,48,19,206 equity shares of the face value of Rs. 10/- each at an issue price of Rs.33.74 per equity share aggregating to Rs. 50 crores on a preferential basis to one of the Company's fellow subsidiaries, viz., JM Financial Credit Solutions Limited. Consequent upon the said preferential allotment, the Company's shareholding in JM Financial Home Loans Limited has reduced from 99.00% to 90.10%.

49 Unhedged Foreign Currency Exposure

Particulars	Unhedged			Hedged through forward or derivative (#)			Natural Hedge
	<=1 Year	>1 Year	Total	<=1 Year	> Year	Total	<=1 Year
FCY Receivables							
Loans to JV/WOS	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
FCY Payables							
Imports	-	-	-	-	-	-	-
Trade Credits	-	-	-	-	-	-	-
ECBs	-	-	-	-	-	-	-
Other FCY loans	-	-	-	-	-	-	-
INR to USD swaps	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

#Note: Covered Option(s) is/are not included

- 50 Previous year's figures have been rearranged / regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

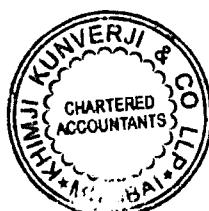
For and on behalf of the Board of Directors

Vishal Kampani

Vishal Kampani
 Managing Director
 DIN - 00009079

Nishit Shah

Nishit Shah
 Chief Financial Officer
 Place : Mumbai
 Date : August 31, 2021



DISCLOSURES ON EXISTING FINANCIAL INDEBTEDNESS

The outstanding borrowings of our Company as on June 30, 2021[#], are as follows:

(In ₹ crore)

S. No.	Nature of borrowings	Amount [@]	Percentage of the Total Borrowing
1.	Secured borrowings*	2,067.7	61.07%
2.	Unsecured borrowings**	1,318.0	38.93%
	Total	3,385.7	100%

[#]Total borrowing is excluding effective interest rate and NCD issue expenses impact amounting to ₹ (14.9) crore.

[@]Excluding Interest accrued but not due on borrowings amounting to ₹ 128.4 crore.

*Borrowing through non - convertible debentures considered at face value without considering premium / unamortized discount on issue of ₹ 0.4 crore.

**Borrowing through commercial papers considered at face value without considering discount of ₹ (15.1) crore.

**Borrowing includes commercial papers towards episodic funding of ₹ 949.54 crore. Excluding the episodic financing, the percentage of the total borrowing for secured borrowing is 84.88 % and unsecured borrowing is 15.12%.

Set forth below, is a summary of the borrowings by our Company as at June 30, 2021 together with a brief description of certain significant terms of such financing arrangements.

A. Details of Secured Borrowings:

Our Company's secured borrowings as on June 30, 2021 amount to ₹ 2,067.7 crore. The details of the individual borrowings are set out below:

1. Cash Credit facilities available by our Company

(In ₹ crore)

S. No.	Name of Lender	Date of Sanction	Amount sanctioned	Amount outstanding as on June 30, 2021	Security	Repayment Date / Schedule	Penalty
1.	IDBI Bank Limited **	January 15, 2016 and September 5, 2017 and further modified by letter dated October 25, 2018 & May 20, 2020	60.0	0.0	Secured by way of a floating first par-passu charge by way of hypothecation of the Company's loan receivables / book debts, with an asset cover of at least 1.25 times.	On demand	Diversion of facilities to inter-corporate deposits, debentures, stocks and shares, etc and inability to meet other terms and conditions will result in withdrawal of facilities and a penal interest of 2% over and above the rate charges will be enforced till the repayment. Delay in submission of stock and debtors statements and cash flow statements will attract penal interest 2% over and above the rate charged.
		TOTAL	60.0	0.0			

**We have received revised sanction letter dated May 20, 2020 and the same is under further discussions with the bank

2. Term Loans available by our Company*@

(In ₹ crore)

S. N o.	Name of Lender	Date of sanction	Amount sanctioned	Amount outstanding as on June 30, 2021	Security	Repayment Date / Schedule	Pre-payment	Penalty
1.	Bank of Baroda	March 23, 2018 and further modified by sanction letter dated July 31, 2018 and further modified by review Sanction letter dated January 18, 2021	100.0	28.5	Secured by a first pari-passu charge on the Company's loan receivables with an asset cover of at-least 1.25 times.	Repayable in 14 equal quarterly installments which will commence after moratorium of 6 months from the date of first disbursement.	Waiver of prepayment penalty in case of prepayment is made from own sources and after giving 30 days'	Penal interest at 2% p.a. on the entire outstanding above the rate applicable in case of non-compliance of terms, irregularities in account, non-

							notice/intimation to the bank. In all other cases applicable charges will be levied.	submission/delayed submission of book debt statement, default in payment.
2.	ICICI Bank Limited	November 8, 2018 and further modified by sanction letter dated December 10, 2018	150.0	37.5	Secured by a first pari-passu charge with other lenders under multiple banking arrangement on the entire receivables of the Company with a minimum asset coverage ratio of 1.20 times.	Repayable in 8 equal quarterly installments which will commence after moratorium of 4 quarters from the date of first disbursement.	Prepayment allowed in whole or in part (if in part, minimum amount of ₹ 10 crore or in multiples of ₹ 10 crore) or entire outstanding facility upon 15 business days' prior notice to the bank and subject to prepayment premium of 1.00%. If the payment is done within 1 year, Prepayment of 2.00% on principle amount.	Additional interest payable at 2% p.a. of the facility amount in case of non-compliance with sanction terms. Penal interest of 1% will be charged for non perfection of security after 90 days and penal interest of 2% will be charged after 120 days from the date of first disbursement.
3.	IDFC First Bank Limited	April 30, 2019	75.0	55.0	Secured by first pari-passu charge over identified loan receivable of the company with minimum security cover of 1.1x of outstanding amount of facility	Door to door tenor of 5 years with equal yearly principal repayment for each tranche of disbursement	Pre-payment is not permitted.	2% p.a. plus applicable rate of interest due to non-payment of interest/principal or any other amount on the due date or breach of terms and conditions under the facility / loan agreement and sanction letter. 2% p.a. plus applicable rate of interest due to non creation of security within the timelines

								and / or failure to comply with covenants relating to security to be calculated from the date falling on the expiry of 90 days from the date of the first disbursement till perfection of security or cure of any breach relating to security to the satisfaction of the bank.
4.	Bajaj Finance Limited	July 1, 2020	50.0	37.5	First pari-passu charge on the specific pool of receivables of the Borrower, not offered to bank for their credit facilities, to be utilized for borrowing from non-bank lenders by way of hypothecation on the loan instalments receivables, with a minimum asset cover of 1.20x of the principal amount outstanding at any point of time during the currency of the loan.	Repayment in 12 equal quarterly instalments	Prepayment penalty of 1% on the Outstanding amount in case the prepayment is made within one year from the date of disbursement Prepayment of loan thereafter shall be without prepayment premium/charges with a prior 30 days notice.	1% per annum over and above the regular interest rate shall be charged on the overdue amounts payable monthly in case of non payment of dues on the due dates. And payable for the period from the due date until payment. In the event of delayed/non-submission of Security/any documents related to security and/or delay/non-perfection of security, an additional interest of 1% per annum over and above the regular interest on the outstanding amount will be payable monthly by the borrower for the period of delay. Further in case of breach of non-

								compliance with any terms of facility letter or violation of any covenants or undertakings in relation to the facility, penal interest of 1% per annum over and above regular interest shall be payable monthly.
5.	Bajaj Finance Limited	July 16,2020	30.0	22.5	First pari-passu charge on the specific pool of receivables of the Borrower, not offered to bank for their credit facilities, to be utilized for borrowing from non-bank lenders by way of hypothecation on the loan instalments receivables, with a minimum asset cover of 1.20x of the principal amount outstanding at any point of time during the currency of the loan.	Repayment in 12 equal quarterly instalments	Prepayment penalty of 1% on the Outstanding amount in case the prepayment is made within one year from the date of disbursement Prepayment of loan thereafter shall be without prepayment premium/charges with a prior 30 days notice.	1% per annum over and above the regular interest rate shall be charged on the overdue amounts payable monthly in case of non payment of dues on the due dates. And payable for the period from the due date until payment. In the event of delayed/non-submission of Security/any documents related to security and/or delay/non-perfection of security, an additional interest of 1% per annum over and above the regular interest on the outstanding amount will be payable monthly by the borrower for the period of delay. Further in case of breach of non-compliance with any terms of facility letter or violation of any

								covenants or undertakings in relation to the facility, penal interest of 1% per annum over and above regular interest shall be payable monthly.
TOTAL			405.0	181.0				

*Borrowing through term loans are excluding effective interest rate impact amounting to ₹ (0.6) crore.

@ Excluding interest accrued but not due amounting to ₹ 0.3 crore.

Rescheduling: None of the Loan Documents provide for the rescheduling provision.

Events of default: The facility documents executed by our Company stipulate certain events as "Events of Default", pursuant to which our Company may be required to immediately repay the entire loan facility availed by it and be subject to additional penalties by the relevant lenders. Such events include, but are not limited to:

- (a) Any of the installment amount referred to herein above being unpaid on the due date for payment thereof.
- (b) Any representation and/or the statements made by our Company in the application being found to be incorrect and/or our Company committing any breach or default in the performance or observance of any terms, conditions or provisions contained in the said application and/or the letter of sanction.
- (c) Any corporate action, legal proceedings including but not limited to insolvency proceedings or other procedure or step is taken in relation to composition, compromise, assignment or arrangement withits creditor.
- (d) Any order being made or a resolution being passed for the winding up of our Company.
- (e) A receiver being appointed of the entire properties or any part thereof belonging to or under the control of our Company.
- (f) Our Company ceasing or threatening to cease to carry on business or giving or threatening to give notice of the Company's intention to do so.
- (g) A firm of accountants appointed by the lender certifying that the liabilities of our Company exceed the assets owned and/or under the control of our Company and/or that our Company is carrying on business in loss.
- (h) The occurrence of any event or circumstances which would or is likely to prejudicially or adversely affect in any manner the capacity of our Company to fulfill its obligations under the respective Transaction Documents.
- (i) Failure of the Borrower to pay on the due date upon which any amount is due and payable whether by way of interest, principal or any other sum stated as payable under this facility.
- (j) If the borrower commits any breach of or omit to observe any of its covenants, obligations or undertakings under the term loan and in case of any such breach or omission capable of being remedied, such breach or omission is not remedied within 15 days.
- (k) If any other borrowings of our Company are not paid when due or is likely to become prematurely payable or capable of being prematurely declared payable or if steps are taken to enforce any security for such indebtedness.
- (l) Our Company becomes insolvent.
- (m) Non compliance with applicable laws.

- (n) Any material change takes place which in the opinion of the lender in the projected and actual cash flows, financial condition, results of operation or business of our Company.
- (o) The Government of India or any competent authority takes or states officially that it intends to take, any step with a view to the seizure, expropriation, nationalization or acquisition of any of its assets or revenues.

3. Secured Non-Convertible Debentures

- (a) Our Company has issued on private placement basis, secured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 10,00,000 each and face value of ₹ 2,00,000 each under various tranches, of which ₹ 1,466.5 crore is cumulatively outstanding as on June 30, 2021, the details of which are set forth below: *@

Debenture Series	ISIN	Tenor period of maturity	Coupon / Effective Yield (in %)	Date of Allotment	Amount outstanding as on June 30, 2021	Redemption Date/Schedule	Credit Rating
Tranche BT - 2018 (XIV) – Option I	INE523H07999	1392 days	Floating rate at 220 bps over average of last three auction cut-off yields of 364 Days Treasury Bill (rounded off to two decimal) subject to no rating change, whereby spread over T-Bill will remain fixed for the whole tenor and 364 Days Treasury Bill yield will get reset every year. The applicable coupon for first year will be 9.52%.	September 7, 2018	150.0	June 30, 2022	ICRA AA/Stable and CRISIL AA/Stable
Tranche BU - 2018 (XV) – Option I	INE523H07AB3	1062 days	Zero Coupon	September 14, 2018	16.5	August 11, 2021	ICRA AA/Stable
Tranche BU - 2018 (XV) – Option II	INE523H07AC1	1095 days	Zero Coupon	September 14, 2018	30.0	September 13, 2021	ICRA AA/Stable
Tranche BU - 2018 (XV) – Option III	INE523H07AD9	1298 days	Zero Coupon	September 14, 2018	65.0	April 4, 2022	ICRA AA/Stable
Tranche BV - 2018 (XVI)	INE523H07AE7	1463 days	Zero Coupon	September 27, 2018	45.0	September 29, 2022	ICRA AA/Stable
Tranche BX – 2018 (XVIII)	INE523H07AC1	1068 days	Zero Coupon	October 11, 2018	10.0	September 13, 2021	ICRA AA/Stable
Tranche CB – 2019 (XXII) (Market Linked Debentures)	INE523H07AS7	731 days	Minimum – 9.45% p.a. (annualised return calculated on XIRR basis) Maximum – 9.50% p.a. (annualised return calculated on XIRR basis) However, in extreme situation no coupon amount will be paid.	November 22, 2019	50.0	November 22, 2021	PP-MLD [ICRA]AA/Stable
Tranche CC	INE523H07BD7	1095 days	9.10% p.a.	July 1, 2020	100.0	June 30, 2023	CRISIL AA/Stable and ICRA AA/Stable
Tranche CD	INE523H07BE5	1094 days	9.10% p.a.	July 28, 2020	25.0	July 27, 2023	ICRA AA/Stable
Tranche CE	INE523H07BF2	672 days	Minimum – 8.70% p.a. (annualised return calculated on XIRR basis) Maximum – 8.75% p.a. (annualised return calculated on XIRR basis)	August 4, 2020	50.0	June 7, 2022	PP-MLD [ICRA]AA/Stable

Debenture Series	ISIN	Tenor period of maturity	Coupon / Effective Yield (in %)	Date of Allotment	Amount outstanding as on June 30, 2021	Redemption Date/Schedule	Credit Rating
			However, in extreme situation no coupon amount will be paid.				
Tranche CG	INE523H07B F2	650 days	Minimum – 8.70% p.a. (annualised return calculated on XIRR basis) Maximum – 8.75% p.a. (annualised return calculated on XIRR basis) However, in extreme situation no coupon amount will be paid.	August 26, 2020	25.0	June 7, 2022	PP-MLD [ICRA]AA/Stable
Tranche CH	INE523H07B G0	547 days	8.40% p.a.	October 6, 2020	150.0	April 6, 2022	[ICRA] AA/Stable and CRISIL AA/Stable
Tranche CI	INE523H07B H8	3,652 days	8.65% p.a.	December 3, 2020	200.0	December 3, 2030	[ICRA] AA/Stable and CRISIL AA/Stable
Tranche CJ	INE523H07B I6	729 days	7.75% p.a.	January 14, 2021	300.0	January 13, 2023	[ICRA] AA/Stable and CRISIL AA/Stable
Tranche CK	INE523H07B J4	3,562 days	8.75% p.a.	February 12, 2021	65.0	February 12, 2031	[ICRA] AA/Stable and CRISIL AA/Stable
Tranche CL	INE523H07B J4	3,640 days	8.75% p.a.	February 24, 2021	30.0	February 12, 2031	[ICRA] AA/Stable and CRISIL AA/Stable
Tranche CM	INE523H07B K2	3,652 days	8.81% p.a.	March 12, 2021	55.0	March 12, 2031	[ICRA] AA/Stable and CRISIL AA/Stable
Tranche CN	INE523H07B K2	3,638 days	8.81% p.a.	March 26, 2021	100.0	March 12, 2031	[ICRA] AA/Stable and CRISIL AA/Stable
				Total	1,466.5		

* Above debentures are rated “[ICRA]AA/Stable”, “PP-MLD [ICRA]AA/Stable” (Market Linked Debentures) by ICRA Limited and/or “CRISIL AA/Stable” by CRISIL Ratings Limited and are fully secured by assets, moveable and/or immoveable.

@ Does not include interest / premium accrued but not due amounting to ₹ 108.8 crore. Borrowing through non – convertible debentures shown at face value without considering premium / unamortized discount on issue of ₹ 0.4 crore. Total borrowing is excluding effective interest rate impact amounting to ₹ (7.9) crore.

- (b) Our Company has made a public issue of secured, rated, listed and redeemable non-convertible debentures of face value of ₹ 1,000 each of which ₹ 420.0 crore is cumulatively outstanding as on June 30, 2021, the details of which are set forth below:*

Debenture Series	ISIN	Tenor period of maturity	Coupon Rate	Date of Allotment	Amounts outstanding as on June 30, 2021 (₹ in crore)	Redemption Date
Tranche I dated April 11, 2019						
Series - V - 60 months - Monthly -	INE523H07AK4	1827 days	10.04%	May 21, 2019	66.9	May 21, 2024
Series – VI - 60 months - Annual -	INE523H07AL2	1827 days	10.50%		100.1	May 21, 2024
Tranche II dated July 31, 2019						
Series – I - 38 months - Annual	INE523H07AM0	1157 days	10.20%	September 11, 2019	64.1	November 11, 2022
Series II - 38 months - Cumulative	INE523H07AN8	1157 days	NA		10.9	November 11, 2022

Debenture Series	ISIN	Tenor period of maturity	Coupon Rate	Date of Allotment	Amounts outstanding as on June 30, 2021 (₹ in crore)	Redemption Date
Series – III - 60 months - Annual - Series – III	INE523H07AO6	1827 days	10.30%		29.5	September 11, 2024
Series – IV - 60 months – Monthly	INE523H07AP3	1827 days	9.85%		15.4	September 11, 2024
Series – V- 84 months - Cumulative	INE523H07AQ1	2557 days	NA		8.3	September 11, 2026
Tranche III dated February 10, 2020						
Series – I - 24 Months - Annual - Series - I	INE523H07AW9	730 days	9.50%	March 16, 2020	31.1	March 16, 2022
Series – II - 24 Months - Cumulative	INE523H07AT5	730 days	NA		30.7	March 16, 2022
Series III - 40 Months - Annual - Series -III	INE523H07AX7	1217 days	9.70%		12.5	July 16, 2023
Series IV - 40 Months - Cumulative	INE523H07AU3	1217 days	NA		4.5	July 16, 2023
Series V - 40 Months - Monthly	INE523H07AY5	1217 days	9.29%		11.4	July 16, 2023
Series VI - 60 Months - Annual	INE523H07AZ2	1826 days	9.90%		10.3	March 16, 2025
Series -VII - 60 Months - Cumulative	INE523H07AV1	1826 days	NA		4.1	March 16, 2025
Series -VIII - 60 Months - Monthly -	INE523H07BA3	1826 days	9.48%		12.7	March 16, 2025
Series -IX - 120 Months - Annual	INE523H07BB1	3652 days	10.00%		2.4	March 16, 2030
Series -X - 120 Months - Monthly	INE523H07BC9	3652 days	9.57%		5.0	March 16, 2030
				Total	420.0	

*Above debentures are rated [ICRA]AA/(Stable) by ICRA Limited and CRISIL /AA Stable by CRISIL Ratings Limited and are fully secured by assets, moveable and immoveable.

@ Does not include Interest / premium accrued but not due amounting to ₹ 18.9 crore and excluding unamortised issue expenses of ₹ (6.4) crore.

4. Other Secured Borrowings

(a) Finance lease obtained by our Company

Nature	Name of Lessor	Amount outstanding as of June 30, 2021 (in ₹ crore)
Finance Lease	ORIX Leasing & Financial Services India Limited	0.2

(b) Overdraft against fixed deposits maintained by our Company

- Our Company has availed overdraft facility and working capital demand loans by creating an encumbrance over the fixed deposits maintained by our Company with ICICI Bank Limited. As on June 30, 2021, the outstanding amount is NIL.
- Our Company has availed overdraft facility by creating an encumbrance over the fixed deposits maintained by our Company with HDFC Bank Limited. As on June 30, 2021, the outstanding amount is Nil.

B. Loan from Directors and Relatives of Directors

Other than as set out in the disclosures under in "Our Management" on page 125 of this Shelf Prospectus and paragraph 3(b) above regarding subscription in public issue of secured, rated, listed and redeemable non-convertible debentures of face value of ₹ 1,000 each by the Directors, the Company has not availed any other indebtedness in the form of debentures, loans or any other debt instruments from its Directors or Relatives of Directors as on the date of this Shelf Prospectus.

C. **Commercial Papers**

Our Company has issued commercial papers of the face value of ₹ 5,00,000, aggregating to an outstanding amount of ₹ 1,293 crore as on June 30, 2021. The details of the commercial papers are set forth below*

S. No	ISIN	Number of instruments	Amount Outstanding as on June 30, 2021 (₹ in crore)	ISIN Maturity Date
1	INE523H14U10	360	18.0	23-07-2021
2	INE523H14V84	3,000	150.0	23-02-2022
3	INE523H14W00	3,500	175.0	04-03-2022
4	INE523H14W75	19,000	950.0	05-07-2021
Total			1,293.0	

Certain commercial papers are listed on NSE.

**Borrowing through commercial papers shown at face value without considering discount of ₹ (15.1) crore.*

D. **Details of any inter-corporate loans, deposits and other borrowings**

Our Company's has availed inter-corporate loans, the details of which is given below as on June 30, 2021:

S. No	Name of Lender	Date of drawdown	Amount sanctioned	Total amount outstanding* as on June 30, 2021 (in ₹ crore)	Date of maturity
1.	Reliance Strategic Business Ventures Limited	April 16, 2021	25.0	25.0	April 16, 2022
	TOTAL		25.0	25.0	

**Borrowing through inter corporate loans, deposits and other borrowings shown at face value without considering Interest / premium accrued but not due amounting to ₹ 0.4 crore.*

E. **Servicing behaviour on existing debt securities, payment of due interest on due dates on financing facilities or securities**

In the past 3 years, there has been no delay and /or default/s in servicing of debt/interest or in payment of principal and interest on any financing facilities or term loan or debt securities and other financial indebtedness including corporate guarantee issued by our Company in the past 3years including the current financial year

F. **The amount of corporate guarantee issued by our Company along with the name of the Counter party on behalf of whom it has been issued**

The Company has issued corporate guarantee in favour of National Housing Bank for an amount of ₹ 15 crore on behalf of JM Financial Home Loans Limited, subsidiary of the Company. This may restrict / delay some of the actions / initiatives of the Company from time to time.

G. **Details of any outstanding borrowings taken/ debt securities issued for consideration other than (a) in whole or in part, (b) at a premium or discount, or (c) in pursuance of an option as on June 30, 2021**

Our Company has no outstanding borrowings taken / debt securities issued where taken / issued (a) for consideration other than cash, whether in whole or in part, (b) at a premium or discount, or (c) in pursuance of an option as on June 30, 2021.

H. **Details of the rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on June 30, 2021**

Our Company does not have any other borrowings including hybrid debt instruments, such as foreign currency convertible bonds, preference shares or optionally convertible debentures, as on June 30, 2021.

I. **Restrictive Covenants under our Financing Arrangements:**

Some of the corporate actions for which our Company requires the prior written consent of lenders include the following:

1. make any substantial change to the general nature of its business from the existing business being carried on;
2. to enter into any arrangement regarding any amalgamation, demerger, merger or corporate reconstruction;
3. to create or permit to subsist any charge, lien or encumbrance over its undertaking or any part thereof in favour of any financial institution, bank, company, firm or persons which leads to shortfall in security cover provided against the facility;
4. amend or modify the articles or memorandum of association which will have a material adverse effect; and
5. utilize the facility for any purposes specifically restricted by the Reserve Bank of India or any other regulatory bodies.

MATERIAL DEVELOPMENTS

Except as stated in this Shelf Prospectus, no material developments have taken place in our Company since March 31, 2021, till the date of filing this Shelf Prospectus, which may have implications on the financials / credit quality at the time of Issue, which may affect the Issue or the investor's decision to invest or continue to invest in the debt securities.

SECTION VI – LEGAL AND OTHER INFORMATION

PENDING PROCEEDINGS AND STATUTORY DEFAULTS

Except as stated in this section there are no outstanding: (i) criminal proceedings; (ii) actions by statutory / regulatory authorities; (iii) claims for any indirect and direct tax liability; and (iv) other litigations which are identified as material in terms of the Materiality Policy (as defined hereinafter below), each involving the Company, its Subsidiary, its Directors, its Promoter and its Group Companies.

The NCD Public Issue Committee of our Company in their meeting held on August 31, 2021, adopted a threshold for determination of materiality for disclosure of litigations under the Draft Shelf Prospectus, this Shelf Prospectus and the Tranche Prospectus(es).

Save and except as disclosed herein below, there are no pending proceedings/litigations pertaining to:

- Matters likely to affect operations and finances of our Company including disputed tax liabilities of any nature;
- Criminal prosecution launched against our Company and its Directors for alleged offences under the enactments specified in Paragraph 1 of Part I of Schedule V to the Companies Act, 2013;
- Litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against the Promoter during the last three years immediately preceding the date of this Shelf Prospectus and /or any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action;
- Litigation involving our Company, the Promoter, our Company's Directors, its Subsidiary, its Group Companies or any other person, whose outcome could have material adverse effect on the position of our Company;
- Proceedings initiated against our Company for economic offences;
- Material regulatory proceedings against our Company or the Promoter and tax litigations resulting in material liabilities at the time of the Issue which may affect the Issue or an investor's decision to invest / continue to invest in the NCDs;
- Acts of material frauds committed against our Company in the last three years, if any, and if so, the action taken by the Company;
- Matters pertaining to default and non-payment of statutory dues;
- Any details of any inquiry, inspections or investigations initiated or conducted under the securities laws or Companies Act or any previous companies law in the last three years immediately preceding the year of issue of offer document in the case of company and all of its subsidiaries; and if there were any prosecutions filed (whether pending or not); fines imposed or compounding of offences done in the last three years immediately preceding the year of the prospectus for the company and all of its subsidiaries; and
- Fines imposed or compounding of offences in the last three years under the Companies Act, 2013 or any previous companies' law in the last five years in the case of the Company and its subsidiaries.

Further, save and except as disclosed herein there are no matters likely to affect operations and finances of the Company including disputed tax liabilities of any nature and there is no such litigation whose outcome could have material adverse effect on the position of our Company, the Promoter, our Company's Directors, its Group Companies, or any other person.

Further from time to time, our Company has been and continues to be involved in legal proceedings filed by and against us, arising in the ordinary course of our business. These legal proceedings are both in the nature of civil and criminal proceedings. Our Company believes that the number of proceedings in which it is / was involved is not unusual for a company of our size doing business in India.

For the purposes of determining material litigation, all outstanding litigation: (a) which is civil in nature and involves our Company, its Subsidiary, the Promoter, our Company's Directors or its Group Companies where the amount involved, to the extent quantifiable, is ₹18.29 crore or more; or (b) any other litigation, not being civil in nature, whose outcome could have a material impact on the business, operations, prospects or reputation of the Company; shall be considered as 'material litigation' for our Company, and accordingly have been disclosed in this Shelf Prospectus.

Unless stated to the contrary, the information provided below is as of the date of filing of this Shelf Prospectus.

1. **Litigation involving our Company**

(a) **Tax Cases**

- (i) For the assessment year 2011-2012, the Company received a notice for reassessment under Section 148 of the IT Act on March 27, 2018. The Company objected to the reopening of the assessment which was rejected by the assessing officer. The assessing officer has completed the reassessment after considering the submissions made by the Company and passed an order dated December 28, 2018 under Section 143(3) of the IT Act read with Section 147 of the IT Act, by making an addition of ₹ 12,68,00,000. The Company has received the reassessment order along with the demand notice of ₹ 18,40,20,330 on January 03, 2019. The Company has filed a rectification application against this which is intended to reduce the demand amount. Simultaneously, the Company has filed an appeal before the CIT (A) - 12, Mumbai on January 30, 2019. However, the hearings before the CIT (A), Mumbai are yet to commence.
- (ii) For the assessment year 2012-2013, the assessing officer made a disallowance of ₹ 9,29,56,537 under Section 14A of the IT Act. An appeal was filed before the CIT (A) on May 05, 2015 against the said assessment order. The CIT (A) has decided the appeal in the Company's favour vide order dated October 17, 2016. The IT Department has filed an appeal in the ITAT against the order of the CIT (A), Mumbai. The ITAT has passed an order dated December 31, 2018 dismissing the appeal of the IT Department. Thereafter in a Miscellaneous Application filed by the Company, the ITAT has passed the MA order dated 14 October 2019 in favour of the Company. The Income-tax department has filed an appeal before Bombay High Court against ITAT order. The said appeal is pending at admission stage in HC.
- (iii) For the assessment year 2013-2014, the assessing officer made a disallowance of ₹ 12,14,15,703 under Section 14A of the IT Act, vide order dated March 29, 2016. An appeal was filed before the CIT (A) – 8, Mumbai on April 28, 2016, against the said assessment order. However, the hearings before the CIT (A), Mumbai are yet to commence.
- (iv) For the assessment year 2014-2015, the assessing officer made a disallowance of ₹ 9,26,79,364 under Section 14A of the IT Act and of ₹ 1,25,11,372 on account of ESOP expenses, vide order dated December 24, 2016. An appeal was filed before the CIT (A) -12, Mumbai on January 23, 2017 against the said assessment order. However, the hearings before the CIT (A), Mumbai are yet to commence.
- (v) For the assessment year 2015-2016, the assessing officer made a disallowance of ₹ 14,71,87,949 under Section 14A of the IT Act and of ₹ 1,27,74,923 on account of ESOP expenses, vide an order dated December 18, 2017. We have filed an Appeal against the aforesaid assessment order before the CIT (A) – 12, Mumbai. However, the hearings before the CIT (A), Mumbai are yet to commence.
- (vi) For the assessment year 2016-2017, the assessing officer made a disallowance of ₹ 76,87,720 on account of ESOP expenses, vide an order dated December 25, 2018. The Company has filed an appeal against the aforesaid assessment order before the CIT (A) - 12, Mumbai on January 23, 2019.
- (vii) For the assessment year 2017-2018, the assessing officer made a disallowance of ₹ 93,25,853 under section 14A and ₹ 91,51,104 on account of ESOP expenses, vide an order dated December 20, 2019. The Company has filed an appeal against the aforesaid assessment order before the CIT (A) - 12, Mumbai on January 16, 2020.
- (viii) For the assessment year 2018-2019, the assessing officer made a disallowance of ₹ 1,04,36,245 under section 14A, vide an order dated March 18, 2021. The Company has filed an appeal against the aforesaid assessment order before the CIT (A) - NFAC on April 15, 2021.

(b) **Criminal Cases**

Our Company has initiated certain criminal litigations under Section 138 of the Negotiable Instruments Act, 1881 for recovery of approximately ₹ 690,44,731 from certain persons.

(c) **Civil Cases**

- (i) Insolvency proceedings have been initiated against Delhi Baroda Road Carrier Private Limited (“DBRCPL”) under the Insolvency and Bankruptcy Code, 2016, wherein our Company, amongst others, is one of the parties to such proceeding. Our Company has filed a claim of ₹ 26,33,59,733 against DBRCPL. The National Company Law Tribunal, New Delhi bench, on September 24, 2019 has commenced the corporate insolvency resolution process against DBRCPL, which is ongoing, and DBRCPL is currently under moratorium. The application for approval of the resolution plan along with the interlocutory applications is pending before the NCLT.

2. **Litigation involving the Promoter – JMFL**

- (i) For the assessment year 2008-2009, JMFL received a notice of demand dated December 06, 2010 under Section 156 of the IT Act stating that a sum of ₹ 315,74,15,522 was payable by it. JMFL filed an appeal with the CIT (A) – 8, Mumbai. By way of an order dated July 29, 2011 the CIT (A) – 8, Mumbai held that an amount of ₹ 17,71,36,61,381 was to be treated as profit of business which was taxable. The income of JMFL was also enhanced by ₹ 12,66,87,500. A sum of ₹ 1,32,86,120 was also directed to be disallowed and JMFL's income was enhanced by this amount. It was further clarified that a sum of ₹ 91,47,505 and ₹ 1,91,44,201 would not be allowed to be deducted as it had already been held that such loss being non-genuine was not allowable as deduction while computing taxable income of the assessee. The order held that JMFL had erroneously claimed excessive loss which amounted to concealment of its income and furnishing of inaccurate particulars of its true income. JMFL subsequently filed an appeal with the ITAT, which partly allowed the appeal for statistical purposes and remanded certain matters to the file of the assessing officer. JMFL filed an appeal before the High Court of Judicature at Mumbai to look into whether the ITAT had erred in holding that a disallowance could be made under Section 14A of the IT Act and whether such disallowance should be of ₹ 4,72,78,394. Separately, the Deputy Commissioner of Income Tax – 4(3), by way of an order dated March 14, 2014 determined the total income for the assessment year in question to be ₹ 17,75,16,28,371 and ordered that penalty proceedings be initiated under Section 271(1)(c) of the IT Act. In the appeal filed by JMFL against the said order dated March 14, 2014, the CIT (A) – 9, Mumbai vide his order dated April 30, 2015 held that the consideration of ₹ 17,71,36,61,381 received by JMFL on sale of equity shares of JM Morgan Stanley Securities Private Limited be charged to tax as long-term capital gains and also allowed deduction for the indexed cost of acquisition. The order further allowed the expenditure of ₹ 22,83,63,049 incurred in connection with the transfer of such shares. The CIT (A) – 9, Mumbai did not allow the claim for set-off of long-term capital loss and short-term capital loss incurred by JMFL on sale of equity shares of the Company. A further rectification order dated May 25, 2015 was passed by the CIT (A) – 9, Mumbai partly allowing the appeals. JMFL has filed an appeal before the ITAT against the order of the CIT (A) – 9, Mumbai not allowing the claim for capital losses on sale of equity shares of JMFL. Simultaneously, the IT Department has filed an appeal in the ITAT against the order of the CIT (A) – 9, Mumbai treating the gain on sale of equity shares of JM Morgan Stanley Securities Private Limited be charged to tax as long-term capital gains. The hearings before the ITAT took place on July 10, 2019 and on November 29, 2019. Thereafter, the matter was released by the sitting ITAT Members. The next date of hearing is on October 21, 2021.
- (ii) For the assessment year 2009-2010, the Additional Commissioner of Income Tax, Range 4(3), Mumbai, by way of an order dated December 13, 2011 directed that interest be charged under Section 234B and Section 234C of the IT Act and a demand notice be issued. The order directed that an amount of ₹ 7,61,37,727 be disallowed under Section 14A of the IT Act read with Rule 8D of the IT Rules and be added to the total income of JMFL. JMFL filed an appeal with the CIT (A) – 8, Mumbai who by way of an order dated April 11, 2012 partly allowed the appeals and directed that if certain parameters had been considered in passing the earlier order, an amount of ₹ 1,40,000 be reduced from the disallowance of ₹ 7,61,37,727. JMFL filed a further appeal to the ITAT which by way of an order dated March 26, 2014 allowed the appeal in full. In view of the favourable order received by JMFL from the ITAT, the IT Department filed an appeal with the High Court of Judicature at Mumbai and the same is

pending for disposal.

- (iii) For the assessment year 2012-2013, the Deputy Commissioner of Income Tax, 4(3)(1), Mumbai by way of an order dated March 28, 2015 disallowed an amount of ₹ 7,07,60,044 under Section 14A of the IT Act read with Rule 8D of the IT Rules. Further, an amount of ₹ 11,13,542 claimed as lease rentals on vehicles was disallowed and added back to the total income. JMFL has filed an appeal against this order with the CIT (A) – 9, Mumbai. In the appeal before the CIT (A) – 9, Mumbai, the Commissioner has, vide order dated October 31, 2019, deleted the disallowance of lease rentals on vehicles and also directed to reduce the disallowance u/s.14A as per the directions given in the appellate order. The Company has written to the Assessing Officer for passing the order giving effect to the CIT(A) Order and the same is awaited. Further, the Company has filed an appeal on December 23, 2019 before the ITAT Mumbai against the additional disallowance under section 14A upheld by the CIT(A). The Department has also filed appeal before the ITAT Mumbai against the CIT(A) Order giving partial relief in disallowance under section 14A and the allowing the deduction of car lease rentals. The next date of hearing is on October 7, 2021.
- (iv) For the assessment year 2013-2014, the Deputy Commissioner of Income Tax, 4(3)(1), Mumbai by way of an order dated January 06, 2016 disallowed an amount of ₹ 7,04,73,783 under Section 14A of the IT Act read with Rule 8D of the IT Rules for assessment year 2013-2014. Further, an amount of ₹ 10,10,492 claimed as lease rentals on vehicles was disallowed and added back to the total income. JMFL has filed an appeal against this order with the CIT (A) – 9, Mumbai. In the appeal before the CIT (A) – 9, Mumbai, the Commissioner has, vide order dated October 31, 2019, deleted the disallowance of lease rentals on vehicles and also directed to reduce the disallowance u/s.14A as per the directions given in the appellate order. The Company has written to the Assessing Officer for passing the order giving effect to the CIT(A) Order and the same is awaited. Further, the Company has filed an appeal on December 23, 2019 before the ITAT Mumbai against the additional disallowance under section 14A upheld by the CIT(A). The Department has also filed appeal before the ITAT Mumbai against the CIT(A) Order giving partial relief in disallowance under section 14A and the allowing the deduction of car lease rentals. The next date of hearing is on October 7, 2021.
- (v) For the assessment year 2014-2015, the Assistant Commissioner of Income Tax, 4(3)(1), Mumbai by way of an order dated December 23, 2016 disallowed an amount of ₹ 6,73,82,910 under Section 14A of the IT Act read with Rule 8D of the IT Rules for assessment year 2014-2015. Further, an amount of ₹ 32,58,422 claimed as lease rentals on vehicles was disallowed and added back to the total income. JMFL has filed an appeal against this order with the CIT (A) - 9, Mumbai. In the appeal before the CIT (A) – 9, Mumbai, the Commissioner has, vide order dated October 31, 2019, deleted the disallowance of lease rentals on vehicles and also directed to reduce the disallowance u/s.14A as per the directions given in the appellate order. The Company has written to the Assessing Officer for passing the order giving effect to the CIT(A) Order and the same is awaited. Further, the Company has filed an appeal on December 23, 2019 before the ITAT Mumbai against the additional disallowance under section 14A upheld by the CIT(A). The Department has also filed appeal before the ITAT Mumbai against the CIT(A) Order giving partial relief in disallowance under section 14A and the allowing the deduction of car lease rentals. The next date of hearing is on October 7, 2021.
- (vi) For the assessment year 2015-2016, the Assistant Commissioner of Income Tax, 4(3)(1), Mumbai by way of an order dated December 07, 2017 disallowed an amount of ₹ 6,98,88,476 under Section 14A of the IT Act read with Rule 8D of the IT Rules for assessment year 2015-2016. Further, an amount of ₹ 28,22,563 claimed as lease rentals on vehicles was disallowed and added back to the total income. JMFL has filed an appeal against this order with the CIT (A) - 9, Mumbai. In the appeal before the CIT (A) – 9, Mumbai, the Commissioner has, vide order dated October 31, 2019, deleted the disallowance of lease rentals on vehicles and also directed to reduce the disallowance u/s.14A as per the directions given in the appellate order. The Company has written to the Assessing Officer for passing the order giving effect to the CIT(A) Order and the same is awaited. Further, the Company has filed an appeal on December 23, 2019 before the ITAT Mumbai against the additional disallowance under section 14A upheld by the CIT(A). The Department has also filed appeal before the ITAT Mumbai against the CIT(A) Order giving partial relief in disallowance under section 14A and the allowing the deduction of car lease rentals. The next date of hearing is on October 7, 2021.
- (vii) For the assessment year 2017-2018, the Deputy Commissioner of Income Tax, 4(3)(1), Mumbai by way of an order dated December 29, 2019 made three disallowances/additions, viz., (i) an amount of ₹

9,76,74,570 under Section 14A of the IT Act read with Rule 8D of the IT Rules; (ii) an amount of ₹ 52,71,000 towards rent on premises; (iii) Addition of securities premium of ₹ 10,51,79,000 received on issue of shares under ESOPs. The Company has filed an appeal before the CIT (A) – 9, Mumbai on January 28, 2020.

- (viii) For the assessment year 2018-2019, the assessing officer passed an order dated April 23, 2021 made two disallowances/additions, viz., (i) an amount of ₹ 9,99,89,306 under Section 14A of the IT Act read with Rule 8D of the IT Rules; (ii) an amount of ₹ 1,46,988 towards mismatch income reported schedule BP and Other Income. The Company has filed an appeal before the CIT (A) – NFAC, on May 24, 2021.

3. **Litigations involving the Subsidiary – JMFHL**

JMFHL has filed certain criminal litigations under Section 138 of the Negotiable Instruments Act, 1881 for the recovery of approximately ₹ 81,79,283 from certain defaulters.

4. **Litigations involving the Group Companies**

(a) *JM Financial Investment Managers Limited ("JMFIML") (now merged with JMFL)*

- (i) For the assessment year 2014-2015, the Assistant Commissioner of Income Tax, 6(3)(2), Mumbai by way of an order dated December 29, 2016 disallowed an amount of ₹ 56,50,950 under Section 14A of the IT Act and initiated penalty proceedings under Section 271(1)(c) of the IT Act. Certain employee stock option expenses totaling ₹ 34,37,491 were also disallowed. JMFIML has filed an appeal against this order with the CIT (A) - 12, Mumbai. The hearing before the CIT(A) – 12, Mumbai was last scheduled on August 9, 2018 which has been adjourned and the fresh date of hearing is awaited.
- (ii) For the assessment year 2015-2016, the Assistant Commissioner of Income Tax, Circle 6(3)(2), Mumbai by way of an order dated November 17, 2017 disallowed an amount of ₹ 85,68,329 under Section 14A of the IT Act and initiated penalty proceedings under Section 271(1)(c) of the IT Act. Certain employee stock option expenses totaling ₹ 11,17,155 were also disallowed. JMFIML has filed an appeal against this order with the CIT (A) - 12, Mumbai. The hearings before the CIT (A) -12, Mumbai are yet to commence.
- (iii) For the assessment year 2012-2013, the Assistant Commissioner of Income Tax (OSD) 3, Mumbai by way of an order dated March 27, 2015 disallowed an amount of ₹ 1,05,78,610 under Section 14A of the IT Act and initiated penalty proceedings under Section 271(1)(c) of the IT Act for assessment year 2012-2013. Certain employee stock option expenses totaling ₹ 12,57,081 was also disallowed. JMFIML has filed an appeal against this order with the CIT (A) - 8, Mumbai. The hearings before the CIT (A) – 8, Mumbai are yet to commence.
- (iv) For the assessment year 2016-2017, the Deputy Commissioner of Income Tax, 4(3)(1), Mumbai by way of an order dated December 25, 2018 disallowed an amount of ₹ 70,13,431 under section 14A of the IT Act and also disallowed ₹ 12,70,589 on account of ESOP expenses. JMFL, as successor of JMFIML has filed an appeal against this order with the CIT (A) - 9 on January 23, 2019.
- (v) For the assessment year 2017-2018, the Deputy Commissioner of Income Tax, 4(3)(1), Mumbai by way of an order dated December 29, 2019 has made three disallowances/additions, viz., (i) an amount of ₹ 9,97,785 under Section 14A of the IT Act read with Rule 8D of the IT Rules; (ii) an amount of ₹ 4,78,705 towards lease rent on vehicles; (iii) an amount of ₹ 27,26,166 towards rent on premises. The Company has filed an appeal before the CIT (A) – 9, Mumbai on January 28, 2020.

(b) *JM Financial Properties and Holdings Limited ("JMFPHL")*

- (i) For the assessment year 2013-2014, JMFPHL has filed an appeal on March 29, 2016 with the CIT (A) - 12, Mumbai against the order dated February 25, 2016 of the Deputy of Commissioner of Income Tax 6(3)(2), Mumbai challenging the disallowance of interest of

an amount of ₹ 3,83,55,493. The hearings before the CIT (A) – 12, Mumbai are yet to commence.

- (ii) For the assessment year 2014-2015, the Assistant Commissioner of Income Tax, 6(3)(2), Mumbai by way of an order dated December 06, 2016 disallowed an amount of ₹ 8,90,54,214 and on account of interest expenditure initiated penalty proceedings under Section 271(1)(c) of the IT Act. JMFPHL has filed an appeal with the CIT (A) - 12, Mumbai on January 25, 2017. The hearings before the CIT (A) – 12, Mumbai are yet to commence.
- (iii) For the assessment year 2017-2018, the Assistant Commissioner of Income Tax, 6(3)(1), Mumbai by way of an order dated December 11, 2019 disallowed an amount of ₹ 75,14,358 under section 14A and initiated penalty proceedings under Section 270A of the IT Act. JMFPHL has filed an appeal with the CIT (A) - 12, Mumbai on January 10, 2020. The hearings before the CIT (A) – 12, Mumbai are yet to commence.

(c) *JM Financial Institutional Securities Limited ("JMFISL") (now merged with JMFL)*

- (i) For assessment year 2005-2006, the Additional Commissioner of Income Tax, 3(2), Mumbai by way of an order dated December 24, 2008 disallowed an amount of ₹ 52,42,165 under Section 14A of the IT Act read with Rule 8D of the IT Rules for assessment year 2005-2006. Further, JMFISL's claim for carry forward of losses amounting to ₹ 27,64,45,632 was also disallowed. JMFISL filed an appeal with the CIT (A) - 3, Mumbai which was partly allowed holding that only a part of the income resulted in non-taxable income. A further appeal was filed with the ITAT questioning the disallowance of ₹ 20,11,750 while the IT Department questioned the relief granted by the CIT (A) – 3, Mumbai. By way of an order dated September 30, 2010, both appeals were allowed for statistical purposes. The matter is now remanded to the Assessing Officer for making a decision regarding the disallowance u/s.14A and the same is pending for disposal.
- (ii) For assessment year 2006-2007, the Deputy Commissioner of Income Tax, 3(2), Mumbai passed a reassessment order dated March 24, 2014, under Section 143(3) of the IT Act read with Section 147 of the IT Act whereby a sum of ₹ 63,65,638 was added to the income of JMFISL. JMFISL filed an appeal against the order of the Deputy Commissioner of Income-Tax, 3(2), Mumbai with the CIT (A) – 8, Mumbai. The CIT (A) – 8, Mumbai, by way of an order dated February 16, 2016 held that the order passed under Section 143(3) of the IT Act read with Section 147 of the IT Act was found bad in law and annulled. The IT department filed an appeal with the ITAT and the ITAT by way of an order dated July 2, 2018 remanded the matter back to the CIT (A), Mumbai.
- (iii) For the assessment year 2007-2008, the Deputy Commissioner of Income Tax 3(2), Mumbai by way of an order dated September 12, 2011, added an amount of ₹ 9,75,71,680 on account of Transfer Pricing adjustment to the total income of JMFISL. The order also disallowed an amount of ₹ 9,64,573 under Section 14A of the IT Act. An amount of ₹ 69,25,376 being unpaid service tax computation was also disallowed and ordered to be added back to the income of the assessee. The ITAT by way of an order dated September 13, 2013 restored the entire matter to the file of the DRP and directed that they deal with the issue within six months. On this reference, the Office of the Dispute Resolution Panel – III, Mumbai by way of an order dated March 31, 2014 rejected the additional grounds of appeal.
- (iv) For the assessment year 2010-2011, the Deputy Commissioner of Income Tax, 3(2), Mumbai by way of order dated March 8, 2013 disallowed a sum of ₹ 1,59,84,533 under Section 14A of the IT Act and accordingly raised a demand of ₹ 69,94,820 in case of JM Financial Ventures Limited. JM Financial Ventures Limited was merged into JM Financial Institutional Securities Limited on March 31, 2012. JMFISL filed an appeal against the order passed by the Deputy Commissioner of Income Tax, 3(2), Mumbai imposing a penalty of ₹ 69,94,820 against JMFISL for assessment year 2010-2011. The CIT (A) - 8, Mumbai passed an appellate order dated March 26, 2015 partly allowing the appeals. Cross appeals were filed by both parties to the ITAT. The ITAT by way or order dated August 1, 2017 restored the matter back to the assessing officer. The Deputy

Commissioner of Income Tax, 4(3)(1), Mumbai has passed an order dated December 18, 2018 disallowing an amount of ₹ 74,78,295 under Section 14A of the IT Act. The Company has filed an appeal before the CIT (A) - 9, Mumbai on January 24, 2019. The Company has filed an application under Vivad se Vishwas Scheme for settlement of dispute. The Company has paid disputed tax liability and the final order is received from the income-tax department.

- (v) For the assessment year 2011-12, the Deputy Commissioner of Income Tax 4(3)(1) has passed an order dated December 25, 2018 under Section 143(3) of the IT Act read with Section 147 of the IT Act disallowing depreciation claimed by the Company of ₹ 2,70,967. JMFISL has filed an appeal against this order before the CIT (A) – 9, on January 24, 2019. The Company has filed an application under Vivad se Vishwas Scheme for settlement of dispute. The Company has paid disputed tax liability and the final order is received from the income-tax department.
- (vi) For assessment year 2012-2013, the Assistant Commissioner of Income Tax (OSD)-3, Mumbai by way of an order dated March 27, 2015 disallowed an amount of ₹ 1,19,74,543 under Section 14A of the IT Act read with Rule 8D of the IT Rules. The order also disallowed certain employee stock option expenditures amounting to ₹ 3,37,06,607. JMFISL filed an appeal with the CIT (A) – 8, Mumbai which is pending disposal.
- (vii) For assessment year 2014-2015, the Assistant Commissioner of Income Tax, 6(3)(2), Mumbai passed an order dated December 24, 2016 making a net disallowance of ₹ 51,33,451 under Section 14A of the IT Act. This amount was added back to the total income of JMFISL. The order also disallowed an amount of ₹ 7,18,66,566 on account of certain employee stock option expenses and mark to market losses of ₹ 40,000. Certain brought forward losses amounting to ₹ 4,97,26,888 were also disallowed. As per a rectification order under Section 154 dated April 18, 2017 brought forward losses to the extent of ₹ 40,45,738 were allowed. JMFISL has filed an appeal with the CIT (A) – 12, Mumbai on January 25, 2017. The hearings are yet to commence.
- (viii) For the assessment year 2015-2016, the Assistant Commissioner of Income Tax, – 6(3)(2) by way of an order dated December 19, 2017 disallowed an amount of ₹ 2,15,80,178 under Section 14A of the IT Act. The order also disallowed an amount of ₹ 5,03,94,474 under Section 37(1) of the IT Act on account of certain employee stock option expenditures. A rectification order dated March 26, 2018 was passed holding that a shortfall of tax deducted at source amounting to ₹ 1,64,23,518 was allowed if the same matched with the Form 26AS. The rectification order also allowed MAT credit for assessment year 2012-2013 and a wrongful charge of interest under Section 234A was rectified. The total disallowance was accordingly pegged at ₹ 7,19,74,652. JMFISL has filed an appeal with the CIT (A) - 12, Mumbai on January 16, 2018. The hearings are yet to commence.
- (ix) For the assessment year 2017-2018, the Deputy Commissioner of Income Tax, 4(3)(1), Mumbai by way of an order dated December 29, 2019 has made four disallowances/additions, viz., (i) an amount of ₹ 1,89,95,500 under Section 14A of the IT Act read with Rule 8D of the IT Rules; (ii) an amount of ₹ 46,63,439 towards lease rent on vehicles; (iii) an amount of ₹ 4,07,40,540 towards rent on premises; and (iv) an amount of ₹ 6,45,70,041 towards support service fees. The Company has filed an appeal before the CIT (A) – 9, Mumbai on January 28, 2020.
- (x) The Principal Commissioner of CGST & CEX, Mumbai Central by way of an order dated February 6, 2019 confirmed demand of service tax of ₹ 4,49,96,494 under section 73(2) of the Finance Act, 1994, imposed interest under section 75 of the Finance Act, 1994 and also imposed penalty of ₹ 4,49,96,494 under section 78 of the Finance Act, 1994. The said service tax demand is confirmed on brokerage income of ₹ 40,90,45,803/- from foreign clients including Foreign Institutional Investors (FIIs) during the period 1 July 2012 to 30 September 2014 on which the Company had not paid any service tax based on the provisions of Place of Provision of Services Rules, 2012. The Company has filed an appeal before the Central Excise & Service Tax Appellate Tribunal, Mumbai on May 7, 2019.

(d) *JM Financial Services Limited ("JMFSL")*

- (i) For the assessment year 2009-2010, the Deputy Commissioner of Income Tax, 4(3), Mumbai by way of an order dated December 26, 2011 treated the amount of ₹ 25,96,01,368 as deemed speculation loss under explanation to Section 73 of the IT Act. The order also disallowed **(A)** an amount of ₹ 16,76,266 claimed as depreciation; **(B)** an amount of ₹ 32,54,995 claimed as lease rentals on vehicles; and **(C)** an amount of ₹ 21,48,928 under Section 14A of the IT Act. JMFSL filed an appeal dated January 27, 2012 with the CIT (A) - 8, Mumbai which was partly allowed. Both parties filed an appeal before the ITAT which by way of an order dated December 28, 2016 allowed the appeal of JMFSL partly, remanded the issue of disallowance of lease rentals to file of the assessing officer to decide afresh and dismissed the appeal filed by the IT Department. Following this, the IT Department filed an appeal under Section 260A of the IT Act in the High Court of Judicature at Mumbai seeking the court to address whether **(I)** the ITAT was justified in directing the assessing officer to delete a disallowance of ₹ 16,76,266 towards depreciation on BSE and NSE membership cards; **(II)** the ITAT was justified in directing the assessing officer to delete a disallowance of ₹ 21,48,928 made under Section 14A read with Rule 8D of the IT Act; and **(III)** the ITAT was justified in directing the assessing officer to delete the disallowance made towards set off of loss of cash segment against the income from futures and options segment. Separately, the Assistant Commissioner of Income Tax, 4(3)(1), Mumbai passed another order dated December 31, 2017 whereby the submissions made by JMFSL on the lease rent of vehicles were not accepted and the amount of ₹ 32,54,995 was once again disallowed. JMFSL has filed an appeal with the CIT A - 9, Mumbai on January 29, 2018. The hearing before the CIT(A) have concluded on March 7, 2019. The CIT(A) has passed an order dated April 30, 2019 in favour of JMFSL. The order giving effect to the CIT(A) order is awaited.
- (ii) For assessment year 2011-2012, the Office of the Additional Commissioner of Income Tax, Range 4(3), Mumbai by way of an order dated March 04, 2014, held that an amount of ₹ 33,60,506 claimed as lease rentals on vehicles was to be disallowed. Further, under Section 14A read with Rule 8D of the IT Rules, the disallowance amount was marked at ₹ 20,59,81,293 and added back to the income of JMFSL. The order also noted that an amount of ₹ 58,08,13,038 should be added back on account of speculation loss pertaining to delivery based share transactions. JMFSL filed an appeal against this order with the CIT (A) – 9, Mumbai who by way of an order dated March 30, 2016 partly allowed the appeal. Both JMFSL and the IT Department have filed appeals against this order before the ITAT. The ITAT has passed an order dated December 31, 2018 dismissing the appeal of the Revenue in the matter of speculation loss of ₹ 58,08,13,038 pertaining to delivery based share transactions. The ITAT has remanded the matters of disallowance of ₹ 33,60,506 claimed as lease rentals on vehicles and disallowance of ₹ 20,59,81,293 under Section 14A read with Rule 8D of the IT Rules to the file of the AO. The IT Department has filed appeal in the Bombay High Court against the order of the ITAT. Separately, in the remand proceedings, the Assessing officer has passed order dated December 31, 2019 making an additional disallowance u/s.14A of ₹ 1,60,59,494/-. The Company has filed an appeal before the CIT(A)-9, Mumbai on January 24, 2020.
- (iii) For the assessment year 2012-2013, the Deputy Commissioner of Income Tax 4(3)(1), Mumbai by way of an order dated March 29, 2015 disallowed an amount of ₹ 1,17,73,156 under Section 14A of the IT Act read with Section 8D of the IT Rules for the assessment year 2012-2013. Further, an amount of ₹ 27,66,866 claimed as lease rentals on vehicles was disallowed and added back. Additionally, an amount of ₹ 1,34,66,95,811 was also added back to the total income of JMFSL on account of speculation loss pertaining to delivery based share transactions. JMFSL filed an appeal against this order with the CIT (A) - 9, Mumbai which by way of an order dated March 22, 2018 partly allowed the appeal. JMFSL has filed an appeal with the ITAT which is currently pending. The next date of hearing is scheduled on October 12, 2021.
- (iv) For the assessment year 2013-2014, the Deputy Commissioner of Income Tax 4(3)(1), Mumbai by way of an order dated February 29, 2016 disallowed an amount of ₹ 22,58,791 claimed as lease rental on vehicles to the total income. The order also added an

amount of ₹ 38,78,20,712 on account of speculation loss pertaining to delivery based share transactions. JMFSL filed an appeal with CIT (A) - 9, Mumbai which by way of an order dated August 17, 2018 partly allowed the appeal. JMFSL has filed an appeal with the ITAT on October 25, 2018 and IT Department has also filed appeal in ITAT. The date of hearing is scheduled on February 3, 2020 for Assessee Appeal consolidated with department appeal on February 13, 2020. The date of hearing is scheduled on February 3, 2020 for Assessee Appeal consolidated with department appeal on February 13, 2020. The next date of hearing is scheduled on October 12, 2021.

- (v) For the assessment year 2014-2015, the Assistant Commissioner of Income Tax 4(3)(1), Mumbai by way of an order dated December 23, 2016 disallowed an amount of ₹ 19,74,517 claimed as lease rental on vehicles to the total income. The order also added an amount of ₹ 67,20,64,675 on account of speculation loss pertaining to delivery based share transactions. JMFSL filed an appeal with CIT (A) - 9, Mumbai which by way of an order dated August 13, 2019 allowed the appeal. The IT Department has filed appeal in ITAT on October 31, 2019. The next date of hearing is scheduled on November 08, 2021
- (i) For the assessment year 2016-2017, the Assistant Commissioner of Income Tax, 4(3)(1), Mumbai by way of an order dated December 25, 2018 disallowed an amount of ₹ 21,42,587 claimed as lease rentals on vehicles, disallowed an of ₹ 12,09,518 under Section 14A of the IT Act and disallowed an amount of ₹ 1,25,27,856 on account of certain employee stock option expenses. JMFSL has filed an appeal with the CIT (A) - 9, Mumbai on January 24, 2019. The hearing scheduled on 25 February 2021 and the company has made the submission online. Awaiting for further communication.
- (ii) For the assessment year 2017-2018, the Assistant Commissioner of Income Tax, 4(3)(1), Mumbai by way of an order dated December 25, 2019 disallowed an amount of ₹ 22,12,277 claimed as lease rentals on vehicles, disallowed rent expenses of ₹ 204,69,141, disallowed ₹ 3,51,41,610 u/s.40(a)(ia) and disallowed an of ₹ 1,26,60,000 under Section 14A of the IT Act. JMFSL has filed appeal before the CIT (A) - 9, Mumbai on January 24, 2020. The hearing was scheduled on March 17, 2021 and the company has made the submission online. Awaiting for further communication.
- (iii) For the assessment year 2018-2019, the assessing officer by way of an order dated March 26, 2021 disallowed an amount of ₹ 2,38,69,285/- of ESOP expenses. JMFSL has filed appeal before the CIT (A)-NFAC, on April 23, 2021.
- (iv) For the assessment year 2011-2012, the Commissioner of Income Tax (TDS)-1, Mumbai passed an order dated March 18, 2015 holding that the amount of ₹ 1,25,57,013 incurred by JMFSL under the head of securities borrowing cost towards stock lending cost payable to the National Securities Clearing Corporation are liable to TDS. The Deputy Commissioner of Income Tax (TDS) – 1(3), Mumbai also passed an order dated March 30, 2016 holding that JMFSL was in default under Section 201(1) / Section 201(1A) read with Section 263 of the Income Tax Act, 1961. JMFSL filed an appeal with the ITAT which partially allowed the appeal by way of an order dated September 9, 2016. The Commissioner of Income Tax (TDS)-1, Mumbai has passed an order dated March 30, 2019 again holding that JMFSL was liable to deduct tax at source from the amount of ₹ 1,25,57,013 payable to the National Securities Clearing Corporation for the assessment year 2011-2012. The said order is received by JMFSL on June 4, 2019 and the Company has filed an appeal before the hon'ble ITAT, Mumbai on July 4, 2019.
- (v) The Commissioner of Service Tax, Mumbai issued a notice to show cause cum demand on JMFSL dated October 15, 2008 for evading service tax payment and requiring JMFSL to show cause as to why service tax of ₹ 11,25,43,213 on business auxiliary service, ₹ 1,27,05,150 on banking and other financial services and ₹ 3,35,866 on business support services should not be demanded and recovered from them under Section 73(1) read with Section 68 of Chapter V of the Finance Act, 1994. Following this, the Office of the Commissioner of Service Tax, Mumbai passed an order dated January 13, 2011 whereby the demand for service tax amounting to ₹ 5,45,41,217 was confirmed. The previous demand for brokerage / commission IPO amounting to ₹ 7,10,43,012 was dropped as

untenable. Further, a demand amount of ₹ 3,29,410 was also confirmed. A further penalty of ₹ 5,50,05,000 was also imposed on JMFSL. JMFSL appealed this order with the Customs, Excise and Service Tax Appellate Tribunal, West Zonal Bench, Mumbai which by way of an order dated March 15, 2013 allowed the appeal and set aside the levy of service tax on the share income as a result of IPO financing received from the NBFC company; set aside the levability of service tax in respect of processing fee received from the bank; set aside the levy of service tax on reimbursement of common expenses such as electricity charges, common office expenses etc., and set aside the penalties imposed on JMFSL. An appeal was filed by the Commissioner of Service Tax with the High Court of Judicature at Mumbai and the same is pending for disposal.

- (vi) The Department of Revenue, Central Board of Excise and Customs, Directorate General of Central Excise Intelligence, Mumbai issued JMFSL a show cause cum demand notice dated October 17, 2006 requiring JMFSL to show cause as to why **(A)** the services rendered by it in relation to the sale of RBI bonds in course of its business activities and on which it had failed to pay due service tax should not be classified under banking and other financial services of Section 65 of the Finance Act, 1994; **(B)** service tax amounting to ₹ 82,32,427 determined to be liable to be paid by JMFSL on the aforesaid services rendered by it to its customers, during the period from August 02 to March 06 should not be demanded and recovered from it; **(C)** an amount of ₹ 63,00,000 paid by JMFSL as above, under protest, in course of the instant case investigations, against the service tax liability to be discharged by it, should not be appropriated against the above demand; and **(D)** penalty should not be imposed on JMFSL. Following this the Commissioner of Service Tax by way of an order dated March 16, 2011 passed an order whereby the services rendered by JMFSL in relation to the RBI bonds were classified as banking and other financial services, taxable under Section 65(105)(zp) during the period prior to September 10, 2004 and under Section 65(105)(zm). The order fixed an amount of ₹ 76,02,092 as the amount of service tax due from JMFSL. Certain amounts were also appropriated / adjusted through this order. A further amount of ₹ 13,02,092 was also asked to be paid. Both parties filed an appeal against this order with the Customs, Excise and Service Tax Appellate Tribunal, West Zonal Bench which by way of an order dated September 30, 2015 allowed the appeal of JMFSL and set aside the impugned order. The service tax department has filed an appeal in the Supreme Court and the same is pending for disposal.
- (vii) The Directorate General of Goods & Service Tax Intelligence Zonal Unit ,Ahmedabad (DGGSI) issued JMFSL a show cause cum demand notice dated October 16, 2019. The show cause seeks to levy **(A)** service tax of ₹ 21,24,434/- in respect of processing fee income received from the bank amounting to ₹ 1,63,88,229/- **(B)** service tax amounting to ₹ 57,30,636/- for short reversal of cenvat credit **(C)** Interest and Penalty as per law for service tax liabilities mentioned in point (A) & (B). The company has discussed the matter with GST consultants and TLC legal. Accordingly, the reply was filed on March, 11 2021 before the Additional Commissioner of CGST at the time of hearing. The Additional Commissioner CGST, Mumbai Central passed an order dated March 22, 2021 wherein the service tax liability on processing fees was dropped and confirmed the short reversal of ₹ 57,30,636 along with interest and penalty of ₹ 57,30,636/-. The company has filed an appeal before the Commissioner (Appeal-II), CGST and Central Excise on August 3, 2021.
- (viii) Mr. Kamlesh Jain, one of the client of JMFSL, had filed an arbitration application during January 2009 before the NSE, which had been rejected. Subsequent to this, Mr. Jain had filed an application under Section 34 of the Arbitration and Conciliation Act, 1996 at Jaipur, where the court had referred the matter back to the arbitrator to decide on certain aspects. The NSE has not reverted on the matter till date. Mr. Jain also filed a first information report against JMFSL with the Ashok Nagar police station in Jaipur City (South) on January 22, 2009 for executing certain unauthorised trades through his demat account maintained with JMFSL. JMFSL has informed the police of the process of functioning of demat accounts and has shared various documents with them for their investigation. Mr. Jain then filed a protest petition which was dismissed by the court and against this dismissal order Mr. Jain filed a revision petition for setting aside the dismissal order. The court by way of its order dated July 5, 2019 remanded the matter and the matter is currently pending.

- (ix) Mr. Pillamari Venkata Krishna Sastri was a client of a franchisee of JMFSL. JMFSL had delivered a pay-out cheque of Mr. Krishna Sastri to the franchisee, which was fraudulently encashed by a person impersonating Mr. Krishna Sastri. The person who had encashed this cheque had withdrawn the amount in cash. JMFSL originally lodged a first information report in February 2012 regarding the fraudulent encashment of this cheque. Subsequently, Mr. Krishna Sastri filed a complaint in November 2012 and made JMFSL a party. The first information report filed by JMFSL was then closed as being dropped since Mr. Krishna Sastri had filed a first information report for the same cause. No enquiry has been carried out against JMFSL so far for the complaint filed by Mr. Krishna Sastri. JMFSL then filed a quash petition under Section 482 of the CrPC in the High Court, Hyderabad against Mr. Krishna Sastri seeking quashing of the first information report filed against them.
 - (x) Mr. Ajay Mehta, one of client of JMFSL, had filed a first information report against JMFSL and certain other persons claiming losses suffered by him for trades executed on the National Spot Exchange Limited which was later embroiled in a large scam. JMFSL received several queries and questions from the police by way of letters dated May 1, 2015, September 2, 2015, February 23, 2017, February 4, 2019 and November 18, 2019 which was responded to by way of letters dated June 4, 2015, September 10, 2015, May 14, 2015, March 22, 2017, March 1, 2019 and December 16, 2019. JMFSL received further queries from the Economic Offences Wing vide their email dated May 19, 2020. The matter is currently pending.
 - (xi) JMFSL has filed certain criminal litigations under Section 138 of the Negotiable Instruments Act, 1881 for the recovery of approximately ₹ 93,88,856 from certain defaulters.
- (e) *JM Financial Capital Limited*
- (i) JM Financial Capital Limited has filed a criminal case against a borrower for recovery of approximately ₹ 1,40,00,000 under Section 138 of the Negotiable Instruments Act, 1881.
 - (ii) For the assessment year 2017-2018, the Assistant Commissioner of Income Tax, 6(3)(1), Mumbai by way of an order dated December 11, 2019 disallowed an amount of ₹ 31,00,427 under section 14A of the IT Act. JM Financial Capital Limited has filed an appeal against this order with the Commissioner of Income Tax (Appeals)-12, Mumbai ("CIT(A)") on January 7, 2020.
- (f) *JM Financial Credit Solutions Limited*
- (i) For the assessment year 2018-2019, the Assessing Officer, by way of an order dated February 11, 2021 disallowed an amount of ₹ 2,70,50,000/- under section 80G of the IT Act. The Company has filed an appeal against this order with the CIT(A)- NFAC on March 10, 2021.
 - (ii) JM Financial Credit Solutions Limited has filed certain criminal litigations under Section 138 of the Negotiable Instruments Act, 1881 for the recovery of approximately ₹ 12,17,43,509 from certain defaulters.
- (g) *J.M. Financial & Investment Consultancy Services Private Limited*
- (i) For the assessment year 2012-2013, the assessing officer made an additional disallowance of ₹ 29,97,416/- under Section 14A of the IT Act. An appeal was filed before the CIT(A) on April 29, 2015 against the said assessment order. The CIT(A) has decided the appeal against the Company vide order dated July 18, 2018. JMFICS has filed an appeal on September 24, 2018 in the ITAT against the order of the CIT(A), Mumbai. The ITAT has passed favorable order by deleting all the disallowance made by the AO vide order dated June 25, 2021.
- For the assessment year 2013-2014, the assessing officer made an additional disallowance of ₹ 50,45,253/- under Section 14A of the IT Act. An appeal was filed before the CIT(A)

on April 22, 2016 against the said assessment order. The CIT(A) has decided the appeal partially in favour of the Company vide order dated March 25, 2019. JMFICS has filed an appeal against this order before the ITAT on June 18, 2019. The matter has been heard and awaiting for the order.

- (ii) For the assessment year 2014-2015, the assessing officer made an additional disallowance of ₹ 51,21,512/- under Section 14A of the IT Act. An appeal is filed before the CIT(A) on January 12, 2017 against the said assessment order. The date of hearing before the CIT(A) is awaited.
 - (iii) For the assessment year 2015-2016, the assessing officer made an additional disallowance of ₹ 1,46,29,110/- under Section 14A of the IT Act. An appeal is filed before the CIT(A) on January 23, 2018 against the said assessment order. The date of hearing before the CIT(A) is awaited.
 - (iv) For the assessment year 2016-2017, the assessing officer made an additional disallowance of ₹ 2,21,30,561/- under Section 14A of the IT Act. An appeal is filed before the CIT(A) on January 9, 2019 against the said assessment order. The date of hearing before the CIT(A) is awaited.
 - (v) For the assessment year 2017-2018, the assessing officer made an additional disallowance of ₹ 38,78,480/- under Section 14A of the IT Act. An appeal is filed before the CIT(A) on January 3, 2020 against the said assessment order. The date of hearing before the CIT(A) is awaited.
 - (vi) For the assessment year 2018-2019, the assessing officer vide order dated April 23, 2021 made an additional disallowance of ₹ 94,14,132/- under Section 14A of the IT Act. An appeal is filed before the CIT(A)-NFAC on May 22, 2021 against the said assessment order. The date of hearing before the CIT(A) is awaited.
- (h) *JM Financial Asset Management Limited ("JMAML")*
- (i) Mahesh Agarwal filed a first information report FIR No. 178/2011 dated August 04, 2011 against Umesh Somai, JM Financial Mutual Fund, the board of directors of JM Financial Asset Management Limited ("JMF AML") and JM Financial Trustee Company Private Limited before the Jalupura Police Station, Jaipur, Rajasthan under sections 406, 420 and 120B of the Indian Penal Code, 1860. The complainant has alleged that he was wrongly induced by JM Financial Mutual Fund and its agents and distributors in investing ₹ 100,000 in JM Agri & Infra Fund, an equity oriented fund scheme floated by JM Financial Mutual Fund by making him believe that he is investing in a portfolio of fixed income securities with fixed maturity plans protecting investor returns from interest rate fluctuations, while the scheme is purely equity based and due to severe market fluctuations since 2007, the valuation was reduced to ₹ 24,818 as on April 01, 2011. The Jalupura Police Station, Jaipur issued a notice dated September 6, 2011 which was replied by JMF AML by enclosing necessary documents requested by the police authorities. JMF AML also conducted meetings with the police officials on November 08, 2011 clarifying the terms of the scheme and has issued a representation dated November 25, 2011 stating that the complainant had relied on certain statements included in the abridged annual reports of JM Financial Mutual Fund, which had been included by way of an inadvertent error and subsequently corrected by way of a corrigendum. Further, the offer documents in relation to the scheme clarified that the scheme is purely equity related. The said case was also investigated by the Assistant Commissioner of Police at Bani Park, Jaipur.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Board of Directors, at their meeting held on July 11, 2019 and May 4, 2020 and the shareholders of our Company at their meeting held on July 23, 2020, approved the issuance of Secured NCDs of face value of ₹ 1,000 each and / or Unsecured NCDs of face value of ₹ 1,000 each, aggregating up to ₹ 3,000 crore to the public. The Unsecured NCDs shall be in the nature of sub-ordinated debt and shall be eligible for inclusion as Tier II Capital.

The NCDs will be issued in one or more tranches in terms of this Issue up to ₹ 1,500 crore, on terms and conditions as set out in the relevant tranche prospectus for any tranche issue (each a "**Tranche Issue**"), and such Tranche Issue shall be decided by NCD Public Issue Committee of Board of Directors.

Further, the present borrowing is within the borrowing limits of ₹ 14,000 crore under Section 180(1)(c) of the Companies Act, 2013 duly approved by the shareholders' *vide* their resolution dated October 25, 2018.

Further, the NCD Public Issue Committee of the Board of Directors has approved the Issue and the Draft Shelf Prospectus by way of resolution dated September 2, 2021 and this Shelf Prospectus by way of resolution dated September 16, 2021.

Prohibition by SEBI and other regulatory or statutory authorities

Our Company, and/or our Directors and/or our Promoter and/or our Promoter Group have not been restrained, prohibited or debarred by SEBI from accessing the securities market or dealing in securities and no such order or direction is in force. None of our Directors and/or our Promoter, is a director or promoter of another company which is has been restrained, prohibited or debarred by SEBI from accessing the securities market or dealing in securities.

None of our Directors and/or our Promoter have been declared as fugitive economic offenders.

The Company confirms that there are no fines or penalties levied by SEBI or the Stock Exchanges pending to be paid by the Company as on the date of this Shelf Prospectus.

Wilful Defaulter

Our Company, our Directors and/or our Promoters have not been categorised as a wilful defaulter in terms of the SEBI NCS Regulations. None of our Whole-time Directors and/or our Promoter, is a whole-time director or promoter of another company which has been categorised as a wilful defaulter.

Eligibility of our Company for the Issue

Our Company is eligible to file this Shelf Prospectus in terms of Regulation 41 of the SEBI NCS Regulations which is as follows:

- i) Our Company has a net worth of at least ₹500 crore, as per the audited balance sheet of the preceding financial year;
- ii) having consistent track record of operating profits for the last three years;
- iii) securities to be issued under the offer document have been assigned a rating of not less than "AA-" category or equivalent by a credit rating agency registered with SEBI;
- iv) no regulatory action is pending against the issuer or its promoters or directors before the Board or the Reserve Bank of India; and
- v) Our Company has not defaulted in:
 - the repayment of deposits or interest payable thereon; or
 - redemption of preference shares; or
 - redemption of debt securities and interest payable thereon; or
 - payment of dividend to any shareholder; or
 - any of its promoters or directors is a fugitive economic offender; or
 - repayment of any term loan or interest payable thereon.

Disclaimer Clause of SEBI

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IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, EQUIRUS CAPITAL PRIVATE LIMITED, CONFIRM THAT COMMENTS RECEIVED ON THE DRAFT SHELF PROSPECTUS HAVE BEEN SUITABLY ADDRESSED BEFORE FILING THIS SHELF PROSPECTUS AND TO THIS EFFECT, HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 16, 2021 WHICH READS AS FOLLOWS:

- 1. WE CONFIRM THAT NEITHER THE ISSUER NOR ITS PROMOTERS OR DIRECTORS HAVE BEEN PROHIBITED FROM ACCESSING THE CAPITAL MARKET UNDER ANY ORDER OR DIRECTION PASSED BY THE BOARD. WE ALSO CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE OFFER DOCUMENT HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**
- 2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN THE OFFER DOCUMENT AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUE OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE NCDs OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**
- 3. WE CONFIRM THAT THE OFFER DOCUMENT CONTAINS ALL DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021.**
- 4. WE ALSO CONFIRM THAT ALL RELEVANT PROVISIONS OF THE COMPANIES ACT, SECURITIES CONTRACTS (REGULATION) ACT, 1956, SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 AND THE RULES, REGULATIONS, GUIDELINES, CIRCULARS ISSUED THEREUNDER ARE COMPLIED WITH.**

WE CONFIRM THAT NO COMMENTS/ COMPLAINTS WERE RECEIVED ON THE DRAFT SHELF PROSPECTUS DATED SEPTEMBER 2, 2021 FILED WITH THE STOCK EXCHANGE BSE LIMITED IS THE DESIGNATED STOCK EXCHANGE FOR THE ISSUE.

**In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, read with Regulation 25(3) of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, JM Financial Limited will be involved only in marketing of the Issue.*

Disclaimer Clause of BSE

BSE LIMITED ("THE EXCHANGE") HAS GIVEN, VIDE ITS APPROVAL LETTER DATED SEPTEMBER 14, 2021, PERMISSION TO THIS COMPANY TO USE THE EXCHANGE'S NAME IN

THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGES ON WHICH THIS COMPANY'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS COMPANY. THE EXCHANGE DOES NOT IN ANY MANNER:

A) WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS OFFER DOCUMENT; OR

B) WARRANT THAT THIS COMPANY'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; OR

C) TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS COMPANY, ITS PROMOTERS, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THIS COMPANY.

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THE ISSUER ACCEPTS NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THIS SHELF PROSPECTUS OR IN ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF OUR COMPANY IN CONNECTION WITH THE ISSUE OF THE NCDS AND ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.

Disclaimer Statement from the Lead Managers

THE LEAD MANAGERS ACCEPT NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THIS SHELF PROSPECTUS OR IN ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF THE COMPANY IN CONNECTION WITH THE ISSUE OF THE NCDS AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.

Disclaimer in respect of Jurisdiction

THE ISSUE IS BEING MADE IN INDIA, TO INVESTORS FROM CATEGORY I, CATEGORY II, CATEGORY III AND CATEGORY IV. THE DRAFT SHELF PROSPECTUS, THIS SHELF PROSPECTUS AND THE RESPECTIVE TRANCHE PROSPECTUS WILL NOT, HOWEVER CONSTITUTE AN OFFER TO SELL OR AN INVITATION TO SUBSCRIBE FOR THE NCDS OFFERED HEREBY IN ANY JURISDICTION OTHER THAN INDIA TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE AN OFFER OR INVITATION IN SUCH JURISDICTION. ANY PERSON INTO WHOSE POSSESSION THE DRAFT SHELF PROSPECTUS, THIS SHELF PROSPECTUS AND THE RESPECTIVE TRANCHE PROSPECTUS COMES IS REQUIRED TO INFORM HIMSELF OR HERSELF ABOUT, AND TO OBSERVE, ANY SUCH RESTRICTIONS.

Undertaking by our Company

INVESTORS ARE ADVISED TO READ THE RISK FACTORS CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THIS ISSUE. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF OUR COMPANY AND THE OFFER INCLUDING THE RISKS INVOLVED. THE NCDs HAVE NOT BEEN RECOMMENDED OR APPROVED BY ANY REGULATORY AUTHORITY IN INDIA, INCLUDING THE SECURITIES AND

EXCHANGE BOARD OF INDIA (SEBI) NOR DOES SEBI GUARANTEE THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. SPECIFIC ATTENTION OF INVESTORS IS INVITED TO THE STATEMENT OF THE “RISK FACTORS” CHAPTER ON PAGE 12 OF THIS SHELF PROSPECTUS. THE COMPANY, HAVING MADE ALL REASONABLE INQUIRIES, ACCEPTS RESPONSIBILITY FOR, AND CONFIRMS THAT THIS SHELF PROSPECTUS CONTAINS ALL INFORMATION WITH REGARD TO OUR COMPANY AND THE ISSUE, THAT THE INFORMATION CONTAINED IN THIS SHELF PROSPECTUS IS TRUE AND CORRECT IN ALL MATERIAL ASPECTS AND IS NOT MISLEADING IN ANY MATERIAL RESPECT, THAT THE OPINIONS AND INTENTIONS EXPRESSED HEREIN ARE HONESTLY HELD AND THAT THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKE THIS SHELF PROSPECTUS AS A WHOLE OR ANY OF SUCH INFORMATION OR THE EXPRESSION OF ANY SUCH OPINIONS OR INTENTIONS MISLEADING IN ANY MATERIAL RESPECT

THE COMPANY HAS NO SIDE LETTER WITH ANY DEBT SECURITIES HOLDER EXCEPT THE ONE(S) DISCLOSED IN THIS SHELF PROSPECTUS. ANY COVENANTS LATER ADDED SHALL BE DISCLOSED ON THE STOCK EXCHANGES WEBSITES WHERE THE NCDS ARE LISTED.

Disclosures in accordance with the DT Circular

Debenture Trustee Agreement

Our Company has entered into a Debenture Trustee Agreement with the Debenture Trustee which provides for, *inter alia*, the following terms and conditions:

- The Debenture Trustee has agreed for a lumpsum fee for the services to be provided by it as agreed in terms of its engagement letter with the Company.
- The Debenture Trustee, either through itself or its agents / advisors / consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the Offer Documents and the applicable laws, has been obtained. For the purpose of carrying out the due diligence as required in terms of the applicable laws, the Debenture Trustee, either through itself or its agents/ advisors/ consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors/ valuers/ consultants/ lawyers/ technical experts/ management consultants appointed by the Debenture Trustee;
- Our Company shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, sub-registrar of assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be required, where the assets and/or prior encumbrances in relation to the assets proposed to secure the NCDs, whether owned by our Company or any other person, are registered / disclosed;
- The Debenture Trustee shall have the power to either independently appoint, or direct our Company to (after consultation with the Debenture Trustee) appoint intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture Trustee and the Debenture Trustee shall subsequently form an independent assessment that the assets for creation of security are sufficient to discharge the outstanding amounts on NCDs at all times. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports / certificates / documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by our Company;
- Our Company has undertaken to promptly furnish all and any information as may be required by the Debenture Trustee, including such information as required to be furnished in terms of the applicable laws and the Debenture Trust Deed on a regular basis;
- Our Company has agreed that the Issue proceeds shall be kept in the Public Issue Account with a scheduled commercial bank and shall not be utilised by the Company until the Debenture Trust Deed and the relevant security documents are executed and until the listing and trading approval in respect of the NCDs is obtained by our Company; and

- The Debenture Trustee, ipso facto does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by investors for the NCDs.

Terms of carrying out due diligence

As per the SEBI Circular “SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 3, 2020 titled “Creation of Security in issuance of listed debt securities and due diligence by debenture trustee(s)”, the Debenture Trustee is required to exercise independent due diligence to ensure that the assets of our Company are sufficient to discharge the interest and principal amount with respect to the debt securities of our Company at all times. Accordingly, the Debenture Trustee shall exercise due diligence as per the following process, for which our Company has consented to.

- The Debenture Trustee, either through itself or its agents /advisors/consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the Offer Documents and the Relevant Laws memorandum, has been obtained for each tranche of the said NCDs. For the purpose of carrying out the due diligence as required in terms of the Relevant Laws, the Debenture Trustee, either through itself or its agents /advisors/consultants, shall have the power to examine the books of account of the Company and to have the Company’s assets inspected by its officers and/or external auditors/valuers/consultants/lawyers/technical experts/management consultants appointed by the Debenture Trustee for each tranche of the said NCDs.
- The Company shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, Sub-registrar of assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be required, where the assets and/or prior encumbrances in relation to the assets of the Company or any third party security provider for securing the NCDs, are registered / disclosed for each tranche of the said NCDs.
- Further, in the event that existing charge holders, the concerned trustee on behalf of the existing charge holders, have provided conditional consent / permissions to the Company to create further charge on the assets, the Debenture Trustee shall also have the power to verify such conditions by reviewing the relevant transaction documents or any other documents executed between existing charge holders and the Company for each tranche of the said NCDs. The Debenture Trustee shall also have the power to intimate the existing charge holders about proposal of creation of further encumbrance and seeking their comments/ objections, if any, within a reasonable period of time.
- Without prejudice to the aforesaid, the Company shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the NCDs, in accordance with the Relevant Laws for each tranche of the said NCDs.
- The Debenture Trustee shall have the power to either independently appoint or direct the Company to (after consultation with the Debenture Trustee) appoint intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture Trustee for each tranche of the said NCDs. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by the Company, as and when the due diligences is carried out for each tranche of the said NCDs.

Process of Due Diligence to be carried out by the Debenture Trustee

Due Diligence will be carried out as per SEBI (Debenture Trustees) Regulations, 1993, SEBI NCS Regulations and circulars issued by SEBI from time to time.

Other confirmations

The Debenture Trustee undertakes that the NCDs shall be considered as secured only if the charged asset is registered with sub-registrar or Registrar of Companies or CERSAI or depository, etc., as applicable, or is independently verifiable by the Debenture Trustee.

The Debenture Trustee confirms that they have undertaken the necessary due diligence in accordance with applicable law, including the SEBI (Debenture Trustees) Regulations, 1993, read with the SEBI circulars titled (i) "Creation of Security in issuance of listed debt securities and 'due diligence' by debenture trustee(s)" dated November 3, 2020; and (ii) "Monitoring and Disclosures by Debenture Trustee(s)" dated November 12, 2020.

IDBI TRUSTEESHIP SERVICES LIMITED HAVE FURNISHED TO STOCK EXCHANGES A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 2, 2021, AS PER THE FORMAT SPECIFIED IN ANNEXURE A OF DT CIRCULAR WHICH READS AS FOLLOWS:

- 1. WE HAVE EXAMINED DOCUMENTS PERTAINING TO THE SAID ISSUE AND OTHER SUCH RELEVANT DOCUMENTS, REPORTS AND CERTIFICATIONS.**
- 2. ON THE BASIS OF SUCH EXAMINATION AND OF THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES AND ON INDEPENDENT VERIFICATION OF THE VARIOUS RELEVANT DOCUMENTS, REPORTS AND CERTIFICATIONS, WE CONFIRM THAT:**
 - A. THE ISSUER HAS MADE ADEQUATE PROVISIONS FOR AND/OR HAS TAKEN STEPS TO PROVIDE FOR ADEQUATE SECURITY FOR THE DEBT SECURITIES TO BE ISSUED.**
 - B. THE ISSUER HAS OBTAINED THE PERMISSIONS / CONSENTS NECESSARY FOR CREATING SECURITY ON THE SAID PROPERTY(IES).**
 - C. THE ISSUER HAS MADE ALL THE RELEVANT DISCLOSURES ABOUT THE SECURITY AND ALSO ITS CONTINUED OBLIGATIONS TOWARDS THE HOLDERS OF DEBT SECURITIES.**
 - D. ISSUER HAS ADEQUATELY DISCLOSED ALL CONSENTS / PERMISSIONS REQUIRED FOR CREATION OF FURTHER CHARGE ON ASSETS IN OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM AND ALL DISCLOSURES MADE IN THE OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM WITH RESPECT TO CREATION OF SECURITY ARE IN CONFIRMATION WITH THE CLAUSES OF DEBENTURE TRUSTEE AGREEMENT.**
 - E. ISSUER HAS DISCLOSED ALL COVENANTS PROPOSED TO BE INCLUDED IN DEBENTURE TRUST DEED (INCLUDING ANY SIDE LETTER, ACCELERATED PAYMENT CLAUSE ETC.), OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM.**
 - F. ISSUER HAS GIVEN AN UNDERTAKING THAT CHARGE SHALL BE CREATED IN FAVOUR OF DEBENTURE TRUSTEE AS PER TERMS OF ISSUE BEFORE FILING OF LISTING APPLICATION.**

WE HAVE SATISFIED OURSELVES ABOUT THE ABILITY OF THE ISSUER TO SERVICE THE DEBT SECURITIES.

Our Company undertakes that it shall submit the due diligence certificate from Debenture Trustee to the Stock Exchange as per format specified in Annexure A of the DT Circular.

Our Company and the Debenture Trustee will execute a Debenture Trust Deed (including deed of hypothecation and deed of confirmation) specifying, inter alia, the powers, authorities and obligations of the Debenture Trustee and the Company, as per SEBI regulations applicable for the proposed NCD Issue.

Track record of past public issues handled by the Lead Managers

The track record of past issues handled by the Lead Managers, as required by SEBI circular number CIR/MIRSD/1/2012 dated January 10, 2012, are available at the following websites:

Name of lead manager	Website
Equirus Capital Private Limited	www.equirus.com
JM Financial Limited*	www.jmfl.com

**In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, read with Regulation 25(3) of the Securities and Exchange Board of India (Issue and Listing of Non – convertible Securities) Regulations, 2021, as amended, JMFL will be involved only in marketing of the Issue.*

Listing

The NCDs proposed to be offered through this Issue are proposed to be listed on BSE. For the purpose of this Issue, BSE is the Designated Stock Exchange. Application will be made to the BSE to deal in and for official quotation in NCDs. If permission to deal in and for an official quotation of our NCDs is not granted by the BSE, our Company will forthwith repay, without interest, all monies received from the applications in pursuance of the Shelf Prospectus and respective Tranche Prospectus(es).

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the stock exchange mentioned above are taken within 6 Working Days from the Issue Closing Date specified for each Tranche Issue.

For the avoidance of doubt, it is hereby clarified that in the event of non-subscription to any one or more of the Series, such NCDs with Series(s) shall not be listed.

Our Company shall pay interest at 15% (fifteen) per annum if Allotment is not made and refund orders/allotment letters are not dispatched and/or demat credits are not made to investors within 5 Working Days of the Issue Closing Date or date of refusal of the Stock Exchange(s), whichever is earlier. In case listing permission is not granted by the Stock Exchange(s) to our Company and if such money is not repaid within the day our Company becomes liable to repay it on such account, our Company and every officer in default shall, on and from expiry of such date, be liable to repay the money with interest at the rate of 15% as prescribed under Rule 3 of Companies (Prospectus and Allotment of Securities) Rules, 2014 read with Section 26 of the 2013 Act, provided that the beneficiary particulars relating to such Applicants as given by the Applicants is valid at the time of the upload of the demat credit.

Guarantee/Letter of Comfort

This Issue is not backed by a guarantee or letter of comfort or any other document and/or letter with similar intent.

Arrangers

No arrangers have been appointed for this Issue.

Consents

Consents in writing of: (a) the Directors, (b) our Company Secretary and Compliance Officer, (c) Bankers to the Issue, (d) Lead Managers, (e) the Registrar to the Issue, (f) Legal Advisor to the Issue, (g) Credit Rating Agencies, (h) CRISIL in relation to the industry report (i) the Debenture Trustee, (j) Chief Financial Officer, (k) Public Issue Account* and/or Sponsor Bank*, (l) Refund Bank*, (m) Consortium Members*, and (n) lenders have been or will be duly obtained from them and the same will be filed along with a copy of the Shelf Prospectus and relevant Tranche Prospectus with the ROC as required under Section 26 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Shelf Prospectus with the Stock Exchange.

** The consents will be procured at the respective Tranche Issue stage.*

The consent of the Statutory Auditors of our Company, namely M/s. Khimji Kunverji & Co LLP, Chartered Accountants, Mumbai for (a) inclusion of their name as the Statutory Auditors, (b) examination reports on Reformatted Standalone Financial Information, Reformatted Consolidated Financial Information and Limited Review Financial Results in the form and context in which they appear in this Shelf Prospectus, and (c) inclusion

of the statement of tax benefits, have been obtained and has not withdrawn such consent and the same will be filed along with a copy of this Shelf Prospectus with the Registrar of Companies, Maharashtra, located at Mumbai.

Expert Opinion

Our Company has received written consent dated September 2, 2021, from M/s. Khimji Kunverji & Co LLP, Chartered Accountants, to include their name as required under section 26(1) of the Companies Act, 2013 read with the SEBI NCS Regulations, in this Shelf Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013, to the extent and in their capacity as our Statutory Auditors. Further, except for the: (i) Statutory Auditors’ examination reports dated August 31, 2021 on Reformatted Standalone Financial Information and Reformatted Consolidated Financial Information, (ii) Statutory Auditors’ limited review report dated July 20, 2021 on Limited Review Financial Results and (iii) Statement of tax benefits dated September 2, 2021, issued by the Statutory Auditors our Company has not obtained any expert opinions.

Common form of Transfer

Our Company undertakes that there shall be a common form of transfer for the NCDs and the provisions of the Companies Act, 2013 applicable as on the date of this Shelf Prospectus and all applicable laws shall be duly complied with in respect of all transfer of debentures and registration thereof.

Minimum Subscription

In terms of the SEBI NCS Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall not be less than 75% of the Base Issue Size. If our Company does not receive the minimum subscription of not less than 75 % of the Base Issue, prior to the Issue Closing Date the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicant within eight Working Days from the date of closure of the Issue or such time as may be specified by SEBI. The refunded subscription amount shall be credited only to the account from which the relevant subscription amount was remitted. In the event, there is a delay, by our Company in making the aforesaid refund within the prescribed time limit, our Company will pay interest at the rate of 15% per annum for the delayed period.

Under Section 39(3) of the Companies Act 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be unblocked/credited only to the bank account from which the subscription was blocked/remitted. To the extent possible, where the required information for making such refunds is available with the Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or the Registrar will follow the guidelines prescribed by SEBI in this regard, including circular no. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 issued by SEBI.

Filing of the Draft Shelf Prospectus

The Draft Shelf Prospectus was filed with the Stock Exchange in terms of Regulation 27 of the SEBI NCS Regulations for dissemination on their website and the SEBI. The Draft Shelf Prospectus was also duly displayed on the website of the Company and the Lead Managers

Filing of the Shelf Prospectus and Tranche Prospectus with the RoC

Our Company is eligible to file the Shelf Prospectus as per requirements of Regulation 41 of SEBI NCS Regulations. A copy of the Shelf Prospectus and the relevant Tranche Prospectus shall be filed with the Registrar of Companies in accordance with Section 26 and Section 31 of the Companies Act, 2013.

Debenture Redemption Reserve

In accordance with recent amendments to the Companies Act, 2013, and the Companies (Share Capital & Debentures) Rules 2014, read with Rule 16 of the SEBI NCS Regulations, any non-banking finance company that intends to issue debentures to the public are no longer required to create a DRR for the purpose of redemption of debentures. Pursuant to the amendment to the Companies (Share Capital and Debentures) Rules 2014, notified on August 16, 2019, and as on the date of filing of this Shelf Prospectus, our Company is not required to create DRR

for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with the Issue.

Further, Section 71 of the Companies Act, 2013, read with Rule 18 of Companies (Share Capital and Debentures) Rules, 2014 under Chapter IV of the Companies Act, 2013, requires that any listed company that intends to issue debentures to the public must, on or before the 30th day of April of each year, in respect of such publicly issued debentures, invest an amount not less than 15% of the amount of the debentures maturing during the financial year which is ending on the 31st day of March of the next year, in any one or more of the following methods: (a) in deposits with any scheduled bank, free from any charge or lien; (b) in unencumbered securities of the Central Government or any State Government; (c) in unencumbered securities mentioned under section 20 of the Indian Trusts Act, 1882; or (d) in unencumbered bonds issued by any other company which is notified under sub-clause (f) of section 20 of the Indian Trusts Act, 1882. Such invested amount shall not be used for any purpose other than for redemption for debentures maturing during the financial year which is ending on the 31st day of March of the next year. Further, the invested amount shall not, at any time, fall below 15% of the amount of the debentures maturing in such financial year. This may have a bearing on the timely redemption of the NCDs by our Company.

Recovery Expense Fund

Our Company has already created a recovery expense fund in the manner as specified by SEBI in circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 as amended from time to time and Regulation 11 of SEBI NCS Regulations with the Designated Stock Exchange and informed the Debenture Trustee regarding the creation of such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.

Kindly note, any default committed by the Company in terms of the NCDs proposed to be issued shall be reckoned at each respective International Securities Identification Number level assigned to the respective Option(s) of NCDs issued under each relevant Tranche Issue.

Underwriting

As stated in the relevant Tranche Prospectus.

Issue Related Expenses

The expenses for each Tranche Issue include, inter alia, lead management fees and selling commission to the Lead Managers, Members of Syndicate and various intermediaries as prescribed in, *inter alia*, the SEBI Operational Circular, fees payable to debenture trustees, the Registrar to the Issue, SCSBs' commission/ fees, printing and distribution expenses, legal fees, advertisement expenses, listing fees and any other expense directly related to the Issue. The estimated Issue expenses for each Tranche Prospectus shall be specified in respective Tranche Prospectus.

The estimated breakdown of the total expenses for this Issue and the timeline for such payment for each Tranche Issue shall be as specified in the relevant Tranche Prospectus. For further details see, "*Objects to the Issue*" on page 58 of this Shelf Prospectus

Reservation

No portion of this Issue has been reserved.

Revaluation of Assets

Our Company has not revalued its loan assets in the last five Fiscal Years.

Details regarding our Company and other listed companies which are associate companies as described under the Companies Act, 2013, which made any capital issue during the last three years

Except as stated in “- *Utilisation details of previous public issues made by Group Companies*”, there are no other listed companies under the same management / associate companies as described under the Companies Act, 2013, which have made any public capital issuances during the previous three years from the date of this Shelf Prospectus.

Private Placement

Our Company has issued and allotted on private placement basis secured, rated, listed, redeemable, non-convertible debentures as given in the below table. The said debentures have been listed at BSE / NSE.

Financial Year	No. of Debentures (face value of ₹ 10 lakh each)	Issue Amount (₹ In crore)
2018 – 19	5,735	573.50 (includes unsecured NCD of ₹ 55 crore)
2019 – 20	500	50.0
2020 – 21	10,250	1,025.0
Total	49,676	4,967.6

Financial Year	No. of Debentures (face value of ₹ 2 lakh each)	Issue Amount (₹ In crore)
2019 – 20	2,500	50.0
2020 – 21	3,750	75.0
Total	6,250	125.0

Previous Issue

Except as stated in “*Utilisation details of previous public issues*”, our Company has not made any other public issue of NCDs. The proceeds from the issuance of NCDs by our Company on a private placement basis have been utilised, *inter alia*, for repayment of existing borrowings, onward lending and working capital purposes.

Other than as specifically disclosed in this Shelf Prospectus, our Company has not issued any securities for consideration other than cash.

Utilisation details of Previous Public Issues

Utilisation details of previous public issues made by our Company

Our Company has made public issues of its NCDs prior to the date of this Shelf Prospectus. The details of the utilisation of issue proceeds as of June 30, 2021 from such public issue are given below:

Relevant Tranche Issue of Secured NCDs	Issue opening date	Issue closing date	Date of allotment of securities	Particulars	Amount utilised (₹ in crore)
Tranche I	April 22, 2019	May 21, 2019	May 21, 2019	Onward Lending and repayment of principal and interest on existing borrowings	378.8
				General Corporate Purposes (Issue related expenses)	8.2
				Total	387.0
Tranche II	August 6, 2019	September 4, 2019	September 11, 2019	Onward Lending and repayment of principal and interest on existing borrowings	124.0
				General Corporate Purposes (Issue related expenses)	4.2
				Total	128.2
Tranche III	February 13, 2020	March 9, 2020	March 15, 2020	Onward Lending and repayment of principal and interest on existing borrowings	121.5
				General Corporate Purposes (Issue related expenses)	3.30
				Total	124.80

The above funds have been utilised as per the objects of the issue of each Tranche.

Utilisation details of previous public issues made by Group Companies

JM Financial Credit Solutions Limited has made a public issue of secured, rated, listed, redeemable, non-convertible debentures of face value ₹ 1,000 each, in two tranches. The details of the utilisation of issue proceeds, tranche wise, from such public issue are given below:

Tranches	Issue opening date	Issue closing date	Date of allotment of securities	Particulars	Amount (₹ in crore)
Tranche I	May 28, 2018	May 29, 2018	June 7, 2018	Repayment of borrowings	249.0
				Lending	465.0
				Working Capital	36.0
				Total	750.0
Tranche II	November 20, 2018	December 7, 2018	December 13, 2018	Repayment of borrowings	228.0
				Lending	31.0
				Working Capital	4.6
				Total	263.6

Details regarding lending out of issue proceeds of Previous Issues

In terms of the SEBI circular dated August 10, 2021, the Company being an NBFC, following asset liability management disclosures are made as per latest audited financial statements i.e. March 31, 2021.

A. **Lending Policy**

Please see "Our Business" on page 95 of this Shelf Prospectus for details regarding the lending policy of our Company.

B. **Loans given by our Company**

As of March 31, 2021, there are no loans given by our Company that are outstanding towards associate companies or entities / persons related to the Board, senior management, Promoter or other parties covered in the registered maintained under Section 189 of the Companies Act, 2013.

C. **Types of loans**

a. **Details of types of loans**

Types of loan given by the Company as on March 31, 2021 are as follows:

S. No	Type of loans	Amount (₹ in crore)
1.	Secured	3,080.11
2.	Unsecured	0.68
	Total assets under management (AUM)*	3,080.79*

*Excluding impact of IND AS adjustments viz interest accrued, expected credit loss and effective interest rate aggregating to ₹ (99.75) crore.

b. **Denomination of loans outstanding by loan-to-value as on March 31, 2021 are as follows:**

Sl. No.	LTV (at the time of origination)	Percentage of AUM
1.	Upto 40%	38.74%
2.	40-50%	13.20%
3.	50-60%	26.19%

Sl. No.	LTV (at the time of origination)	Percentage of AUM
4.	60-70%	12.78%
5.	70-80%	6.12%
6.	80-90%	0.00%
7.	>90%	2.97%
Total		100.00%

c. Sectoral exposure:

Sr. No.	Segment-wise breakup of AUM	Percentage of AUM
1.	Capital Market	36.15
a.	- Corporate Funding	14.90
b.	- ESOP Funding	1.87
c.	- Loan against Bond / Mutual Fund	0.56
d.	- Loan against Shares	0.76
e.	- Margin Funding	15.55
f.	- Sponsored Financing	2.51
2.	Real Estate Funding	45.42
a.	- Commercial real estate	44.54
b.	- Residential mortgages	0.88
3.	Others	18.43
	Total	100.00

d. Denomination of loans outstanding by ticket size as on March 31, 2021:

S. No	Ticket size (at the time of origination)	Percentage of AUM
1.	Up to ₹ 2 Lakh	0.02
2.	₹ 2-5 Lakh	0.13
3.	₹ 5-10 Lakh	0.29
4.	₹ 10-25 Lakh	0.75
5.	₹ 25-50 Lakh	1.35
6.	₹ 50 Lakh – 1 Crore	1.92
7.	₹ 1-5 Crore	8.43
8.	₹ 5-25 Crore	18.20
9.	₹ 25-100 Crore	44.63
10.	>₹ 100 Crore	24.30
	Total	100.00

e. Classification of borrowing as of March 31, 2021

Sr. No.	Type of Borrowing	Amount (₹ in crore)	Percentage
1	Secured	3,034.55	86.5%
2	Unsecured	473.51	13.5%
	Total	3,508.06	100%

f. Geographical classification of borrowers as on March 31, 2021:

S. No.	Top 5 states	Percentage of AUM
1	Maharashtra	92.70
2	Karnataka	4.05
3	Delhi	1.31
4	Gujarat	1.16
5	West Bengal	0.78
	Total	100.00

g. Concentration of Advances as of March 31, 2021

Total advances to 20 largest borrowers	₹ 1,909.11 crore
Percentage of advances to 20 largest borrowers to total advances of our Company	60.92%

h. Concentration of Exposures as of March 31, 2021

Total exposure to 20 largest borrowers	₹ 1,951.05 crore
Percentage of exposures to 20 largest borrowers to total exposures of our Company	61.29%

i. Details of loans overdue and classified as non-performing in accordance with the RBI guidelines as of March 31, 2021

Movement of gross NPA	₹ in crore
Opening gross NPA	4.56
- Additions during the year	56.37
- Reductions during the year	3.66
- Closing balance of gross NPA	57.27

Movement of provisions for NPA	₹ in crore
Opening balance	1.75
Provisions made during the year	23.67
Write-off / write-back of excess provisions	1.48
Closing balance	23.94

j. Segment-wise gross NPA as of March 31, 2021

Sr. No.	Segment-wise gross NPA	Gross NPA (%)
1.	Corporate Borrower	3.72%
2.	Others	0.54%
	Total	1.86%

k. Residual maturity profile of assets and liabilities (in line with the RBI format):

	Up to 30/31 days	>1 months - 2 months	>2 months - 3 months	>3 months - 6 months	>6 months - 1 year	>1 year - 3 year	>3 years - 5 years	> 5 years	Total
Liabilities									
Borrowings from Banks	39.77	27.69	21.47	42.43	46.21	76.77	14.98	-	269.32
Market Borrowings	437.21	127.77	49.35	105.43	413.84	1,190.64	237.19	462.65	3024.08
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-
Assets									
Advances	197.11	216.69	195.80	255.87	679.12	987.94	269.30	126.03	2,927.86
Deposits	0.02	-	-	-	0.23	4.59	0.12	-	4.96
Investments	1288.72	-	-	-	79.62	27.47	-	170.25	1566.06
Foreign Currency Assets	-	-	-	-	-	-	-	-	-

l. Maturity profile of total retail loan portfolio of the Company as on March 31, 2021 is as follows:

Period	₹ in Crore

Less than 1 Month	147.45
1-2 Months	200.57
2-3 Months	114.51
3-6 Months	184.25
6 Months – 1 Year	67.01
Above 1 Year	346.87
Total	1,060.67

Promoter Shareholding

Please see "Capital Structure" on page 52 of this Shelf Prospectus for details with respect to Promoter shareholding in our Company as on date of this Shelf Prospectus.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act 2013, our Company will issue a statutory advertisement on or before the Issue Opening Date. This advertisement will contain the information as prescribed under SEBI NCS Regulations. Material updates, if any, between the date of filing of the Shelf Prospectus with RoC and the date of release of the statutory advertisement will be included in the statutory advertisement.

Dividend

Our Company has no stated specific dividend policy. RBI circular no. RBI/2021-22/59 dated June 24, 2021 provides that the declaration and payment of dividends on our shares will be recommended by our Board of Directors and approved by our shareholders, at their discretion, and will depend on a number of factors, including but not limited to our profits, capital requirements and overall financial condition.

The dividends paid by our Company are as follows:

Particulars	For the year Ended March 31, 2019	For the year Ended March 31, 2020	For the year Ended March 31, 2021
Equity Share Capital (₹ in crore)	544.5	544.5	544.5
Number of shares	54,45,00,000	54,45,00,000	54,45,00,000
Face value of Shares (₹)	10.00	10.00	10.00
Dividend declared (Interim) (%)	7.00%	0.00%	0.00%
Dividend per share (Interim) (₹)	0.70	0.00	0.00
Dividend declared (Final) (%)	2.00%	3.00%	1.00%
Dividend per share (Final) (₹)	0.20	0.30	0.10

Mechanism for redressal of investor grievances

The agreement between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least eight years from the last date of dispatch of the Allotment Advice, demat credit and refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances. All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the Applicant, number of NCDs applied for, amount paid on application and the bank branch or collection center where the application was submitted

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (a) the relevant Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant, or (b) the concerned Member of the Syndicate and the relevant Designated Branch of the SCSB in the event of an Application submitted by an ASBA Applicant at any of the Syndicate ASBA Centres, giving full details such as name, address of Applicant, Application Form number, series applied for, number of NCDs applied for, amount blocked on Application.

All grievances related to the UPI process may be addressed to the Stock Exchange, which shall be responsible for addressing investor grievances arising from applications submitted online through the application based / web interface platform of stock exchange or through their Trading Members. The Intermediaries shall be responsible for addressing any investor grievances arising from the applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them

KFin Technologies Private Limited
(Formerly known as Karvy Fintech Private Limited)

Selenium Tower B,
Plot No- 31 and 32, Financial District
Nanakramguda, Serilingampally,
Hyderabad, Rangareddi 500 032,
Telangana, India

CIN: U72400TG2017PTC117649

Tel: (+91 40) 6716 2222

Fax: (+91 40) 2343 1551

Email: jmfpl.ncdipo@kfintech.com



Investor Grievance Email: einward.ris@kfintech.com

Website: www.kfintech.com

Contact Person: M Murali Krishna

SEBI Registration No.: INR000000221

Registrar shall act as the nodal agency for investor grievance redressal. The Registrar shall endeavour to redress complaints of the investors within two (2) days of receipt of the complaint during the currency of this Registrar Agreement and continue to do so during the period it is required to maintain records under the RTA Regulations and our Company shall extend necessary co-operation to the Registrar for its complying with the said regulations. However, the Registrar shall ensure that the time taken to redress investor complaints does not exceed seven (7) days from the date of receipt of complaint. The Registrar shall provide a status report of investor complaints and grievances on a fortnightly basis to our Company. Similar status reports should also be provided to our Company as and when required by our Company.

Mr. Rupesh Samani is the Company Secretary and Compliance Officer of our Company and the contact details are as follows.

Mr. Rupesh Samani

Company Secretary and Compliance Officer

5th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai
Maharashtra 400 025

Tel: (+91 022) 6630 3030

Fax: (+91 022) 6630 3223

Email: investorrelations.products@jmfl.com

Investors may contact the Registrar to the Issue or the Compliance Officer in case of any pre-issue or post Issue related issues such non-receipt of Allotment advice, demat credit, refund orders, non-receipt of Debenture Certificates, transfers, or interest on application amount etc.

Reservations/ Qualifications/ Adverse Remarks or Emphasis of Matter by Auditors

Other than as may be disclosed in “Risk Factors” on page 12 of this Shelf Prospectus, there are no reservations or qualifications or adverse remarks or emphasis of matter by the Statutory Auditors in the Reformatted Financial Information of our Company in the last three financial years immediately preceding this Shelf Prospectus.

Trading

The debt securities issued by our Company, are listed on BSE / NSE’s wholesale debt market.

Caution

Attention of the applicants is specifically drawn to the provision of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

- a. *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b. *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c. *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447 of the Companies Act, 2013”*

Change in Auditors of our Company during the last three years

There have been no changes in the Statutory Auditor of our Company during the last three years.

SECTION VII – ISSUE RELATED INFORMATION

ISSUE STRUCTURE

The following are the key terms of the NCDs. This section should be read in conjunction with and is qualified in its entirety by more detailed information in the section "*Terms of the Issue*" on page 335 of this Shelf Prospectus.

Particulars	Terms and Conditions
Minimum Application Size	As specified in the relevant Tranche Prospectus for each Tranche Issue
Mode of allotment	Compulsorily in dematerialized form.
Terms of Payment	Full amount on application.
Trading Lot	One NCD.
Who can apply	Please see " <i>Issue Procedure – Who can apply</i> " on page 351 of Shelf Prospectus.

Participation by any of the above-mentioned investor classes in this Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/or regulatory provisions. Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking allotment of NCDs pursuant to this Issue.

For further details, see "*Issue Procedure*" on page 350.

Common Terms of NCDs***

Issuer	JM Financial Products Limited
Type of instrument / Name of security	Public issue by our Company of Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of ₹ 1,000 each and/or Unsecured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of ₹ 1,000 each, for an amount aggregating up to ₹ 1,500 crore (" Shelf Limit ") pursuant to the Shelf Prospectus. The Unsecured, Rated, Listed, Redeemable Non-convertible Debentures will be in the nature of Subordinated Debt and will be eligible for Tier II Capital.
Nature of Instrument	Secured, rated, listed, redeemable, non-convertible debentures of face value ₹1,000 each and/or unsecured, rated, listed, redeemable, non-convertible debentures of face value ₹1,000. The Unsecured, Rated, Listed, Redeemable Non-convertible Debentures will be in the nature of Subordinated Debt and will be eligible for Tier II Capital.
Seniority	Senior to clarify, the claims of the Secured NCD Holders shall be superior to the claims of any other creditors, subject to applicable statutory and/or regulatory requirements. The Secured NCDs shall be secured by way of first ranking pari passu charge on the Company's present and future receivables, excluding such portion of the receivables offered or to be offered to the banks against the credit facilities availed or to be availed by the Company whether by way of loan or debentures or otherwise, and for the purposes of maintaining 'security cover' (by whatever name called) under the terms of such credit facilities. Security for the purpose of this Issue will be created in accordance with the terms of the Debenture Trust Deed to ensure at least 100% security cover of the amount outstanding in respect of Secured NCDs, including interest thereon, at any time. For further details see " <i>Issue Structure</i> " on page 329 of this Shelf Prospectus. No security will be created for Unsecured NCDs in the nature of Subordinated Debt. The rated, listed, redeemable Unsecured NCDs are in the nature of Subordinated Debt and will be eligible for Tier II Capital.
Who can apply/ Eligible Investors	Please see " <i>Issue Procedure</i> " on page 350 of this Shelf Prospectus.
Listing	BSE BSE shall be the Designated Stock Exchange for the Issue. The NCDs are proposed to be listed within 6 (six) Working Days from the respective Issue Closing Date pertaining to a Tranche Issue.

Rating of the Instrument	Rating agency	Instrument	Rating symbol	Date of credit rating letter	Amount rated	Rating definition
	ICRA	NCDs	[ICRA]AA/Stable	August 30, 2021	₹ 3,850 crore	Stable outlook
	CRISIL	NCDs	CRISIL AA/Stable	August 31, 2021	₹ 3,751.35 crore	
	Please see pages 415 to 437 of this Shelf Prospectus for rating letter and rationale for the above ratings. Please see to the disclaimer clause of ICRA and CRISIL in “ <i>General Information</i> ” on page 43 of this Shelf Prospectus.					
Issue Size	As specified in the relevant Tranche Prospectus for each Tranche Issue.					
Minimum Subscription	As specified in the relevant Tranche Prospectus for each Tranche Issue.					
Base Issue	As specified in the relevant Tranche Prospectus for each Tranche Issue.					
Option to retain Oversubscription (Amount)	As specified in the relevant Tranche Prospectus for each Tranche Issue.					
Objects of the Issue / Purpose for which there is requirement of funds	Please see “ <i>Objects of the Issue</i> ” on page 58 of this Shelf Prospectus.					
Details of the utilisation of Issue proceeds	Please see “ <i>Objects of the Issue</i> ” on page 58 of this Shelf Prospectus.					
Coupon rate	As specified in the relevant Tranche Prospectus for each Tranche Issue.					
Step up/ Step down coupon rates	As specified in the relevant Tranche Prospectus for each Tranche Issue.					
Coupon payment frequency	As specified in the relevant Tranche Prospectus for each Tranche Issue.					
Coupon payment date	As specified in the relevant Tranche Prospectus for each Tranche Issue.					
Coupon type	As specified in the relevant Tranche Prospectus for each Tranche Issue.					
Coupon reset process	As specified in the relevant Tranche Prospectus for each Tranche Issue.					
Day count convention	Actual/Actual					
Working Days / Effect of holidays on payment	Working Days mean all days on which commercial banks in Mumbai are open for business.					
	Further, in respect of announcement of bid /issue period, Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business;					
	Further, in respect of the time period between the bid/ issue closing date and the listing of the non-convertible securities on the stock exchanges, Working Day shall mean all trading days of the stock exchanges for non-convertible securities, excluding Saturdays, Sundays and bank holidays, as specified by SEBI;					
	Interest shall be computed on an actual/actual basis i.e. on the principal outstanding on the NCDs as per the SEBI NCS Regulations.					
	If the interest payment date falls on a Sunday or a holiday of commercial banks in Mumbai, the coupon payment shall be made on the succeeding Working Day. Further, the future Interest Payment Dates shall remain intact and shall not be changed because of postponement of such interest payment on account of it falling on a non-Working Day.					
	If the maturity date (also being the last interest payment date) falls on a Sunday or a holiday of commercial banks in Mumbai, the redemption proceeds shall be paid on the					

	immediately preceding working day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment.
Interest on application money	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Default interest rate	Our Company shall pay interest in connection with any delay in allotment, refunds, listing, execution of Debenture Trust Deed, dematerialized credit, payment of interest, redemption of principal amount beyond the time limits prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated/ prescribed under applicable laws.
Tenor	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Redemption date	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Redemption Amount	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Redemption premium/discount	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Issue Price	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Discount at which such security is issued and the effective yield as a result of such discount	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Put Date	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Put Price	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Call Date	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Call Price	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Put Notification Time	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Call Notification Time	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Face Value (in ₹ / NCD)	₹ 1,000
Issue Price (in ₹ / NCD)	As specified in the relevant Tranche Prospectus for each Tranche Issue
Minimum application and in multiples of thereafter	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Issue Timing	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Issue Opening Date	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Issue Closing Date	As specified in the relevant Tranche Prospectus for each Tranche Issue. <i>*Each Tranche Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. IST during the period indicated above, except that the Tranche Issue may close on such earlier date or extended date as may be decided by the Board or the NCD Public Issue Committee. In the event of such an early closure of or extension of the Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in all the newspapers in which pre-Issue advertisement and advertisement for opening or closure of the Issue have been given, on or before such earlier date of the closure or extended date of the Issue, in terms of Schedule V of the SEBI NCS Regulations. On the Issue Closing Date pertaining to a Tranche Issue, the Application Forms for the Tranche Issue will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time) and uploaded until 5:00 p.m. or such extended time as may be permitted by the Designated Stock Exchange. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 p.m. (Indian Standard Time) on one Working Day post the Issue Closing Date. For further details see "Issue Related Information" on page 329 of this Shelf Prospectus.</i>

Date of earliest closing of issue, if any	The Issue may close on such earlier date or extended date as may be decided by the Board or the NCD Public Issue Committee. In the event of such an early closure or extension of the Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in all the newspapers in which pre-Issue advertisement and advertisement for opening or closure of the Issue have been given, on or before such earlier date or extended date of closure in terms of Schedule V of the SEBI NCS Regulations.
Issue Schedule	As specified in the relevant Tranche Prospectus for each Tranche Issue. <i>Note: The Issue shall remain open for subscription on Working Days from 10.00 a.m. to 5.00 p.m. (Indian Standard Time), during the period indicated in the relevant Tranche Prospectus, except that the Issue may close on such earlier date or extended date as may be decided by the Board or the NCD Public Issue Committee. In the event of such an early closure or extension of the Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in all the newspapers in which pre-Issue advertisement and advertisement for opening or closure of the Issue have been given, on or before such earlier date of the closure or extended date of the Issue, in terms of Schedule V of the SEBI NCS Regulations. Applications Forms for the Issue will be accepted only from 10:00 a.m. till 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 p.m. (Indian Standard Time) on one Working Day post the Issue Closing Date. For further details, see "Issue Related Information" on page 329 of this Shelf Prospectus.</i>
Pay-in Date	Application Date. The entire Application Amount is payable on Application.
Deemed Date of Allotment	The date on which the Board or the Allotment Committee approves the Allotment of the NCDs for any Tranche Issue or such date as may be determined by the Board of Directors or the Allotment Committee and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the NCD Holders from the Deemed Date of Allotment.
Settlement Mode of the instrument	Please see "Issue Structure" on page 329 of this Shelf Prospectus.
Depository	NSDL and CDSL
Disclosure of interest/redemption dates	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Record date	The Record Date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 days prior to the date on which interest is due and payable, and/or the date of redemption. Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the Stock Exchange, as the case may be. In case Record Date falls on a day when Stock Exchange is having a trading holiday, the immediate subsequent trading day or a date notified by the Company to the Stock Exchanges, will be deemed as the Record Date.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	As agreed in the Debenture Trust Deed, to be executed in accordance with applicable law.
Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type	The Secured NCDs shall be secured by way of first ranking pari passu charge on the Company's present and future receivables, excluding such portion of the receivables offered or to be offered to the banks against the credit facilities availed or to be availed by the Company whether by way of loan or debentures or otherwise, and for the purposes of maintaining 'security cover' (by whatever name called) under the terms of such credit facilities. Security for the purpose of this Issue will be created in accordance with the terms of the Debenture Trust Deed to ensure at least 100% security cover of

of charge (pledge/ hypothecation / mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed	the amount outstanding in respect of Secured NCDs, including interest thereon, at any time. For further details please see "Issue Structure" on page 329 of this Shelf Prospectus. No security will be created for Unsecured NCDs in the nature of Subordinated Debt. The rated, listed, redeemable Unsecured NCDs are in the nature of Subordinated Debt and will be eligible for Tier II Capital. The NCDs shall be considered as secured only if the charged asset is registered with sub-registrar or RoC or CERSAI or Depository etc., as applicable, or is independently verifiable by the Debenture Trustee. Without prejudice to the aforesaid, in the event our Company fails to execute the Debenture Trust Deed within the period specified in Regulation 18(1) of the SEBI NCS Regulations or such other time frame as may be stipulated from time-to-time, our Company shall also pay interest of at least 2% (two per cent) per annum to the NCD holders, over and above the interest rate on the NCDs specified in the relevant Tranche Prospectus, till the execution of the Debenture Trust Deed. The security shall be created prior to making the listing application for the NCDs with the Stock Exchange(s). For further details on date of creation of security/likely date of creation of security, minimum security cover etc., please refer to the relevant Tranche Prospectus. The revaluation and replacement of the security shall be in accordance with the Debenture Trust Deed.
Transaction documents	Transaction Documents shall mean, the Issue Agreement dated September 2, 2021 entered between our Company and the Lead Managers, the Registrar Agreement dated September 1, 2021 entered between our Company and the Registrar to the Issue, the Public Issue Account and Sponsor Bank Agreement to be entered into with the Public Issue Account Bank, Sponsor Bank, the Refund Bank, the Lead Managers and the Registrar to the Issue, the Consortium Agreement to be entered into with our Company, the Consortium Members and Lead Managers, the Debenture Trustee Agreement dated September 1, 2021 executed between our Company and the Debenture Trustee, and the Debenture Trust Deed to be entered between our Company and the Debenture Trustee for creating the security over the Secured NCDs issued under the Issue and to protect the interest of Secured NCD Holders under the Issue.
Conditions precedent to Disbursement	Other than the conditions specified in the SEBI NCS Regulations and the Debenture Trust Deed, there are no conditions precedent to disbursement. For further details, please see " <i>Objects of the Issue – Utilisation of Issue Proceeds</i> " on page 60 of this Shelf Prospectus.
Conditions subsequent to Disbursement	Other than the conditions specified in the SEBI NCS Regulations and the Debenture Trust Deed, there are no conditions subsequent to disbursement. For further details, please see " <i>Objects of the Issue – Utilisation of Issue Proceeds</i> " on page 60 of this Shelf Prospectus.
Events of default (including manner of voting / conditions of joining inter creditor agreement)	For details, see " <i>Terms of the Issue – Events of Default</i> " on page 338.
Creation of Recovery Expense Fund	Our Company has created a recovery expense fund with the Stock Exchange as prescribed under the SEBI NCS Regulations. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Provisions related to Cross Default clause	Please see " <i>Terms of the Issue – Events of default</i> " on page 338 of this Shelf Prospectus.
Roles and responsibilities of	Please see " <i>Terms of the Issue – Trustees for the NCD Holders</i> " on page 338 of this Shelf Prospectus.

the Debenture Trustee	
Risk factors pertaining to the Issue	Please see “ <i>Risk Factors</i> ” on page 12 of this Shelf Prospectus.
Governing law and jurisdiction	The Issue shall be governed in accordance with the laws of the Republic of India and shall be subject to the exclusive jurisdiction of the courts of Mumbai.

* In terms of Regulation 7 of the SEBI NCS Regulations, our Company will undertake this public issue of the NCDs in dematerialised form. However, in terms of section 8(1) of the Depositories Act, our Company, at the request of the Investors who wish to hold the NCDs in physical form will fulfil such request. However, trading in NCDs shall be compulsorily in dematerialised form.

While the NCDs are secured to the tune of atleast 100% of the principal and interest amount or as per the terms of offer document, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained and the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

The specific terms of each instrument to be issued pursuant to a Tranche Issue shall be as set out in the relevant Tranche Prospectus.

Please see pages 353, 351 and 377 of this Shelf Prospectus under sections titled “*Issue Procedure – How to apply*”, “*Issue Procedure – Who can apply*” and “*Issue Procedure – Basis of allotment for NCDs*”, respectively for details of category wise eligibility and allotment in the Issue.

****The Issue shall remain open for subscription on Working Days from 10.00 a.m. to 5.00 p.m. (Indian Standard Time), during the period indicated in the relevant Tranche Prospectus, except that the Issue may close on such earlier date or extended date as may be decided by the Board or the NCD Public Issue Committee of the Board. In the event of such an early closure of or extension of the Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in all the newspapers in which pre-Issue advertisement and advertisement for opening or closure of the Issue have been given, on or before such earlier date of the closure or extended date of the Issue, in terms of Schedule V of the SEBI NCS Regulations. Applications Forms for the Issue will be accepted only from 10:00 a.m. till 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 p.m. (Indian Standard Time) on one Working Day post the Issue Closing Date. For further details please see “Issue Related Information” on page 329 of this Shelf Prospectus.*

Specific terms of the NCDs

As specified in the relevant Tranche Prospectus.

Interest and Payment of Interest

As specified in the relevant Tranche Prospectus.

Day Count Convention

Interest shall be computed on actual/actual basis *i.e.* on the principal outstanding on the NCDs as per the SEBI Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper bearing no. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.

Please note that in case the NCDs are transferred and/or transmitted in accordance with the provisions of this Shelf Prospectus read with the provisions of the Articles of Association of our Company, the transferee of such NCDs or the transferee of deceased holder of NCDs, as the case may be, shall be entitled to any interest which may have accrued on the NCDs subject to such Transferee holding the NCDs on the Record Date.

TERMS OF THE ISSUE

Authority for the Issue

The Board of Directors, at their meeting held on July 11, 2019 and May 4, 2020 and the shareholders of our Company at their meeting held on July 23, 2020, approved the issuance of Secured NCDs of face value of ₹ 1,000 each and / or Unsecured NCDs of face value of ₹ 1,000 each, aggregating up to ₹ 3,000 crore to the public. The Unsecured NCDs shall be in the nature of subordinated debt and shall be eligible for inclusion as Tier II Capital.

The NCDs pursuant to this Issue will be issued in one or more tranches up to ₹ 1,500 crore, on terms and conditions as set out in the relevant tranche prospectus for any tranche issue (each a "**Tranche Issue**"), and such Tranche Issue shall be decided by NCD Public Issue Committee of Board of Directors.

Further, the present borrowing is within the borrowing limits of ₹ 14,000 crore under Section 180(1)(c) of the Companies Act, 2013 duly approved by the shareholders *vide* their resolution dated October 25, 2018.

Further, the NCD Public Issue Committee of the Board of Directors has approved the Issue and the Draft Shelf Prospectus by way of resolution dated September 2, 2021 and this Shelf Prospectus by way of resolution dated September 16, 2021.

Principal terms and conditions of this Issue

The NCDs being offered as part of the Issue are subject to the provisions of the SEBI NCS Regulations, the Companies Act, the Memorandum and Articles of Association of our Company, the terms of the Shelf Prospectus, the Application Forms, the Abridged Prospectus, the terms and conditions of the Debenture Trust Agreement and the Debenture Trust Deed, other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI/the Government of India/the Stock Exchanges, RBI and/or other statutory/regulatory authorities relating to the offer, issue and listing of securities and any other documents that may be executed in connection with the NCDs.

Ranking of the Secured NCDs

The Secured NCDs would constitute secured obligations of ours and shall rank *pari passu* inter se, present and future, and shall be secured by way of first ranking *pari passu* charge on the Company's present and future receivables, excluding such portion of the receivables offered or to be offered to the banks against the credit facilities availed or to be availed by the Company whether by way of loan or debentures or otherwise, and for the purposes of maintaining 'security cover' (by whatever name called) under the terms of such credit facilities. Security for the purpose of this Issue will be created in accordance with the terms of the Debenture Trust Deed to ensure at least 100% security cover of the amount outstanding in respect of Secured NCDs, including interest thereon, at any time.

The Company is required to obtain permissions / consents from the prior creditors for proceeding with this Issue and the Company has obtained such permissions / consents as on the date of this Shelf Prospectus.

Further, NCDs shall be considered as secured only if the charged asset is registered with sub-registrar or RoC or Central Registry of Securitisation Asset Reconstruction and Security Interest ("**CERSAI**") or depository etc., as applicable, or is independently verifiable by the Debenture Trustee.

Pursuant to the SEBI Circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 3, 2020, our Company has entered into the Debenture Trustee Agreement with the Debenture Trustee and proposes to complete the execution of the Debenture Trust Deed before making the application for listing of the NCDs for the benefit of the NCD Holders, the terms of which shall govern the appointment of the Debenture Trustee and the issue of the NCDs.

Without prejudice to the aforesaid, in the event our Company fails to execute the Debenture Trust Deed within the period specified in Regulation 18 of the SEBI NCS Regulations or such other time frame as may be stipulated from time-to-time, our Company shall also pay interest of at least 2% (two per cent) per annum to the NCD holders, over and above the interest rate on the NCDs specified in the relevant Tranche Prospectus, till the execution of the Debenture Trust Deed.

Ranking of the Unsecured NCDs

The Unsecured NCDs would constitute unsecured and subordinated obligations of the Company and shall rank *pari passu*, *inter se*, and subject to any obligations under applicable statutory and/or regulatory requirements. The Unsecured NCDs proposed to be issued under the Issue and all earlier issues of unsecured debentures outstanding in the books of the Company, if any, shall rank *pari passu* without preference of one over the other except that priority for payment shall be as per applicable date of redemption. The claims of the Unsecured NCD Holders shall be subordinated to those of the other creditors of the Company, subject to applicable statutory and/or regulatory requirements. Our Company shall, subject to applicable RBI requirements and other applicable statutory and/or regulatory provisions, treat the Unsecured NCDs as Tier II capital.

Face Value

The face value of each of the Secured NCDs shall be ₹ 1,000.

The face value of each of the Unsecured NCDs shall be ₹ 1,000.

NCD Holder not a shareholder

The NCD Holders will not be entitled to any of the rights and privileges available to the equity and/or preference shareholders of our Company, except to the extent as may be prescribed under the Companies Act, 2013, the SEBI Listing Regulations and any other applicable law.

Rights of the Secured NCD Holders

Some of the significant rights available to the Secured NCD Holders are as follows:

1. The Secured NCDs shall not, except as provided in the Companies Act, 2013, confer upon the Secured NCD Holders thereof any rights or privileges available to our members including the right to receive notices, or to attend and/or vote, at our general meeting. However, if any resolution affecting the rights attached to the Secured NCDs is to be placed before the members, the said resolution will first be placed before the concerned registered Secured NCD Holders for their consideration. In terms of Section 136 of the Companies Act, 2013 the Secured NCD Holders shall be entitled to inspect a copy of the balance sheet and copy of trust deed at the registered office of the Company during business hours.
2. Subject to applicable statutory/ regulatory requirements, including requirements of the RBI, the rights, privileges and conditions attached to the Secured NCDs may be varied, modified and/or abrogated with the consent in writing of the holders of at least three-fourths of the outstanding amount of the Secured NCDs or with the sanction of a special resolution passed at a meeting of the concerned Secured NCD Holders provided that, nothing in such consent or resolution shall be operative against us, where such consent or resolution modifies or varies the terms and conditions governing the Secured NCDs, if the same are not acceptable to us.
3. In case of Secured NCDs held in (i) dematerialised form, the person for the time being appearing in the register of beneficial owners of the Depository; and (ii) physical form, the registered Secured NCD Holders or in case of joint-holders, the one whose name stands first in the register of debenture holders shall be entitled to vote in respect of such Secured NCDs, either in person or by proxy, at any meeting of the concerned Secured NCD Holders and every such Secured NCD Holder shall be entitled to one vote on a show of hands and on a poll, his/her voting rights on every resolution placed before such meeting of the Secured NCD Holders shall be in proportion to the outstanding nominal value of Secured NCDs held by him/her.
4. The Secured NCDs are subject to the provisions of the SEBI NCS Regulations, the applicable provisions of the Companies Act, 2013 and rules made thereunder, our Memorandum and Articles of Association, the terms of the Draft Shelf Prospectus, this Shelf Prospectus and the relevant Tranche Prospectus, the terms and conditions of the Debenture Trust Deed, requirements of the RBI, other applicable statutory and/or regulatory requirements relating to the issue and listing, of securities and any other documents that may be executed in connection with the Secured NCDs.
5. For Secured NCDs in physical form, a register of debenture holders will be maintained in accordance with section 88 and Section 94 of the Companies Act, 2013 and all interest and principal sums becoming due and payable in

respect of the Secured NCDs will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the register of debenture holders as on the Record Date. For Secured NCDs in dematerialized form, all interest and principal sums becoming due and payable in respect of the Secured NCDs will be paid to the person for the time being appearing in the register of beneficial owners of the Depository. In terms of Section 88(3) of the Companies Act, 2013, the register of beneficial owners maintained by a Depository for any Secured NCDs in dematerialized form under Section 11 of the Depositories Act shall be deemed to be a register of debenture holders for this purpose. The same shall be maintained at the Registered Office of our Company under Section 94 of the Companies Act, 2013 unless the same has been moved in accordance with Applicable Law.

6. Subject to compliance with RBI requirements, Secured NCDs can be rolled over only with the consent of the Secured NCD Holders of not less than three-fourths in value of the outstanding amount of the Secured NCDs after providing at least 15 days prior notice for such roll over and in accordance with the SEBI NCS Regulations. Our Company shall redeem the debt securities of all the debt securities holders, who have not given their positive consent to the roll-over.

The aforementioned rights of the Secured NCD Holders are merely indicative. The final rights of the Secured NCD Holders will be as per the terms of the Draft Shelf Prospectus, the Shelf Prospectus, relevant Tranche Prospectus and the Debenture Trust Deed.

Rights of Unsecured NCD Holders

Some of the significant rights available to the Unsecured NCD Holders are, as follows:

1. The Unsecured NCDs shall not, except as provided in the Companies Act, 2013, confer upon the Unsecured NCD Holders thereof any rights or privileges available to our members including the right to receive notices, or to attend and/or vote, at our general meeting. However, if any resolution affecting the rights attached to the Unsecured NCDs is to be placed before the members, the said resolution will first be placed before the concerned registered Unsecured NCD Holders for their consideration. In terms of Section 136 of the Companies Act, 2013 the Unsecured NCD Holders shall be entitled to inspect a copy of the balance sheet and copy of trust deed at the registered office of the Company during business hours.
2. Subject to applicable statutory / regulatory requirements, including requirements of the RBI, the rights, privileges and conditions attached to the Unsecured NCDs may be varied, modified and/or abrogated with the consent of NCD Holders representing at least three-fourths of the outstanding amount of the Unsecured NCDs, obtained either in writing or by way of a special resolution passed at a meeting of the NCD Holders in accordance with the Debenture Trust Deed provided that, nothing in such consent or resolution shall be operative against us, where such consent or resolution modifies or varies the terms and conditions governing the Unsecured NCDs, if the same are not acceptable to us.
3. In case of Unsecured NCDs held in (a) dematerialised form, the person for the time being appearing in the register of beneficial owners of the Depository; and (b) physical form on account of re-materialization, as entitled under Section 8(1) of the Depositories Act, 1996, the registered Unsecured NCD Holders or in case of joint-holders, the one whose name stands first in the register of debenture holders shall be entitled to vote in respect of such Unsecured NCDs, either in person or by proxy, at any meeting of the concerned Unsecured NCD Holders and every such Unsecured NCD Holder shall be entitled to one vote on a show of hands and on a poll, his/her voting rights on every resolution placed before such meeting of the Unsecured NCD Holders shall be in proportion to the outstanding nominal value of Unsecured NCDs held by him/her.
4. The Unsecured NCDs are subject to the provisions of the SEBI NCS Regulations, the Companies Act, 2013 and rules made thereunder, our Memorandum and Articles of Association, the terms of the Draft Shelf Prospectus, Shelf Prospectus, the relevant Tranche Prospectus, the terms and conditions of the Debenture Trust Deed, requirements of the RBI, other applicable statutory and/or regulatory requirements relating to the issue and listing, of securities and any other documents that may be executed in connection with the Unsecured NCDs.
5. For Unsecured NCDs in physical form on account of re-materialization, a register of debenture holders will be maintained in accordance with Section 88 and Section 94 of the Companies Act, 2013 and all interest and principal sums becoming due and payable in respect of the Unsecured NCDs will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the register of debenture

holders as on the Record Date. For Unsecured NCDs in dematerialized form, all interest and principal sums becoming due and payable in respect of the Unsecured NCDs will be paid to the person for the time being appearing in the register of beneficial owners of the Depository. In terms of Section 88(3) of the Companies Act, 2013, the register of beneficial owners maintained by a Depository for any Unsecured NCDs in dematerialized form under Section 11 of the Depositories Act shall be deemed to be a register of debenture holders for this purpose. The same shall be maintained at the Registered Office of the Company under Section 94 of the Companies Act, 2013, unless the same has been moved in accordance with Applicable Law.

6. Subject to the compliance with RBI requirements Unsecured NCDs can be rolled over only, with the consent of at not less than three-fourths in value of the outstanding amount of the Unsecured NCD Holders, after providing at least 15 days prior notice for such roll over, in accordance with the SEBI NCS Regulations, as amended from time to time. Our Company shall redeem the Unsecured NCDs of all the Unsecured NCD Holders, who have either not participated in the voting by postal ballot or have not given their positive consent to the roll-over.

The aforementioned rights of the Unsecured NCD Holders are merely indicative. The final rights of the Unsecured NCD Holders will be as per the terms of the Draft Shelf Prospectus, Shelf Prospectus, the relevant Tranche Prospectus and the Debenture Trust Deed.

Trustees for the NCD holders

We have appointed IDBI Trusteeship Services Limited to act as the Debenture Trustees for the NCD Holders in terms of Regulation 8 of the SEBI NCS Regulations and Section 71 (5) of the Companies Act, 2013 and the rules prescribed thereunder.. The Debenture Trustee and we will execute a Debenture Trust Deed, inter alia, specifying the powers, authorities and obligations of the Debenture Trustee and us. The NCD Holders shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorised officials to do all such acts, deeds, matters and things in respect of or relating to the NCDs as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the NCD Holders. Any payment made by us to the Debenture Trustee on behalf of the NCD Holders shall discharge us pro tanto to the NCD Holders. The Debenture Trustee will protect the interest of the NCD Holders in the event of default by us in regard to timely payment of interest and repayment of principal and they will take necessary action at our cost.

Events of Default

Subject to the terms of the Debenture Trust Deed, the Debenture Trustee at its discretion may, or if so requested in writing by the holders of at least three-fourths value of the outstanding amount of the NCDs or with the sanction of a special resolution, passed at a meeting of the NCD Holders, give notice to our Company specifying that the NCDs, in whole but not in part are and have become due and repayable on such date as may be specified in such notice inter alia if any of the events listed below occurs.

The description below is an indicative list of events of default and its consequences:

- a. When the company makes default in the payment of any interest on the due date(s) which ought to have been paid in accordance with the terms of the issue;
- b. default is committed in payment of the principal amount of the NCDs on the due date(s)
- c. When the company without the consent of debenture holders ceases to carry on its business or gives notice of its intention to do so;
- d. When an order has been made by the Tribunal or a special resolution has been passed by the members of the company for winding up of the company;
- e. When any breach of the terms of the prospectus inviting the subscriptions of debentures or of the covenants of this deed is committed;
- f. When the company creates or attempts to create any charge on the Security or any part thereof without the prior approval of the trustees/debenture holders;
- g. When in the opinion of the trustees the security of debenture holders is in jeopardy.
- h. Steps which shall be taken by the debenture trustee in the event of defaults;
- i. Circumstances specifying when the security may be disposed off or leased out with the approval of trustees;
- j. A covenant that the company may hold and enjoy all the mortgaged premises and carry on therein and therewith the business until the security constituted becomes enforceable

Any other event described as an Event of Default in the Disclosure Documents/ Prospectus and the Transaction Documents. In accordance with the circular (SEBI/HO/MIRSD/CRADT/CIR/P/2020/203) dated October 13, 2020 issued by SEBI on “Standardisation of procedure to be followed by Debenture Trustee(s) in case of ‘Default’ by Issuers of listed debt securities”, post the occurrence of a “default”, the consent of the NCD Holders for entering into an inter-creditor agreement (the “ICA”) /enforcement of security shall be sought by the debenture trustee after providing a notice to the investors in the manner stipulated under applicable law. Further, the meeting of the NCD Holders shall be held within the period stipulated under applicable law. In case(s) where majority of investors express their consent to enter into the ICA, the debenture trustee shall enter into the ICA on behalf of the investors upon compliance with the conditions as stipulated in the abovementioned circular. In case consents are not received for signing the ICA, the debenture trustee shall take further action, if any, as per the decision taken in the meeting of the investors. The consent of the majority of investors shall mean the approval of not less than 75% of the investors by value of the outstanding debt and 60% of the investors by number at the ISIN level.

It is hereby confirmed, in case of an occurrence of a “default”, the Debenture Trustee shall abide and comply with the procedures mentioned in the abovementioned circular (SEBI/HO/MIRSD/CRADT/CIR/P/2020/203) dated October 13, 2020 issued by SEBI.

Minimum Subscription

In terms of the SEBI NCS Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be not less than 75% of the Base Issue Size. If our Company does not receive the minimum subscription of 75 % of the Base Issue Size, prior to the Issue Closing Date the entire blocked Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants of the Applicant within eight Working Days from the date of closure of the Issue or such time as may be specified by SEBI. The refunded subscription amount shall be credited only to the account from which the relevant subscription amount was remitted. In the event, there is a delay, by our Company in making the aforesaid refund within the prescribed time limit, our Company will pay interest at the rate of 15% per annum for the delayed period.

Under Section 39(3) of the Companies Act 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with the Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, the Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard including its circular (bearing CIR/IMD/DF-1/20/2012) dated July 27, 2012.

Market Lot and Trading Lot

The NCDs shall be allotted only in dematerialized form. As per the SEBI NCS Regulations, the trading of the NCDs shall be in dematerialised form only. Since trading of the NCDs is in dematerialised form, the tradable lot is one NCD.

Please note that the NCDs shall cease to trade from the Record Date (for payment of the principal amount and the applicable interest for such NCDs) prior to redemption of the NCDs.

Allotment in the Issue will be in electronic form and in multiples of one NCD. For details of Allotment see “*Issue Procedure*” on page 350 of this Shelf Prospectus.

Nomination facility to NCD Holders

In accordance with section 72 of the Companies Act, 2013, the sole NCD Holder or first NCD Holder, along with other joint NCD Holders (being individual(s) may nominate any one person (being an individual) who, in the event of death of the sole holder or all the joint-holders, as the case may be, shall become entitled to the NCDs. A person, being a nominee, becoming entitled to the NCDs by reason of the death of the NCD Holder(s), shall be entitled to the same rights to which he would be entitled if he were the registered holder of the NCD. Where the nominee is a minor, the NCD Holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the NCDs, in the event of the NCD Holder's death, during the minority of the nominee. A nomination shall stand rescinded upon sale of the NCDs by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. When the NCDs are held by two or more persons, the nominee shall become entitled to receive the amount only on the demise of all such NCD Holders. Fresh nominations can be made only in the prescribed form available on request at our Registered/

Corporate Office, at such other addresses as may be notified by us, or at the office of the Registrar to the Issue or the transfer agent.

NCD Holders are advised to provide the specimen signature of the nominee to us to expedite the transmission of the NCDs to the nominee in the event of demise of the NCD Holders. The signature can be provided in the Application Form or subsequently at the time of making fresh nominations. This facility of providing the specimen signature of the nominee is purely optional.

In accordance with the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, in the event of death of the NCD Holder(s), or where the NCDs are held by more than one person jointly, in the event of death of all the joint NCD Holder(s), the nominee may upon the production of such evidence as may be required by the Board, elect, either:

- (a) To register himself or herself as the holder of the NCDs; or
- (b) To make such transfer of the NCDs, as the deceased holder could have done.

NCD Holders who are holding NCDs in dematerialised form need not make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the NCD Holder will prevail. If the NCD Holders require to changing their nominations, they are requested to inform their respective Depository Participant.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the NCDs, and if the notice is not complied with, within a period of 90 days, our Board may thereafter withhold payment of all interests or other monies payable in respect of the NCDs, until the requirements of the notice have been complied with.

Since the allotment of NCDs will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Applicant would prevail. If the investors require changing their nomination, they are requested to inform their respective Depository Participant

Transfer/Transmission of NCD(s)

The NCDs shall be transferred or transmitted freely in accordance with the applicable provisions of the Companies Act, 2013 and rules made thereunder. The NCDs held in dematerialized form shall be transferred subject to and in accordance with the rules/procedures as prescribed by the Depositories and the relevant DPs of the transferor or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date.

In the absence of the same, interest will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferor(s) and not with our Company or Registrar. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

For further details, see "*Issue Structure*" on page 329, for the implications on the interest applicable to NCDs held by individual NCD Holders on the Record Date and NCDs held by non-individual NCD Holders on the Record Date. Pursuant to the SEBI Listing Regulations, NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except by way of transmission or transposition. Any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialized form only.

Title

In case of:

- NCDs held in the dematerialised form, the person for the time being appearing in the register of beneficial owners maintained by the Depositories; and
- the NCDs held in physical form pursuant to rematerialization, the person for the time being appearing in the register of NCD Holders shall be treated for all purposes by our Company, the Debenture Trustee, the Depositories and all other persons dealing with such person, as the holder thereof and its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or any interest

in it or any writing on, theft or loss of the consolidated NCD certificates issued in respect of the NCDs and no person will be liable for so treating the NCD holder.

No transfer of title of an NCD will be valid unless and until entered on the register of NCD holders or the register of beneficial owners maintained by the Depositories prior to the Record Date. In the absence of transfer being registered, interest and/or maturity amount, as the case may be, will be paid to the person, whose name appears first in the register of the NCD Holders maintained by the Depositories and/or our Company and/or the Registrar, as the case may be. In such cases, claims, if any, by the purchasers of the NCDs will need to be settled with the seller of the NCDs and not with our Company or the Registrar. The provisions relating to transfer and transmission and other related matters in respect of our Company's shares contained in the Articles of Association of our Company and the relevant provisions of the Companies Act, 2013, shall apply, mutatis mutandis (to the extent applicable) to the NCD(s) as well.

Succession

Where NCDs are held in joint names and one of the joint NCD Holder dies, the survivor(s) will be recognized as the NCD Holder(s). It will be sufficient for our Company to delete the name of the deceased NCD Holder after obtaining satisfactory evidence of his death. Provided, a third person may call on our Company to register his name as successor of the deceased NCD Holder after obtaining evidence such as probate of a will for the purpose of proving his title to the NCDs. In the event of demise of the sole or first holder of the NCDs, our Company will recognise the executors or administrator of the deceased NCD Holders, or the holder of the succession certificate or other legal representative as having title to the NCDs only if such executor or administrator obtains and produces probate or letter of administration or is the holder of the succession certificate or other legal representation, as the case may be, from an appropriate court in India. Our Directors, the Board, any committee of the Board or any other person authorised by the Board in their absolute discretion may, in any case, dispense with production of probate or letter of administration or succession certificate or other legal representation. In case of death of NCD Holders who are holding NCDs in dematerialised form, third person is not required to approach the Company to register his name as successor of the deceased NCD holder. He shall approach the respective Depository Participant of the NCD Holder for this purpose and submit necessary documents as required by the Depository Participant.

Where a non-resident Indian becomes entitled to the NCDs by way of succession, the following steps have to be complied with:

1. Documentary evidence to be submitted to the Legacy Cell of the RBI to the effect that the NCDs were acquired by the non-resident Indian as part of the legacy left by the deceased NCD Holder.
2. Proof that the non-resident Indian is an Indian national or is of Indian origin.
3. Such holding by a non-resident Indian will be on a non-repatriation basis.

Joint-holders

Where two or more persons are holders of any NCD(s), they shall be deemed to hold the same as joint holders with benefits of survivorship subject to other provisions contained in the Articles of Association.

Procedure for Rematerialisation of NCDs

NCD Holders who wish to hold the NCDs in physical form may do so by submitting a request to their DP at any time after Allotment in accordance with the applicable procedure stipulated by the DP, in accordance with the Depositories Act and/or rules as notified by the Depositories from time to time. Holders of NCDs who propose to rematerialise their NCDs, would have to mandatorily submit details of their bank mandate along with a copy of any document evidencing that the bank account is in the name of the holder of such NCDs and their Permanent Account Number to our Company and the DP. No proposal for rematerialisation of NCDs would be considered if the aforementioned documents and details are not submitted along with the request for such rematerialisation.

Restriction on transfer of NCDs

There are no restrictions on transfers and transmission of NCDs allotted pursuant to this Issue. Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018, NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except by way of transmission or

transposition, from December 4, 2018. However, any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialised form only. For further details, see the “Summary of the Key Provisions of Articles of Association” on page 382 of this Shelf Prospectus.

Jurisdiction

Exclusive jurisdiction for the purpose of the Issue is with the competent courts of jurisdiction in Mumbai, India.

Application in the Issue

NCDs being issued through this Shelf Prospectus and the relevant Tranche Prospectus can be applied for, through a valid Application Form filled in by the Applicant along with attachments, as applicable. Further, Applications in this Issue shall be made through the ASBA facility only.

In terms of Regulation 7 of the SEBI NCS Regulations, our Company will make public issue of the NCDs in the dematerialised form only.

However, in terms of Section 8(1) of the Depositories Act, our Company, at the request of the Investors who wish to hold the NCDs in physical form will rematerialise the NCDs. However, any trading of the NCDs shall be compulsorily in dematerialised form only.

Period of subscription

ISSUE OPENS ON	As specified in the relevant Tranche Prospectus
ISSUE CLOSES ON	As specified in the relevant Tranche Prospectus
EARLIEST CLOSING DATE	As specified in the relevant Tranche Prospectus

The subscription list shall remain open for subscription on Working Days from 10.00 a.m. to 5.00 p.m. (Indian Standard Time), during the period indicated in the relevant Tranche Prospectus, except that the Issue may close on such earlier date or extended date as may be decided by the Board or the NCD Public Issue Committee. In the event of such an early closure or extension of the Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in all the newspapers in which pre-Issue advertisement and advertisement for opening or closure of the Issue have been given, on or before such earlier date of the closure or extended date of the Issue, in terms of Schedule V of the SEBI NCS Regulations.

Applications Forms for each Tranche Issue will be accepted only from 10:00 a.m. till 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only from 10:00 a.m. till 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. on one Working Day post the Issue Closing Date.

Due to limitation of time available for uploading the Applications on the electronic platform of the Stock Exchange on the Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Issue Closing Date and, no later than 3.00 p.m. (Indian Standard Time) on the Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Application Forms will only be accepted on Working Days during the Issue Period. Neither our Company, nor the Designated Intermediaries are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that the Basis of Allotment will be as per the relevant Tranche Prospectus. In this regard as per the SEBI Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 the allotment in the Issue should be made on the basis of date of upload of each application into the electronic book of the Stock Exchange. However, on the date of oversubscription, the allotments should be made to the applicants on proportionate basis.

Effect of holidays on payments

If the date of payment of interest does fall on a Sunday or a holiday of commercial banks in Mumbai, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated interest payment date. Further, the Interest Payment Dates shall remain intact

and shall not be changed because of postponement of such interest payment on account of it falling on a non-Working Day. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Maturity Date (also being the last interest payment date) does fall on a Sunday or a holiday of commercial banks in Mumbai, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment.

Taxation

As per clause (ix) of Section 193 of the IT Act, no tax is required to be withheld on any interest payable to resident on any security issued by a company, where such security is in dematerialized form and is listed on a recognized stock exchange in India in accordance with the SCRA and the rules made thereunder. Accordingly, no tax will be deducted at source from the interest on listed NCDs held in the dematerialised form.

However, in case of NCDs held in physical form, as per the current provisions of the IT Act, tax will not be deducted at source from interest payable on such NCDs held by the investor, if such interest does not exceed ₹ 5,000 in any Fiscal. If interest exceeds the prescribed limit of ₹ 5,000 on account of interest on the NCDs, then the tax will be deducted at applicable rate. However in case of NCD Holders claiming non-deduction or lower deduction of tax at source, as the case may be, the NCD Holder should furnish either (a) a declaration (in duplicate) in the prescribed form i.e. (i) Form 15H which can be given by resident individuals who are of the age of 60 years or more and tax due on estimated total income of the previous year in which such income is to be included in total income will be nil (ii) Form 15G which can be given by all applicants (other than companies, and firms), and tax due on estimated total income of the previous year in which such income is to be included in total income will be nil or (b) a certificate, from the Assessing Officer which can be obtained by all applicants (including companies and firms) by making an application in the prescribed form i.e. Form No.13. The aforesaid documents, as may be applicable, should be submitted at the office of the Registrar to the Issue quoting the name of the sole/ first NCD Holder, NCD folio number and the distinctive number(s) of the NCD held, at least seven days prior to the Record Date to ensure non deduction/lower deduction of tax at source from interest on the NCD. The investors need to submit Form 15H/ 15G/certificate in original with the Assessing Officer for each Fiscal during the currency of the NCD to ensure non-deduction or lower deduction of tax at source from interest on the NCD.

Tax exemption certificate/document, if any, must be lodged at the office of the Registrar to the Issue at least seven days prior to the Record Date or as specifically required, failing which tax applicable on interest will be deducted at source on accrual thereof in our Company's books and/or on payment thereof, in accordance with the provisions of the IT Act and/or any other statutory modification, enactment or notification as the case may be. A tax deduction certificate will be issued for the amount of tax so deducted.

Payment of Interest

Amount of interest payable shall be rounded off to the nearest Rupee. If the date of interest payment falls on Sundays or holidays of commercial banks in Mumbai, then interest as due and payable on such day, would be paid on the succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. Further, the Interest Payment Dates shall remain intact and shall not be changed because of postponement of such interest payment on account of it falling on a non-Working Day. Payment of interest would be subject to the deduction as prescribed in the IT Act or any statutory modification or re-enactment thereof for the time being in force.

Basis of Payment of Interest

The tenor, coupon rate / yield and redemption amount applicable for each Series of NCDs shall be determined at the time of Allotment of the NCDs. NCDs once allotted under any particular Series of NCDs shall continue to bear the applicable tenor, coupon/yield and redemption amount as at the time of original Allotment irrespective of the category of NCD Holder on any record date, and such tenor, coupon/yield and redemption amount as at the time of original allotment will not be impacted by trading of any options of NCDs between the categories of persons or entities in the secondary market. Details related to interest will be further set forth in the relevant Tranche Prospectus.

Mode of payment of Interest to NCD Holders

Payment of interest will be made (i) in case of NCDs in dematerialised form, the persons who, for the time being appear in the register of beneficial owners of the NCDs as per the Depositories, as on the Record Date and (ii) in case of NCDs in physical form on account of re-materialization, to the persons whose names appear in the register of debenture holders maintained by us (or to first holder in case of joint-holders) as on the Record Date.

We may enter into an arrangement with one or more banks in one or more cities for direct credit of interest to the account of the NCD Holders. In such cases, interest, on the interest payment date, would be directly credited to the account of those investors who have given their bank mandate.

We may offer the facility of NACH, NEFT, RTGS, Direct Credit and any other method permitted by RBI and SEBI from time to time to effect payments to NCD Holders. The terms of this facility (including towns where this facility would be available) would be as prescribed by RBI. For further details, see the "*Terms of the Issue - Manner of Payment of Interest / Refund / Redemption*" on page 345.

Maturity and Redemption

As specified in the relevant Tranche Prospectus.

Put / Call Option

As specified in the relevant Tranche Prospectus

Deemed Date of Allotment

The date on which our Board of Directors or the committee thereof approves the Allotment of the NCDs for each Tranche Issue. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs (as specified for each Tranche Issue by way of the relevant tranche prospectus) shall be available to the NCD holders from the deemed date of allotment.

Application Size

Each application should be for a minimum of 10 NCDs across all series collectively and multiples of 1 NCD thereafter (for all options of NCDs taken individually or collectively). The minimum application size for each application for NCDs would be ₹10,000 across all options collectively and in multiples of ₹1,000 thereafter. Applicants can apply for any or all options of NCDs offered hereunder provided the Applicant has applied for minimum application size using the same Application Form.

Applicants are advised to ensure that application made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

Terms of Payment

The entire issue price per NCD, is blocked in the ASBA Account on application itself. In case of ASBA Applicants, the entire amount of face value of NCDs applied for will be blocked in the relevant ASBA Account maintained with the SCSB. In case of allotment of lesser number of NCDs than the number of NCDs applied for, our Company shall unblock the excess amount paid on application to the applicant in accordance with the terms specified in "*Terms of the Issue – Terms of Payment*" on page 344.

In the event of Allotment of a lesser number of NCDs than applied for, our Company shall refund the amount paid on application to the Applicant, in accordance with the terms of the respective Tranche Prospectus.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to the Issue.

Record Date

The date for payment of interest in connection with the NCDs or repayment of principal in connection therewith which shall be 15 days prior to the date of payment of interest, and/or the date of redemption under the Tranche Prospectus. In case the Record Date falls on a day when the Stock Exchanges are having a trading holiday, the immediate previous trading day or a date notified by our Company to the Stock Exchanges, will be deemed as the Record Date.

Manner of Payment of Interest / Refund / Redemption*

The manner of payment of interest / refund / redemption in connection with the NCDs is set out below*:

The bank details will be obtained from the Depositories for payment of Interest / refund / redemption as the case may be. Applicants who are holding the NCDs in electronic form, are advised to immediately update their bank account details as appearing on the records of the depository participant. Neither the Lead Managers, nor our Company, nor the Registrar to the Issue shall have any responsibility and undertake any liability arising from such details not being up to date.

The Registrar to the Issue will issue requisite instructions to the relevant SCSBs to un-block amounts in the ASBA Accounts of the Applicants representing the amounts to unblocked for the Applicants.

**In the event, the interest / payout of total coupon / redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer. By way of illustration if the redemption amount is ₹ 1,837.50 then the amount shall be rounded off to ₹ 1,838.*

The mode of interest / refund / redemption payments shall be undertaken in the following order of preference:

1. Direct Credit

Investors having their bank account with the Refund Bank, shall be eligible to receive refunds, if any, through direct credit. The refund amount, if any, would be credited directly to their bank account with the Refund Bank.

2. NACH

National Automated Clearing House which is a consolidated system of ECS. Payment would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition ("MICR") code wherever applicable from the depository. Payments through NACH are mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get payments through NEFT or Direct Credit or RTGS.

3. RTGS

Applicants having a bank account with a participating bank and whose interest payment/ refund/ redemption amounts exceed ₹ 200,000, or such amount as may be fixed by RBI from time to time, have the option to receive payments through RTGS. Such eligible Applicants who indicate their preference to receive interest payment/ refund/ redemption through RTGS are required to provide the IFSC code in the Application Form or intimate our Company and the Registrar to the Issue at least seven days prior to the Record Date. Charges, if any, levied by the Applicant's bank receiving the credit would be borne by the Applicant. In the event the same is not provided, interest payment/ refund/ redemption shall be made through NACH subject to availability of complete bank account details for the same as stated above.

4. NEFT

Payment of interest/ refunds/ redemption shall be undertaken through NEFT wherever the Applicants' banks have been assigned the Indian Financial System Code ("IFSC"), which can be linked to a MICR, if any, available to that particular bank branch. The IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered

their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of interest/ refund/ redemption will be made to the applicants through this method.

5. Registered Post/Speed Post

For all other applicants, including those who have not updated their bank particulars with the MICR code, the interest payment / refund / redemption orders shall be dispatched through speed post/ registered post.

Please note that applicants are eligible to receive payments through the modes detailed in (1), (2) (3), and (4) herein above provided they provide necessary information for the above modes and where such payment facilities are allowed / available.

Please note that our Company shall not be responsible to the holder of NCDs, for any delay in receiving credit of interest / refund / redemption so long as our Company has initiated the process of such request in time.

The Registrar to the Issue shall instruct the relevant SCSB or in case of Bids by Retail Individual Investors applying through the UPI Mechanism to the Sponsor Bank, to revoke the mandate and to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful Applications within six Working Days of the Issue Closing Date.

Printing of bank particulars on interest / redemption warrants

As a matter of precaution against possible fraudulent encashment of refund orders and interest/ redemption warrants due to loss or misplacement, the particulars of the Applicant's bank account are mandatorily required to be given for printing on the orders/ warrants. In relation to NCDs applied and held in dematerialized form, these particulars would be taken directly from the Depositories. In case of NCDs held in physical form on account of rematerialisation, the NCD Holders are advised to submit their bank account details with our Company/ Registrar to the Issue at least seven days prior to the Record Date failing which the orders/ warrants will be dispatched to the postal address of the NCD Holders as available in the records of our Company either through speed post, registered post. Bank account particulars will be printed on the orders/ warrants which can then be deposited only in the account specified.

Loan against NCDs

Pursuant to the RBI Circular dated June 27, 2013, our Company, being an NBFC, is not permitted to extend any loans against the security of its NCDs.

Buy Back of NCDs

Our Company may, at its sole discretion, from time to time, consider, subject to applicable statutory and/or regulatory requirements, buyback of NCDs, upon such terms and conditions as may be decided by our Company. Our Company may from time to time invite the NCD Holders to offer the NCDs held by them through one or more buy-back schemes and/or letters of offer upon such terms and conditions as our Company may from time to time determine, subject to applicable statutory and/or regulatory requirements. Such NCDs which are bought back may be extinguished, re-issued and/or resold in the open market with a view of strengthening the liquidity of the NCDs in the market, subject to applicable statutory and/or regulatory requirements.

Procedure for Redemption by NCD Holders

NCDs held in physical form pursuant to rematerialisation of NCDs:

No action would ordinarily be required on the part of the NCD Holder at the time of redemption and the redemption proceeds would be paid to those NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of Redemption. However, our Company may require that the NCD certificate(s), duly discharged by the sole holder/all the joint-holders (signed on the reverse of the NCD certificates) be surrendered for redemption on maturity and should be sent by the NCD Holders by Registered Post with acknowledgment due or by hand delivery to our office or to such persons at such addresses as may be notified by us from time to time. NCD Holders may be requested to surrender the NCD certificates in the manner as stated

above, not more than three months and not less than one month prior to the redemption date so as to facilitate timely payment.

We may at our discretion redeem the NCDs without the requirement of surrendering of the NCD certificates by the holder(s) thereof. In case we decide to do so, the holders of NCDs need not submit the NCD certificates to us and the redemption proceeds would be paid to those NCD holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of redemption of NCDs. In such case, the NCD certificates would be deemed to have been cancelled. Also see the para “Payment on Redemption” given below. NCDs held in electronic form:

NCDs held in electronic form:

No action is required on the part of NCD holder(s) at the time of redemption of NCDs.

Payment on Redemption

The manner of payment of redemption is set out below:

NCDs held in physical form on account of rematerialisation

The payment on redemption of the NCDs will be made by way of cheque/pay order/ electronic modes. However, if our Company so requires, the aforementioned payment would only be made on the surrender of NCD certificates, duly discharged by the sole holder/ all the joint-holders (signed on the reverse of the NCD certificates). Dispatch of cheques/ pay orders, etc. in respect of such payment will be made on the redemption date or (if so requested by our Company in this regard) within a period of 30 days from the date of receipt of the duly discharged NCD certificate.

In case we decide to do so, the redemption proceeds in the manner stated above would be paid on the redemption date to those NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of Redemption. Hence the transferees, if any, should ensure lodgment of the transfer documents with us at least seven days prior to the Record Date. In case the transfer documents are not lodged with us at least 7 days prior to the Record Date and we dispatch the redemption proceeds to the transferor, claims in respect of the redemption proceeds should be settled amongst the parties inter se and no claim or action shall lie against us or the Registrar to the Issue.

Our liability to NCD Holders towards their rights including for payment or otherwise shall stand extinguished from the redemption in all events and when we dispatch the redemption amounts to the NCD Holders.

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCDs.

NCDs held in electronic form

On the redemption date, redemption proceeds would be paid by cheque/ pay order/ electronic mode to those NCD Holders whose names appear on the list of beneficial owners given by the Depositories to us. These names would be as per the Depositories’ records on the Record Date fixed for the purpose of redemption. These NCDs will be simultaneously extinguished to the extent of the amount redeemed through appropriate debit corporate action upon redemption of the corresponding value of the NCDs. It may be noted that in the entire process mentioned above, no action is required on the part of NCD Holders.

Our liability to NCD Holders towards his/their rights including for payment/ redemption in all events shall end when we dispatch the redemption amounts to the NCD Holders.

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCDs.

Right to reissue NCD(s)

Subject to the provisions of the Companies Act, 2013, as applicable, on the date of this Shelf Prospectus, where we have fully redeemed or repurchased any NCDs, we shall have and shall be deemed always to have had the right

to keep such NCDs in effect without extinguishment thereof, for the purpose of resale or re-issue and in exercising such right, we shall have and be deemed always to have had the power to resell or reissue such NCDs either by reselling or re-issuing the same NCDs or by issuing other NCDs in their place. The aforementioned right includes the right to reissue original NCDs.

For NCDs held in electronic form

The normal procedure followed for transfer of securities held in dematerialised form shall be followed for transfer of the NCDs held in electronic form. The seller should give delivery instructions containing details of the buyer's Depository Participant account to his depository participant.

In case the transferee does not have a Depository Participant account, the transferor can rematerialise the NCDs and thereby convert his dematerialised holding into physical holding. Thereafter these NCDs can be transferred in the manner as stated above for transfer of NCDs held in physical form.

Common form of transfer

Our Company undertakes that there shall be a common form of transfer for the NCDs and the provisions of the Companies Act, 2013 and all applicable laws including the FEMA and the rules and regulations thereunder shall be duly complied with in respect of all transfer of debentures and registration thereof.

Sharing of information

We may, at our option, use on our own, as well as exchange, share or part with any financial or other information about the NCD Holders available with us and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither we or our affiliates nor their agents shall be liable for use of the aforesaid information.

Notices

All notices to the NCD Holders required to be given by us or the Debenture Trustee will be sent by speed post or registered post or through email or other electronic media to the registered NCD Holders from time to time.

Issue of duplicate NCD certificate(s)

If NCD certificate(s), issued pursuant to rematerialisation, is/ are mutilated or defaced or the cages for recording transfers of NCDs are fully utilised, the same may be replaced by us against the surrender of such certificate(s). Provided, where the NCD certificate(s) are mutilated or defaced, the same will be replaced as aforesaid only if the certificate numbers and the distinctive numbers are legible.

If any NCD certificate is destroyed, stolen or lost then upon production of proof thereof to our satisfaction and upon furnishing such indemnity/ security and/or documents as we may deem adequate, duplicate NCD certificates shall be issued. Upon issuance of a duplicate NCD certificate, the original NCD certificate shall stand cancelled.

Lien

Our Company will have the right of set-off and lien, present as well as future on the moneys due and payable to the NCD Holder, to the extent of all outstanding dues, if any by the NCD Holder to our Company, subject to applicable laws.

Lien on pledge of NCDs

Our Company may, at its discretion note a lien on pledge of NCDs if such pledge of NCD is accepted by any third party bank/institution or any other person for any loan provided to the NCD Holder against pledge of such NCDs as part of the funding, subject to applicable law.

Future Borrowings

We shall be entitled to make further issue of secured or unsecured debentures and/or borrow/raise loans and/or raise further funds from time to time from any persons, banks, financial institutions or bodies corporate or any other agency by creating a charge on any assets, (a) subject to such consents and approvals and other conditions,

as may be required under applicable law or existing financing agreements, including any intimation, if applicable under the Transaction Documents (b) provided the stipulated security cover for the Issue is maintained and compliance with other terms of the Transaction Documents.

Pre-closure

Our Company, in consultation with the Lead Managers reserves the right to close the Issue at any time prior to the Issue Closing Date, subject to receipt of minimum subscription or as may be specified in the Shelf Prospectus and relevant Tranche Prospectus. Our Company shall allot NCDs with respect to the Applications received until the time of such pre-closure in accordance with the Basis of Allotment and subject to applicable statutory and/or regulatory requirements. In the event of such early closure of the Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the Issue Closing Date, as applicable, through advertisement(s) in all those newspapers in which pre-issue advertisement and advertisement for opening or closure of the issue have been given.

Illustration for guidance in respect of the day count convention and effect of holidays on payments.

The illustration for guidance in respect of the day count convention and effect of holidays on payments, as required by SEBI Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 will be disclosed in the relevant Tranche Prospectus.

Payment of Interest

If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount will be unblocked within the time prescribed under applicable law, failing which interest may be due to be paid to the Applicants, for the delayed period, as prescribed in applicable law. Our Company shall not be liable to pay any interest on monies liable to be refunded in case of (a) invalid applications or applications liable to be rejected, (b) applications which are withdrawn by the Applicant and/or (c) monies paid in excess of the amount of NCDs applied for in the Application Form. For further details, see “*Issue procedure – Rejection of Applications*” on page 375.

Listing

The NCDs proposed to be offered in pursuance of this Shelf Prospectus will be listed on the BSE. Our Company has received an ‘in-principle’ approval from BSE by way of its letter bearing reference number DCS/BM/PI-BOND/012/21-22 dated September 14, 2021. The application for listing of the NCDs will be made to the Stock Exchanges at an appropriate stage.

If permissions to deal in and for an official quotation of our NCDs are not granted by the Stock Exchanges, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of this Shelf Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges are taken within 6 Working Days from the Issue Closing Date. For the avoidance of doubt, it is hereby clarified that in the event of non-subscription to any one or more of the series, such series(s) of NCDs shall not be listed.

Guarantee/Letter of comfort

This Issue is not backed by a guarantee or letter of comfort or any other document and/or letter with similar intent.

ISSUE PROCEDURE

This section applies to all Applicants. Specific attention of all Applicants is invited to the SEBI Circular SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 (the "SEBI Operational Circular"), which provides, inter-alia, that for all public issues of debt securities opening, all Applicants shall mandatorily use the ASBA facility for participating in the Issue. ASBA Applicants and Applicants applying through the Direct Online Application Mechanism (as defined hereinafter) should note that the ASBA process and the Direct Online Application Mechanism involve application procedures that are different from the procedure applicable to all other Applicants.

Please note that all Applicants are required to pay the full Application Amount or ensure that the ASBA Account has sufficient credit balance such that the entire Application Amount can be blocked by the SCSB while making an Application. ASBA Applicants must ensure that their respective ASBA Accounts can be blocked by the SCSBs for the full Application Amount. Applicants should note that they may submit their Applications to the Lead Managers or Members of the Syndicate or Registered Brokers at the Broker Centres or CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs as mentioned on the Application Form

In addition, specific attention is invited to SEBI Operational Circular, whereby retail individual investor may use the Unified Payment Interface ("UPI") to participate in the public issue for an amount up to ₹ 2,00,000 being conducted on or after January 1, 2021. ASBA Applicants should note that they may submit their ASBA Applications to the Designated Intermediaries.

Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable law or as specified in this Shelf Prospectus.

Retail individual investors should note that they may use the UPI mechanism to block funds for application value up to ₹ 2,00,000 submitted through the app/web interface of the Stock Exchange or through intermediaries (Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants).

Please note that this section has been prepared based on the SEBI Operational Circular and other related circulars. The procedure mentioned in this section is subject to the Stock Exchanges putting in place the necessary systems and infrastructure for implementation of the provisions of the abovementioned circular. The Direct Online Application facility will be available for this Issue as per mechanism provided in the SEBI Operational Circular.

Specific attention is drawn to the SEBI Operational Circular that provides for allotment in public issues of debt securities to be made on the basis of the date of upload of each application into the electronic book of the Stock Exchanges, as opposed to the date and time of upload of each such application.

PLEASE NOTE THAT ALL DESIGNATED INTERMEDIARIES WHO WISH TO COLLECT AND UPLOAD APPLICATION IN THIS ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGES WILL NEED TO APPROACH THE STOCK EXCHANGES AND FOLLOW THE REQUISITE PROCEDURES AS MAY BE PRESCRIBED BY THE STOCK EXCHANGES. THE FOLLOWING SECTION MAY CONSEQUENTLY UNDERGO CHANGE BETWEEN THE DATES OF THIS SHELF PROSPECTUS, THE ISSUE OPENING DATE AND THE ISSUE CLOSING DATE.

THE LEAD MANAGERS, CONSORTIUM MEMBERS AND OUR COMPANY SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY ERRORS OR OMISSIONS ON THE PART OF THE DESIGNATED INTERMEDIARIES IN CONNECTION WITH THE RESPONSIBILITY OF SUCH DESIGNATED INTERMEDIARIES IN RELATION TO COLLECTION AND UPLOAD OF APPLICATIONS IN THIS ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGES. FURTHER, THE RELEVANT STOCK EXCHANGES SHALL BE RESPONSIBLE FOR ADDRESSING INVESTOR GRIEVANCES ARISING FROM APPLICATIONS THROUGH DESIGNATED INTERMEDIARIES REGISTERED WITH SUCH STOCK EXCHANGES.

Please note that for the purposes of this Issue, the term "Working Day(s)" shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and bank holidays, as specified by SEBI.

Furthermore, for the purpose of post issue period, i.e. period beginning from Issue Closing Date to listing of the NCDs, Working Days shall mean all trading days of stock exchanges, excluding Saturdays, Sundays and bank holidays, as specified by the SEBI. During the tenor of the NCDs, interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai.

PROCEDURE FOR APPLICATION

Availability of the Draft Shelf Prospectus, this Shelf Prospectus, Abridged Prospectus, and Application Forms.

Please note that only ASBA Applicants shall be permitted to make an application for the NCDs.

Please note that there is a single Application Form for Applicants who are Persons Resident in India.

Physical copies of the Abridged Prospectus containing the salient features of the Shelf Prospectus, the respective Tranche Prospectus(es) together with Application Forms may be obtained from:

1. Our Company's Registered Office and Corporate Office;
2. Offices of the Lead Managers;
3. Offices of the Consortium Members;
4. Registrar to the Issue
5. Designated RTA Locations for RTAs;
6. Designated CDP Locations for CDPs; and
7. Designated Branches of the SCSBs.

Electronic copies of the Shelf Prospectus and relevant Tranche Prospectus along with the downloadable version of the Application Form will be available on the websites of the Lead Managers, the Stock Exchanges, SEBI and the SCSBs.

Electronic Application Forms may be available for download on the websites of the Stock Exchanges and on the websites of the SCSBs that permit submission of Applications electronically. A unique application number ("UAN") will be generated for every Application Form downloaded from the websites of the Stock Exchanges.

Our Company may also provide Application Forms for being downloaded and filled at such websites as it may deem fit. In addition, brokers having online demat account portals may also provide a facility of submitting the Application Forms virtually online to their account holders.

Trading Members of the Stock Exchanges can download Application Forms from the websites of the Stock Exchanges. Further, Application Forms will be provided to Trading Members of the Stock Exchanges at their request.

Who can apply?

The following categories of persons are eligible to apply in the Issue.

Category I – Institutional Investors

- Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;
- Provident funds and pension funds with minimum corpus of ₹25 crore, and superannuation funds and gratuity funds, which are authorised to invest in the NCDs;
- Alternative Investment Funds subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended;
- Resident Venture Capital Funds registered with SEBI;
- Insurance Companies registered with IRDA;
- State industrial development corporations;
- Insurance funds set up and managed by the army, navy, or air force of the Union of India;
- Insurance funds set up and managed by the Department of Posts, the Union of India;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India;

- Systemically important non-banking financial companies being non-banking financial companies registered with the Reserve Bank of India and having a net worth of more than ₹500 crores as per its last audited financial statements; and
- Mutual Funds registered with SEBI

Category II – Non-Institutional Investors

- Companies within the meaning of section 2(20) of the Companies Act, 2013;
- Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs;
- Co-operative banks and regional rural banks;
- Public/private charitable/ religious trusts which are authorised to invest in the NCDs;
- Scientific and/or industrial research organisations, which are authorized to invest in the NCDs;
- Partnership firms in the name of the partners;
- Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009);
- Association of Persons; and
- Any other incorporated and/ or unincorporated body of persons

Category III – High Net-Worth Individuals

High Net-worth individuals which include Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹10 Lakh across all series of NCDs in Issue

Category IV – Retail Individual Investors

Resident Indian individuals or HUFs applying through the Karta, for NCDs for an amount aggregating up to and including ₹10 Lakh, across all series of NCDs in a Tranche Issue and shall include Retail Individual Investors, who have submitted bid for an amount not more than ₹200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and does not include NRIs) through UPI Mechanism.

Participation of any of the aforementioned categories of persons or entities is subject to the applicable statutory and/or regulatory requirements in connection with the subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to the Issue.

The Members of Consortium and their respective associates and affiliates are permitted to subscribe in the Issue.

Who are not eligible to apply for the NCDs?

Applications cannot be made by:

- Minors without a guardian name* (a guardian may apply on behalf of a minor. However, the name of the guardian will also need to be mentioned on the Application Form);
- Foreign nationals;
- Persons resident outside India;
- Foreign Institutional Investors;
- Foreign Portfolio Investors;
- Non Resident Indians;
- Qualified Foreign Investors;
- Overseas Corporate Bodies**;
- Foreign Venture Capital Funds; and
- Persons ineligible to contract under applicable statutory/ regulatory requirements.

* Applicant shall ensure that guardian is competent to contract under Indian Contract Act, 1872

Please note that it is clarified that Persons Resident outside India shall not be entitled to participate in the Issue and any applications from such persons are liable to be rejected.

The Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchanges by the Designated Intermediaries.

Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship). In case of such Applications, the Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchanges.

***The concept of Overseas Corporate Bodies (meaning any company, partnership firm, society and other corporate body or overseas trust irrevocably owned/held directly or indirectly to the extent of at least 60% by NRIs), which was in existence until 2003, was withdrawn by the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Accordingly, OCBs are not permitted to invest in the Issue.*

The Lead Managers and their respective associates and affiliates are permitted to subscribe in the Issue.

The information below is given for the benefit of Applicants. Our Company and the Lead Managers are not liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date of this Shelf Prospectus.

How to apply?

Availability of Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus, Abridged Prospectus and Application Forms

Please note that there is a single Application Form for all Applicants

Copies of the abridged Prospectus containing the salient features of the Shelf Prospectus, the relevant Tranche Prospectus together with Application Forms and copies of the Draft Shelf Prospectus, Shelf Prospectus and relevant Tranche Prospectus(es) may be obtained from our Registered Office, the Lead Managers, the Registrar, the Consortium Members and the Designated Branches of the SCSBs. Additionally, the Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus(es) and the Application Forms will be available:

- (i) for download on the website of BSE at www.bseindia.com, and the website of the Lead Managers at www.equirus.com and www.jmfl.com.
- (ii) at the designated branches of the SCSB and the Designated Intermediaries at the Syndicate ASBA Application Locations.

Electronic Application Forms will also be available on the website of the Stock Exchange. A hyperlink to the website of the Stock Exchange for this facility will be provided on the website of the Lead Managers and the SCSBs. Further, Application Forms will also be provided to Designated Intermediaries at their request. A unique application number will be generated for every Application Form downloaded from the website of the Stock Exchange.

Electronic Application Forms may be available for download on the websites of the Stock Exchanges and on the websites of the SCSBs that permit submission of Applications electronically. A unique application number (“UAN”) will be generated for every Application Form downloaded from the websites of the Stock Exchanges.

Our Company may also provide Application Forms for being downloaded and filled at such websites as it may deem fit. In addition, brokers having online demat account portals may also provide a facility of submitting the Application Forms virtually online to their account holders.

Trading Members of the Stock Exchanges can download Application Forms from the websites of the Stock Exchanges. Further, Application Forms will be provided to Trading Members of the Stock Exchanges at their request.

Method of Application

In terms of the SEBI Operational Circular, an eligible investor desirous of applying in this Issue can make Applications through the ASBA mechanism only.

Further, the Application may also be submitted through the app or web interface developed by Stock Exchanges wherein the Application is automatically uploaded onto the Stock Exchange bidding platform and the amount is blocked using the UPI mechanism, as applicable.

Applicants are requested to note that in terms of the SEBI Operational Circular, SEBI has mandated issuers to provide, through a recognized stock exchange which offers such a facility, an online interface enabling direct application by investors to a public issue of debt securities with an online payment facility (“Direct Online Application Mechanism”). In this regard, SEBI has, through SEBI Operational Circular, directed recognized Stock Exchanges in India to put in necessary systems and infrastructure for the implementation of the SEBI Operational Circular and the Direct Online Application Mechanism infrastructure. The Direct Online Application facility will be available for this Issue as per mechanism provided in the SEBI Operational Circular.

All Applicants shall mandatorily apply in this Issue through the ASBA process only. Applicants intending to subscribe in the Issue shall submit a duly filled Application form to any of the Designated Intermediaries. Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Form (except the Application Form from a retail individual investor bidding using the UPI mechanism) to the respective SCSB, where such investor has a bank account and shall not submit it to any non-SCSB bank or any escrow bank.

Applicants should submit the Application Form only at the bidding centres, i.e. to the respective Members of the Consortium at the Specified Locations, the SCSBs at the Designated Branches, the Registered Broker at the Broker Centres, the CRTAs at the Designated CRTA Locations or CDPs at the Designated CDP Locations. Kindly note that Application Forms submitted by Applicants at the Specified Locations will not be accepted if the SCSB with which the ASBA Account, as specified in the Application Form is maintained has not named at least one branch at that location for the Designated Intermediaries for deposit of the Application Forms. A list of such branches is available at <http://www.sebi.gov.in>.

The relevant Designated Intermediaries, upon receipt of physical Application Forms from ASBA Applicants, shall upload the details of these Application Forms to the online platform of the Stock Exchanges and submit these Application Forms with the SCSB with whom the relevant ASBA Accounts are maintained. An Applicant shall submit the Application Form, which shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form.

Our Company, our Directors, affiliates, associates and their respective directors and officers, Lead Managers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to ASBA Applications accepted by the Designated Intermediaries, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount has been blocked in the relevant ASBA Account. Further, all grievances against Designated Intermediaries in relation to this Issue should be made by Applicants directly to the relevant Stock Exchanges.

In terms of the SEBI Operational Circular, an eligible investor desirous of applying in this Issue can make Applications through the following modes:

1. **Through Self-Certified Syndicate Bank (SCSB) or intermediaries** (*viz. Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants*)
 - a. An investor may submit the bid-cum-application form, with ASBA as the sole mechanism for making payment, physically at the branch of a SCSB, i.e. investor’s bank. For such applications, the existing process of uploading of bid on the Stock Exchange(s) bidding platform (or bidding platform of any other stock exchange including National Stock Exchange of India Limited) and blocking of funds in investors account by the SCSB would continue.

- b. The Stock Exchanges have extended their web-based platforms i.e 'BSEDirect' and 'NSE goBID' to facilitate investors to apply in public issues of debt securities through the web based platform and mobile app with a facility to block funds through Unified Payments Interface (UPI) mechanism for application value upto Rs. 2 Lac. To place bid through 'BSEDirect' and 'NSE goBID' platform/ mobile app the eligible investor is required to register himself/ herself with BSE Direct/ NSE goBID.
- c. An investor may use the following links to access the web-based interface developed by the Stock Exchanges to bid using the UPI Mechanism: BSE: <https://www.bsedirect.com>; and NSE: <https://www.nseindiaipo.com>.

2. Through Stock Exchanges

- a. An investor may submit the bid-cum-application form through the App or web interface developed by Stock Exchange(s) (or any other permitted methods), as may be availed by the Company, wherein the bid is automatically uploaded onto the Stock Exchange(s) bidding platform and the amount is blocked using the UPI Mechanism.
- b. The Stock Exchanges have extended their web-based platforms i.e 'BSEDirect' and 'NSE goBID' to facilitate investors to apply in public issues of debt securities through the web based platform and mobile app with a facility to block funds through Unified Payments Interface (UPI) mechanism for application value upto Rs. 2 Lac. To place bid through 'BSEDirect' and 'NSE goBID' platform/ mobile app the eligible investor is required to register himself/ herself with BSE Direct/ NSE goBID.
- c. An investor may use the following links to access the web-based interface developed by the Stock Exchanges to bid using the UPI Mechanism: BSE: <https://www.bsedirect.com>; and NSE: <https://www.nseindiaipo.com>.
- d. The BSE Direct and NSE goBID mobile application can be downloaded from play store in android phones. Kindly search for 'BSEdirect' or 'NSE goBID' on Google Playstore for downloading mobile applications.
- e. To further clarify the submission of bids through the App or web interface, the BSE has issued operational guidelines and circulars dated December 28, 2020 available at <https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-60>, and <https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-61>.

Similar circulars by NSE can be found here:

- <https://www1.nseindia.com/content/circulars/IPO46907.zip>
- <https://www1.nseindia.com/content/circulars/IPO46867.zip>

Application Size

Each Application should be for a minimum of 10 NCDs and in multiples of one NCD thereafter for all options of NCDs, as specified in the relevant Tranche Prospectus.

APPLICATIONS BY VARIOUS APPLICANT CATEGORIES

Applications by Mutual Funds

Pursuant to the SEBI circular SEBI/HO/IMD/DF2/CIR/P/2019/104 dated October 1, 2019 ("SEBI Circular 2019"), mutual funds are required to ensure that the total exposure of debt schemes of mutual funds in a particular sector shall not exceed 20 % of the net assets value of the scheme. Further, the additional exposure limit provided for financial services sector not exceeding 10 % of net assets value of scheme shall be allowed only by way of increase in exposure to HFCs. However, the overall exposure in HFCs shall not exceed the sector exposure limit of 20 % of the net assets of the scheme. Further, the group level limits for debt schemes and the ceiling be fixed at 10 % of net assets value extendable to 15 % of net assets value after prior approval of the board of trustees.

A separate Application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. Applications made by the asset management companies or custodians of a Mutual Fund shall clearly indicate the name of the concerned

scheme for which the Application is being made. An Application Form by a mutual fund registered with SEBI for Allotment of the NCDs must also be accompanied by certified true copies of (i) its SEBI registration certificates (ii) the trust deed in respect of such mutual fund (ii) a resolution authorising investment and containing operating instructions and (iii) specimen signatures of authorized signatories. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Application by Scheduled Banks, Co-operative Banks and RRBs

Scheduled commercial banks, co-operative banks and regional rural banks can apply in a relevant Tranche Issue based upon their own investment limits and approvals. Applications by them for Allotment of the NCDs must be accompanied by certified true copies of (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) a board resolution authorising investments; and (iv) a letter of authorisation. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Pursuant to SEBI Operational Circular, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

Application by Insurance Companies

Insurance companies registered with IRDAI can apply in this Issue based on their own investment limits and approvals in accordance with the regulations, guidelines and circulars issued by the IRDAI. The Application Form must be accompanied by certified true copies of their (i) certificate registered with the IRDAI; (ii) memorandum and articles of association/charter of constitution; (iii) power of attorney; (iv) resolution authorising investments/containing operating instructions; and (v) specimen signatures of authorised signatories. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Applications by Alternative Investments Funds

Applications made by 'alternative investment funds' eligible to invest in accordance with the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, as amended (the "**SEBI AIF Regulations**") for Allotment of the NCDs must be accompanied by certified true copies of (i) SEBI registration certificate; (ii) a resolution authorising investment and containing operating instructions; and (iii) specimen signatures of authorised persons. The Alternative Investment Funds shall at all times comply with the requirements applicable to it under the SEBI AIF Regulations and the relevant notifications issued by SEBI.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Applications by Trusts

In case of Applications made by trusts, settled under the Indian Trusts Act, 1882, as amended, or any other statutory and/or regulatory provision governing the settlement of trusts in India, must submit a (i) certified copy of the registered instrument for creation of such trust, (ii) power of attorney, if any, in favour of one or more trustees thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to this Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.**

Applications by Public Financial Institutions or statutory corporations, which are authorized to invest in the NCDs

The Application must be accompanied by certified true copies of: (i) Any Act/ Rules under which they are incorporated; (ii) Board Resolution authorising investments; and (iii) Specimen signature of authorized person. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

Applications made by companies, bodies corporate and societies registered under the applicable laws in India

The Application must be accompanied by certified true copies of: (i) Any Act/ Rules under which they are incorporated; (ii) Board Resolution authorising investments; and (iii) Specimen signature of authorized person. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

Application by Indian scientific and/ or industrial research organizations, which are authorized to invest in the NCDs

Applications by scientific and/ or industrial research organisations which are authorised to invest in the NCDs must be accompanied by certified true copies of: (i) any Act/rules under which such Applicant is incorporated; (ii) a resolution of the board of directors of such Applicant authorising investments; and (iii) specimen signature of authorized persons of such Applicant.

Application by Partnership firms formed under applicable Indian laws in the name of the partners and Limited Liability Partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008

Applications made by partnership firms and limited liability partnerships formed and registered under the Limited Liability Partnership Act, 2008 must be accompanied by certified true copies of: (i) the partnership deed for such Applicants; (ii) any documents evidencing registration of such Applicant thereof under applicable statutory/regulatory requirements; (iii) a resolution authorizing the investment and containing operating instructions; and (iv) specimen signature of authorized persons of such Applicant. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

Applications under a power of attorney by limited companies, corporate bodies and registered societies

In case of Applications made pursuant to a power of attorney by Applicants from Category I, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form. In case of Applications made pursuant to a power of attorney by Applicants from Category II and Category III, a certified copy of the power of attorney must be lodged along with the Application Form. In case of physical ASBA Applications made pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the Application Form.

Failing this our Company, in consultation with the Lead Managers, reserves the right to reject such Applications. Our Company, in its absolute discretion, reserves the right to relax the above condition of attaching the power of attorney along with the Application Forms subject to such terms and conditions that our Company and the Lead Managers may deem fit.

Applications by associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment

In case of Applications made by Associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment, must submit a (i) certified copy of the certificate of registration or proof of constitution, as applicable, (ii) power of attorney, if any, in favour of one or more persons thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to this Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. Failing this, our Company reserves the right to accept or reject any

Applications in whole or in part, in either case, without assigning any reason therefor.

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorized to invest in the NCDs

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorised to invest in the NCDs, for Allotment of the NCDs must be accompanied by certified true copies of: (i) any Act/rules under which they are incorporated; (ii) a power of attorney, if any, in favour of one or more trustees thereof, (iii) a board resolution authorising investments; (iv) such other documents evidencing registration thereof under applicable statutory/regulatory requirements; (v) specimen signature of authorized person; (vi) a certified copy of the registered instrument for creation of such fund/trust; and (vii) any tax exemption certificate issued by Income Tax authorities. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Applications by National Investment Funds

Application made by a National Investment Fund for Allotment of the NCDs must be accompanied by certified true copies of: (i) a resolution authorising investment and containing operating instructions; and (ii) specimen signatures of authorized persons. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor

Applications by Systemically important non-banking financial companies

Systemically important Non-banking financial companies can apply in this Issue based on their own investment limits and approvals. Applications made by non-banking financial companies registered with the RBI and under other applicable laws in India must be accompanied by certified true copies of: (i) board resolution authorising investments; and (ii) specimen signature of authorized person.

For each of the above applicant categories if the Application is not made in the form and along with the requirements set out above, the Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Brokers having online demat account portals may also provide a facility of submitting the Application Forms online to their account holders. Under this facility, a broker receives an online instruction through its portal from the Applicant for making an Application on his/ her behalf. Based on such instruction, and a power of attorney granted by the Applicant to authorise the broker, the broker makes an Application on behalf of the Applicant.

APPLICATIONS FOR ALLOTMENT OF NCDs IN THE DEMATERIALISED FORM

Submission of Applications

This section is for the information of the Applicants proposing to subscribe to the Issue. The Lead Managers and our Company are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Shelf Prospectus. Investors are advised to make their independent investigations and to ensure that the Application Form is correctly filled up. Our Company, our directors, affiliates, associates and their respective directors and officers, Lead Managers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by and/or uploaded by and/or accepted but not uploaded by Lead Brokers, Trading Members, Registered Brokers, CDPs, RTAs and SCSBs who are authorised to collect Application Forms from the Applicants in the Issue, or Applications accepted and uploaded without blocking funds in the ASBA Accounts by SCSBs. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount payable on Application has been blocked in the relevant ASBA Account. The list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive Application Forms from the Members of the Syndicate is available on the website of SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> as updated from time to time or any such other website as may be prescribed by SEBI from time to time. The list of Registered Brokers at the Broker

Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Applications can be submitted through either of the following modes:

1. Physically or electronically to the Designated Branches of the SCSB(s) with whom an Applicant's ASBA Account is maintained. In case of ASBA Application in physical mode, the ASBA Applicant shall submit the Application Form at the relevant Designated Branch of the SCSB(s). The Designated Branch shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account and shall also verify that the signature on the Application Form matches with the Investor's bank records, as mentioned in the ASBA Application, prior to uploading such ASBA Application into the electronic system of the Stock Exchange. **If sufficient funds are not available in the ASBA Account, the respective Designated Branch shall reject such ASBA Application and shall not upload such ASBA Application in the electronic system of the Stock Exchange.** If sufficient funds are available in the ASBA Account, the Designated Branch shall block an amount equivalent to the Application Amount and upload details of the ASBA Application in the electronic system of the Stock Exchange. The Designated Branch of the SCSBs shall stamp the Application Form and issue an acknowledgement as proof of having accepted the Application. In case of Application in the electronic mode, the ASBA Applicant shall submit the ASBA Application either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for application and blocking funds in the ASBA Account held with SCSB, and accordingly registering such ASBA Applications.
2. Physically through the Members of Consortium, or Trading Members of the Stock Exchanges only at the Specified Cities (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bangalore, Hyderabad, Pune, Vadodara and Surat), i.e. Syndicate ASBA. Kindly note that ASBA Applications submitted to the Members of Consortium or Trading Members of the Stock Exchanges at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the ASBA Application, is maintained has not named at least one branch at that Specified City for the Members of Consortium or Trading Members of the Stock Exchange, as the case may be, to deposit ASBA Applications (A list of such branches is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>).

Upon receipt of the Application Form by the Members of Consortium or Trading Members of the Stock Exchange, as the case may be, an acknowledgement shall be issued by giving the counter foil of the Application Form to the ASBA Applicant as proof of having accepted the Application. Thereafter, the details of the Application shall be uploaded in the electronic system of the Stock Exchanges and the Application Form shall be forwarded to the relevant branch of the SCSB, in the relevant Specified City, named by such SCSB to accept such ASBA Applications from the Members of Consortium or Trading Members of the Stock Exchange, as the case may be (A list of such branches is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>). Upon receipt of the ASBA Application, the relevant branch of the SCSB shall perform verification procedures including verification of the Applicant's signature with his bank records and check if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the ASBA Form. **If sufficient funds are not available in the ASBA Account, the relevant ASBA Application is liable to be rejected.** If sufficient funds are available in the ASBA Account, the relevant branch of the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application. The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be.

Applicants must note that:

1. Physical Application Forms will be available with the Designated Branches of the SCSBs and with the Members of Consortium and Trading Members of the Stock Exchanges at the Specified Cities; and electronic Application Forms will be available on the websites of the SCSBs and the Stock Exchanges at least one day

prior to the Issue Opening Date. Application Forms will also be provided to the Trading Members of the Stock Exchanges at their request. The Application Forms would be serially numbered. Further, the SCSBs will ensure that the Prospectus is made available on their websites.

2. The Designated Branches of the SCSBs shall accept Applications directly from Applicants only during the Issue Period. The SCSB shall not accept any Applications directly from Applicants after the closing time of acceptance of Applications on the Issue Closing Date. However, the relevant branches of the SCSBs at Specified Cities can accept Applications from the Members of Consortium or Trading Members of the Stock Exchange, as the case may be, after the closing time of acceptance of Applications on the Issue Closing Date, if the Applications have been uploaded.
3. Application Forms directly submitted to SCSBs should bear the stamp of SCSBs, if not, the same are liable to be rejected.

Please note that ASBA Applicants can make an Application for Allotment of NCDs in the dematerialised form only.

Submission of Direct Online Applications

Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchanges.

In the event the Direct Online Application facility is implemented by the Stock Exchanges, relevant “know your customer” details of such Applicants will be validated online from the Depositories, on the basis of the DP ID and Client ID provided by them in the Application Form. On successful submission of a Direct Online Application, the Applicant will receive a system-generated unique application number (“UAN”) and an SMS or an e-mail confirmation on credit of the requisite Application Amount paid through the online payment facility with the Direct Online Application. On Allotment, the Registrar to the Issue shall credit NCDs to the beneficiary account of the Applicant and in case of refund, the refund amount shall be credited directly to the Applicant’s bank account. Applicants applying through the Direct Online Application facility must preserve their UAN and quote their UAN in: (a) any cancellation/withdrawal of their Application; (b) in queries in connection with Allotment of NCDs and/or refund(s); and/or (c) in all investor grievances/complaints in connection with the Issue.

As per the SEBI Operational Circular, the availability of the Direct Online Applications facility is subject to the Stock Exchanges putting in place the necessary systems and infrastructure, and accordingly the aforementioned disclosures are subject to any further clarifications, notification, modification deletion, direction, instructions and/or correspondence that may be issued by the Stock Exchanges and/or SEBI.

Payment instructions

Payment mechanism for Applicants

An Applicant shall specify details of the ASBA Account Number in the Application Form and the relevant SCSB shall block an amount equivalent to the Application Amount in the ASBA Account specified in the Application Form.

An Applicant may submit the completed Application Form to designated intermediaries along with details of his/her bank account for blocking of funds. The intermediary shall upload the bid on the Designated Stock Exchange bidding platform and forward the application form to a branch of a SCSB for blocking of funds.

ASBA Applicants should ensure that they have funds equal to the Application Amount in the ASBA Account before submitting the ASBA Application to the Members of Consortium or Trading Members of the Stock Exchange, as the case may be, at the Specified Cities or to the Designated Branches of the SCSBs. An ASBA Application where the corresponding ASBA Account does not have sufficient funds equal to the Application Amount at the time of blocking the ASBA Account is liable to be rejected.

The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of the relevant Tranche Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is approved, and upon receipt of intimation from the Registrar, the controlling branch

of the SCSB shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB within 6 (six) Working Days of the relevant Tranche Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the relevant Tranche Issue or until rejection of the ASBA Application, as the case may be.

An Applicant may submit the Application Form with a SCSB or the intermediaries mentioned above and use his / her bank account linked UPI ID for the purpose of blocking of funds, if the application value is ₹ 2,00,000 or less. The intermediary shall upload the bid on the Stock Exchange bidding platform. The application amount would be blocked through the UPI Mechanism once the mandate request has been successfully accepted by the Applicant in this case.

An Applicant may submit the Application Form through the App or web interface developed by Stock Exchanges wherein the bid is automatically uploaded onto the Stock Exchange bidding platform and the amount is blocked using the UPI Mechanism once the mandate request has been successfully accepted by the Applicant.

Upon receipt of an intimation from the Registrar to the Issue, the SCSBs shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account in terms of the Public Issue Account and Sponsor Bank Agreement. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue to the respective SCSB within six Working Days of the Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application, as the case may be.

Payment mechanism for Direct Online Applicants

Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchanges.

Additional information for Applicants

1. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected.
2. No separate receipts will be issued for the money blocked on the submission of Application Form. However, the collection centre of the Designated Intermediaries will acknowledge the receipt of the Application Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant.
3. Applications should be submitted on the Application Form only. In the event that physical Application Forms do not bear the stamp of the Designated Intermediaries, or the relevant Designated Branch, as the case may be, they are liable to be rejected.
4. Application Forms submitted by Applicants shall be for allotment of NCDs only in dematerialized form.

Additional Instructions for retail individual investors using the UPI mechanism:

1. Before submission of the application form with the Designated Intermediary, a Retail Individual Investor shall download the mobile app for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with its bank and link it to his/ her bank account where the funds equivalent to the application amount is available.
2. The Retail Individual Investor shall fill in the bid details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediaries or through the stock exchanges App/ Web interface or any other method as permitted.
3. The Designated Intermediary, upon receipt of form, shall upload the bid details along with the UPI ID on the Stock Exchange(s) bidding platform using appropriate protocols.

4. Once the bid has been entered in the bidding platform, the Stock Exchange(s) shall undertake validation of the PAN and Demat account combination details of investor with the depository.
5. The Depository shall validate the aforesaid PAN and Demat account details on a near real time basis and send response to Stock Exchange(s) which would be shared by the Stock Exchange(s) with the Designated Intermediaries through its platform, for corrections, if any.
6. Once the bid details are uploaded on the Stock Exchange(s) platform, the Stock Exchange(s) shall send an SMS to the investor regarding submission of his / her application, at the end of day, during the bidding period. For the last day of bidding, the SMS may be sent the next Working Day.
7. Post undertaking validation with the Depository, the Stock Exchange(s) shall, on a continuous basis, electronically share the bid details along with investors UPI ID, with the Sponsor Bank appointed by the Company.
8. The Sponsor Bank shall initiate a mandate request on the investor i.e. request the investor to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment.
9. The request raised by the Sponsor Bank, would be electronically received by the investor as a SMS / intimation on his / her mobile no. / mobile app, associated with the UPI ID linked bank account.
10. The investor shall be able to view the amount to be blocked as per his / her bid in such intimation. The investor shall be able to view an attachment wherein the bid details submitted by such investor will be visible. After reviewing the details properly, the investor shall be required to proceed to authorize the mandate. Such mandate raised by the Sponsor Bank would be a one-time mandate for each application in the Issue.
11. The investor is required to accept the UPI mandate latest by 5 pm on the third working day from the day of bidding on the stock exchange platform except for the last day of the Issue period or any other modified closure date of the Issue period in which case, he / she is required to accept the UPI mandate latest by 5 pm the next Working Day.
12. The investor shall not be allowed to add or modify the bid(s) of the application except for modification of either DP ID/Client ID, or PAN ID but not both. However, the investor can withdraw the bid(s) and reapply.
13. For mismatch bids, on successful validation of PAN and DP ID/ Client ID combination during T+1 (T being the Issue Closing Date) modification session, such bids will be sent to Sponsor Bank for further processing by the Exchange on T+1 (T being the Issue Closing Date) day till 1 pm
14. The facility of Re-initiation/ Resending the UPI mandate shall be available only till 5 pm on the day of bidding.
15. Upon successful validation of block request by the investor, as above, the said information would be electronically received by the investors' bank, where the funds, equivalent to application amount, would get blocked in investors account. Intimation regarding confirmation of such block of funds in investors account would also be received by the investor.
16. The information containing status of block request (e.g. accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with the Stock Exchange(s). The block request status would also be displayed on the Stock Exchange(s) platform for information of the intermediary.
17. The information received from Sponsor Bank, would be shared by Stock Exchange(s) with the Registrar to the Issue in the form of a file for the purpose of reconciliation.
18. Post closure of the Issue, the Stock Exchange(s) shall share the bid details with the Registrar to the Issue. Further, the Stock Exchange(s) shall also provide the Registrar to the Issue, the final file received from the Sponsor Bank, containing status of blocked funds or otherwise, along with the bank account details with respect to applications made using UPI ID.
19. The Registrar, based on information of bidding and blocking received from the Stock Exchange, shall

undertake reconciliation of the bid data and block confirmation corresponding to the bids by all investor category applications (with and without the use of UPI) and prepare the basis of allotment.

20. Upon approval of the basis of allotment, the RTA shall share the 'debit' file with Sponsor bank (through Stock Exchange) and SCSBs, as applicable, for credit of funds in the Public Issue Account and unblocking of excess funds in the investor's account. The Sponsor Bank, based on the mandate approved by the investor at the time of blocking of funds, shall raise the debit / collect request from the investor's bank account, whereupon funds will be transferred from investor's account to the Public Issue Account and remaining funds, if any, will be unblocked without any manual intervention by investor or their bank.
21. Upon confirmation of receipt of funds in the Public Issue Account, the securities would be credited to the investor's account. The investor will be notified for full/partial allotment. For partial allotment, the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the investor.
22. Thereafter, Stock Exchange will issue the listing and trading approval.

Applicants are advised not to submit Application Forms to Public Issue Account banks and the same will be rejected in such cases and the Applicants will not be entitled to any compensation whatsoever.

Filing of the Shelf Prospectus and the relevant Tranche Prospectus with ROC

Our Company is eligible to file the Shelf Prospectus as per requirements of Regulation 41 of SEBI NCS Regulations. A copy of the Shelf Prospectus and the relevant Tranche Prospectus shall be filed with the Registrar of Companies in accordance with Section 26 and Section 31 of the Companies Act, 2013.

Pre-Issue Advertisement

Our Company will issue a statutory advertisement in compliance with Regulation 30(1) of SEBI NCS Regulations on or before the Issue Opening Date of this Issue. This advertisement will contain the information as prescribed under the SEBI NCS Regulations and Section 30 of the Companies Act, 2013. Material updates, if any, between the date of filing of the Shelf Prospectus and the relevant Tranche Prospectus with the RoC and the date of release of the statutory advertisement will be included in the statutory advertisement.

INSTRUCTIONS FOR FILLING-UP THE APPLICATION FORM

A. General instructions for completing the Application Form

- Applications must be made in prescribed Application Form only.
- Application Forms must be completed in block letters in English, as per the instructions contained in this Shelf Prospectus, relevant Tranche Prospectus and the Application Form.
- If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names.
- Applications should be in single or joint names and not exceeding three names, and in the same order as their Depository Participant details (in case of Applicants applying for Allotment of the Bonds in dematerialised form) and Applications should be made by Karta in case the Applicant is an HUF. Please ensure that such Applications contain the PAN of the HUF and not of the Karta. If the Application is submitted in joint names, the Application Form may contain only the name of the first Applicant whose name should also appear as first holder of the depository account held in joint names.
- Applicants applying for Allotment in dematerialised form must provide details of valid and active DP ID, Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of Stock Exchanges by SCSBs, the Members of the Syndicate at the Syndicate ASBA Application Locations and the Trading Members, as the case may be, the Registrar will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended

may not be considered for Allotment of the NCDs.

- Applications must be for a minimum of 10 NCDs and in multiples of one NCD thereafter. For the purpose of fulfilling the requirement of minimum application size of 10 NCDs, an Applicant may choose to apply for 10 NCDs of the same series or across different series. Applicants may apply for one or more series of NCDs Applied for in a single Application Form.
- It shall be mandatory for subscribers to the Issue to furnish their Permanent Account Number and any Application Form, without the PAN is liable to be rejected, irrespective of the amount of applied for.
- If the ASBA Account holder is different from the ASBA Applicant, the Application Form should be signed by the ASBA Account holder also, in accordance with the instructions provided in the Application Form.
- Applicants should ensure that their Application Form is submitted either at a Designated Branch of a SCSB where the ASBA Account is maintained or with the Members of the Syndicate or Trading Members of the stock exchange(s) at the Specified Cities, and not directly to the escrow collecting banks (assuming that such bank is not a SCSB) or to the Company or the Registrar to the Issue.
- Applications through Syndicate ASBA, before submitting the physical Application Form to the Members of the Syndicate or Trading Members of the stock exchange(s), ensure that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at-least one branch in that Specified City for the Members of the Syndicate or Trading Members of the stock exchange(s), as the case may be, to deposit ASBA Forms (A list of such branches is available at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).
- If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.
- Applications should be made by Karta in case of HUFs. Applicants are required to ensure that the PAN details of the HUF are mentioned and not those of the Karta.
- Thumb impressions and signatures other than in English/Hindi/Gujarati/Marathi or any other languages specified in the 8th Schedule of the Constitution needs to be attested by a Magistrate or Notary Public or a Special Executive Magistrate under his/her seal.
- No separate receipts will be issued for the money payable on the submission of the Application Form. However, the Members of Consortium, Trading Members of the Stock Exchanges or the Designated Branches of the SCSBs, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicants the Transaction Registration Slip (“TRS”). This TRS will serve as the duplicate of the Application Form for the records of the Applicant. Applicants must ensure that the requisite documents are attached to the Application Form prior to submission and receipt of acknowledgement from the relevant Lead Managers, Trading Member of the Stock Exchanges or the Designated Branch of the SCSBs, as the case may be.
- Every Applicant should hold valid Permanent Account Number (PAN) and mention the same in the Application Form.

All Applicants are required to tick the relevant column of “Category of Investor” in the Application Form.

Applicant should correctly mention the ASBA Account number and UPI ID in case applying through UPI Mechanism and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form and ensure that the signature in the Application Form matches with the signature in the Applicant’s bank records.

The series, mode of allotment, PAN, demat account number, etc. should be captured by the relevant Designated Intermediaries in the data entries as such data entries will be considered for allotment.

Applicants should note that neither the Members of the Consortium nor the other Designated Intermediaries, as the case may be, will be liable for error in data entry due to incomplete or illegible Application Forms.

Our Company would allot the NCDs, as specified in the relevant Tranche Prospectus to all valid

Applications, wherein the Applicants have not indicated their choice of the relevant options of NCDs.

B. Applicants' PAN, Depository Account and Bank Account Details

ALL APPLICANTS APPLYING FOR ALLOTMENT OF THE NCDs SHOULD MENTION THEIR DP ID, UPI ID (IN CASE APPLYING THROUGH UPI MECHANISM), CLIENT ID AND PAN IN THE APPLICATION FORM. APPLICANTS MUST ENSURE THAT THE DP ID, UPI ID, CLIENT ID AND PAN GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE DP ID, UPI ID, CLIENT ID AND PAN AVAILABLE IN THE DEPOSITORY DATABASE. IF THE BENEFICIARY ACCOUNT IS HELD IN JOINT NAMES, THE APPLICATION FORM SHOULD CONTAIN THE NAME AND PAN OF BOTH THE HOLDERS OF THE BENEFICIARY ACCOUNT AND SIGNATURES OF BOTH HOLDERS WOULD BE REQUIRED IN THE APPLICATION FORM.

Applicants applying for Allotment in dematerialised form must mention their DP ID and Client ID in the Application Form and ensure that the name provided in the Application Form is exactly the same as the name in which the Beneficiary Account is held. In case the Application Form for Allotment in dematerialised form is submitted in the first Applicant's name, it should be ensured that the Beneficiary Account is held in the same joint names and in the same sequence in which they appear in the Application Form. In case the DP ID, Client ID and PAN mentioned in the Application Form for Allotment in dematerialised form and entered into the electronic system of the Stock Exchanges do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form for Allotment in dematerialised form is liable to be rejected. Further, Application Forms submitted by Applicants applying for Allotment in dematerialised form, whose beneficiary accounts are inactive, will be rejected.

On the basis of the DP ID, UPI ID, Client ID and PAN provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the Demographic Details of the Applicants including PAN and MICR code. These Demographic Details would be used for giving Allotment Advice and refunds, if any, to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details (including bank account details) as appearing on the records of the Depository Participant and ensure that they are true and correct. Please note that failure to do so could result in delays in despatch/ credit of refunds, if any, to Applicants, delivery of Allotment Advice or unblocking of ASBA Accounts at the Applicants' sole risk, and neither the Members of the Consortium nor the Designated Intermediaries, nor the Registrar, nor the Banker(s) to the Issue, nor the SCSBs, nor our Company shall have any responsibility and undertake any liability for the same.

Applicants should note that in case the DP ID, Client ID and PAN mentioned in the Application Form, as the case may be and entered into the electronic Application system of the Stock Exchanges by the Members of the Consortium or the Designated Intermediaries, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form is liable to be rejected and our Company, the Members of the Consortium and the other Designated Intermediaries shall not be liable for losses, if any.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice and for refunds (if any) as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to this Issue.

By signing the Application Form, Applicants applying for the NCDs would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

Allotment Advice would be mailed by speed post or registered post at the address of the Applicants as per the Demographic Details received from the Depositories. Applicants may note that delivery of Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In case of refunds through electronic modes as detailed in this Shelf Prospectus, refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

In case of Applications made under powers of attorney, our Company in its absolute discretion, reserves the right to permit the holder of a power of attorney to request the Registrar to the Issue that for the purpose of printing

particulars on and mailing of the Allotment Advice through speed post or registered post, the Demographic Details obtained from the Depository of the Applicant shall be used. By signing the Application Form, the Applicant would have deemed to have authorised the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records. The Demographic Details given by Applicant in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to the Issue.

With effect from August 16, 2010, the beneficiary accounts of Applicants for whom PAN details have not been verified shall be suspended for credit and no credit of NCDs pursuant to this Issue will be made into the accounts of the Applicants. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected. Furthermore, in case no corresponding record is available with the Depositories, which matches the three parameters, namely, DP ID, UPI ID, Client ID and PAN, then such Applications are liable to be rejected.

Applicants should note that the NCDs will be allotted to all successful Applicants only in dematerialized form. The Application Forms which do not have the details of the Applicant's depository account, including DP ID, Client ID and PAN and UPI ID (for retail individual investor Applicants bidding using the UPI mechanism), shall be treated as incomplete and will be rejected.

C. Unified Payments Interface (UPI)

Pursuant to the SEBI Operational Circular, the UPI Mechanism has become applicable for public debt issues being conducted on or after January 1, 2021 as a payment mechanism (in addition to the mechanism of blocking funds maintained with SCSBs under ASBA) for applications by retail individual bidders through Designated Intermediaries. All SCSBs offering the facility of making applications in public issues shall also provide the facility to make applications using UPI. The Company will be required to appoint one SCSB as a Sponsor Bank to act as a conduit between the Stock Exchange and National Payments Corporation of India in order to facilitate the collection of requests and/or payment instructions of the investors.

D. Permanent Account Number (PAN)

The Applicant should mention his or her Permanent Account Number (PAN) allotted under the IT Act. For minor Applicants, applying through the guardian, it is mandatory to mention the PAN of the minor Applicant. However, Applications on behalf of the Central or State Government officials and the officials appointed by the courts in terms of a SEBI circular dated June 30, 2008 and Applicants residing in the state of Sikkim who in terms of a SEBI circular dated July 20, 2006 may be exempt from specifying their PAN for transacting in the securities market. In accordance with circular No. MRD/DOP/Cir-05/2007 dated April 27, 2007 issued by SEBI, the PAN would be the sole identification number for the participants transacting in the securities market, irrespective of the amount of transaction.

Any Application Form, without the PAN is liable to be rejected, irrespective of the amount of transaction. It is to be specifically noted that the Applicants should not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

However, the exemption for the Central or State Government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants' verifying the veracity of such claims by collecting sufficient documentary evidence in support of their claims. At the time of ascertaining the validity of these Applications, the Registrar to the Issue will check under the Depository records for the appropriate description under the PAN Field i.e. either Sikkim category or exempt category.

Process for investor application submitted with UPI as mode of payment

- a. Before submission of the application with the intermediary, the investor would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).
- b. An investor shall fill in the bid details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediaries or through the stock exchange App/ Web interface, or any other methods as may be permitted.
- c. The intermediary, upon receipt of form, shall upload the bid details along with the UPI ID on the stock exchange bidding platform using appropriate protocols.

- d. Once the bid has been entered in the bidding platform, the Stock Exchange shall undertake validation of the PAN and Demat account combination details of investor with the depository.
- e. The Depository shall validate the aforesaid PAN and Demat account details on a near real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.
- f. Once the bid details are uploaded on the Stock Exchange platform, the Stock Exchange shall send an SMS to the investor regarding submission of his / her application, at the end of day, during the bidding period. For the last day of bidding, the SMS may be sent the next working day.
- g. Post undertaking validation with the Depository, the Stock Exchange shall, on a continuous basis, electronically share the bid details along with investors UPI ID, with the Sponsor Bank appointed by the issuer.
- h. The Sponsor Bank shall initiate a mandate request on the investor
- i. The request raised by the Sponsor Bank, would be electronically received by the investor as a SMS / intimation on his / her mobile no. / mobile app, associated with the UPI ID linked bank account.
- j. The investor shall be able to view the amount to be blocked as per his / her bid in such intimation. The investor shall be able to view an attachment wherein the public issue bid details submitted by investor will be visible. After reviewing the details properly, the investor shall be required to proceed to authorize the mandate. Such mandate raised by sponsor bank would be a one-time mandate for each application in the public issue.
- k. An investor is required to accept the UPI mandate latest by 5 pm on the third working day from the day of bidding on the stock exchange platform except for the last day of the issue period or any other modified closure date of the issue period in which case, he / she is required to accept the UPI mandate latest by 5 pm the next working day.
- l. An investor shall not be allowed to add or modify the bid(s) of the application except for modification of either DP ID/Client ID, or PAN ID but not both. However, the investor can withdraw the bid(s) and reapply.
- m. For mismatch bids, on successful validation of PAN and DP ID/ Client ID combination during T+1 modification session, such bids will be sent to Sponsor Bank for further processing by the Exchange on T+1 day till 1 PM.
- n. The facility of re-initiation/ resending the UPI mandate shall be available only till 5 pm on the day of bidding.
- o. Upon successful validation of block request by the investor, as above, the said information would be electronically received by the investors' bank, where the funds, equivalent to application amount, would get blocked in investors account. Intimation regarding confirmation of such block of funds in investors account would also be received by the investor.
- p. The information containing status of block request (e.g. accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with the Stock Exchange. The block request status would also be displayed on the Stock Exchange platform for information of the intermediary.
- q. The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form of a file for the purpose of reconciliation.
- r. Post closure of the offer, the Stock Exchange shall share the bid details with RTA. Further, the Stock Exchange shall also provide the RTA, the final file received from the Sponsor Bank, containing status of blocked funds or otherwise, along with the bank account details with respect to applications made using UPI ID.
- s. The allotment of debt securities shall be done as SEBI Operational Circular.

- t. The RTA, based on information of bidding and blocking received from the Stock Exchange, shall undertake reconciliation of the bid data and block confirmation corresponding to the bids by all investor category applications (with and without the use of UPI) and prepare the basis of allotment.
- u. Upon approval of the basis of allotment, the RTA shall share the 'debit' file with Sponsor bank (through Stock Exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the investor's account. The Sponsor Bank, based on the mandate approved by the investor at the time of blocking of funds, shall raise the debit / collect request from the investor's bank account, whereupon funds will be transferred from investor's account to the public issue account and remaining funds, if any, will be unblocked without any manual intervention by investor or their bank.
- v. Upon confirmation of receipt of funds in the public issue account, the securities would be credited to the investor's account. The investor will be notified for full/partial allotment. For partial allotment, the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the investor.
- w. Thereafter, Stock Exchange will issue the listing and trading approval.
- x. Further, in accordance with the Operational Instructions and Guidelines for Making Application for Public Issue of Debt Securities through BSE Direct issued by BSE on December 28, 2020 the investor shall also be responsible for the following:
 - i. Investor shall check the Issue details before placing desired bids;
 - ii. Investor shall check and understand the UPI mandate acceptance and block of funds process before placing the bid;
 - iii. The receipt of the SMS for mandate acceptance is dependant upon the system response/ integration of UPI on Debt Public Issue System;
 - iv. Investor shall accept the UPI Mandate Requests within the stipulated timeline;
 - v. Investor shall note that the transaction will be treated as completed only after the acceptance of mandates by the investor by way of authorising the transaction by entering their UPI pin and successfully blocking funds through the ASBA process by the investor's bank;
 - vi. Investor shall check the status of their bid with respect to the mandate acceptance and blocking of funds for the completion of the transaction; and
 - vii. In case the investor does not accept the mandate within stipulated timelines, in such case their bid will not be considered for allocation.
- x. Further, in accordance with circular issued by National Stock Exchange of India Limited for Introduction of Unified Payment Interface (UPI) for Debt IPO through NSE goBID on January 05, 2021 the investor shall also be responsible for the following:
 - i. After successful registration & log-in, the investors shall view and check the active Debt IPO's available from IPO dashboard.
 - ii. Investors shall check the issue/series details. Existing registered users of NSE goBID shall also be able to access once they accept the updated terms and condition.
 - iii. After successfully bidding on the platform, investors shall check the NSE goBID app/psp/sms for receipt of mandate & take necessary action.
 - iv. UPI mandate can be accepted latest by 5 pm on the third working day from the day of bidding on the stock exchange platform except for the last day of the issue period or any other modified closure date of the issue period in which case, he / she is required to accept the UPI mandate latest by 5 pm the next working day.
 - v. For UPI bid the facility of re-initiation/ resending the UPI mandate shall be available only till 5 pm on the day of bidding.
 - vi. Investors can use the re-initiation/ resending facility only once in case of any issue in receipt/acceptance of mandate.
- y. The Investors are advised to read the operational guidelines mentioned for Making Application for Public Issue of Debt Securities through BSE Direct issued by BSE on December 28, 2020 and the circular issued by National Stock Exchange of India Limited for Introduction of Unified Payment Interface (UPI) for Debt IPO through NSE goBID on January 05, 2021 before investing through the through the app/ web interface of Stock Exchange(s).

Kindly note, the Stock Exchange(s) shall be responsible for addressing investor grievances arising from Applications submitted online through the app based/ web interface platform of Stock Exchanges or through their Trading Members.

Further, the collecting bank shall be responsible for addressing any investor grievances arising from non-confirmation of funds to the Registrar despite successful realization/blocking of funds, or any delay or operational lapse by the collecting bank in sending the Application forms to the Registrar.

Do's and Don'ts

Applicants are advised to take note of the following while filling and submitting the Application Form:

Do's

1. Check if you are eligible to apply as per the terms of the Draft Shelf Prospectus, this Shelf Prospectus, the relevant Tranche Prospectus and applicable law;
2. Read all the instructions carefully and complete the Application Form in the prescribed form;
3. Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek Allotment of NCDs pursuant to the Issue.
4. Ensure that the DP ID, Client ID and PAN mentioned in the Application Form, which shall be entered into the electronic system of the Stock Exchange are correct and match with the DP ID, Client ID and PAN available in the Depository database. Ensure that the DP ID and Client ID are correct and beneficiary account is activated for Allotment of NCDs in dematerialised form. The requirement for providing Depository Participant details shall be mandatory for all Applicants.
5. Ensure that you have mentioned the correct ASBA Account number in the Application Form.
6. Ensure that the Application Form is signed by the ASBA Account holder in case the Applicant is not the ASBA account holder.
7. Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form to the respective Designated Branch of the SCSB, or to the Designated Intermediaries, as the case may be.
8. Ensure that the Application Forms are submitted at the collection centres provided in the Application Forms, bearing the stamp of a member of the Consortium or Trading Members of the Stock Exchange, as the case may be.
9. Before submitting the Application Form with the Designated Intermediaries ensure that the SCSB, whose name has been filled in the Application Form, has named a branch in that relevant Bidding Centre;
10. Ensure that you have been given an acknowledgement as proof of having accepted the Application Form;
11. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic application platform of the Stock Exchanges as per the procedures and requirements prescribed by each relevant Stock Exchange, ensure that you have first withdrawn your original Application and submit a fresh Application. For instance, as per the notice No: 20120831-22 dated August 31, 2012 issued by the NSE, fields namely, quantity, series, application no., sub-category codes will not be allowed for modification during the Issue. In such a case the date of the fresh Application will be considered for date priority for allotment purposes.
12. Ensure that signatures other than in the languages specified in the Eighth Schedule to the Constitution of India is attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.
13. Ensure that you mention your PAN in the Application Form. In case of joint Applicants, the PAN of all the Applicants should be provided, and for HUFs, PAN of the HUF should be provided. Any Application Form without the PAN is liable to be rejected. Applicants should not submit the GIR Number instead of the PAN as the Application is liable to be rejected on this ground.
14. In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where PQR is the name of the Karta. However, the PAN number of the HUF should be mentioned in the Application Form and not that of the Karta;
15. Ensure that the Applications are submitted to the Members of Consortium, Trading Members of the Stock Exchanges or Designated Branches of the SCSBs, as the case may be, before the closure of application hours on the Issue Closing Date. For further information on the Issue programme, please see "*General Information – Issue Programme*" on page 49 of this Shelf Prospectus.
16. Ensure that the Demographic Details including PAN are updated, true and correct in all respects.

17. Permanent Account Number: Except for Application (i) on behalf of the Central or State Government and officials appointed by the courts, and (ii) (subject to SEBI circular dated April 3, 2008) from the residents of the state of Sikkim, each of the Applicants should provide their PAN. Application Forms in which the PAN is not provided will be rejected. The exemption for the Central or State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same.
18. All Applicants are requested to tick the relevant column “Category of Investor” in the Application Form and Tick the series of NCDs in the Application Form that you wish to apply for.
19. Retail individual investors using the UPI Mechanism to ensure that they submit bids upto the application value of ₹2,00,000.
20. Investor using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Bid cum Application Form.
21. Investors bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the issue and submit the application with any of the intermediaries or through the Stock Exchange App/ Web interface.
22. Ensure that you have correctly signed the authorisation /undertaking box in the Application Form or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Application Form, as the case may be, at the time of submission of the Bid. In case of Retail Individual Investor submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
23. Ensure that you have mentioned the correct details of ASBA Account (i.e., bank account number or UPI ID, as applicable) in the Application Form.
24. In case of Retail Individual Investor submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
25. Retail Individual Investors submitting Application Form using the UPI Mechanism, should ensure that the: (a) bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid, are listed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40

In terms of SEBI Operational Circular, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account.

SEBI Operational Circular stipulates the time between closure of the Issue and listing at 6 (six) Working Days. In order to enable compliance with the above timelines, investors are advised to use ASBA facility only to make payment.

Don'ts:

1. Do not apply for lower than the minimum application size.
2. Do not pay the Application Amount in cash, by cheque, by money order or by postal order or by stock invest.
3. Do not send Application Forms by post; instead submit the same to the Members of Consortium, sub-brokers, Trading Members of the Stock Exchanges or Designated Branches of the SCSBs, as the case may be.
4. Do not submit the Application Form to any non-SCSB bank or our Company.
5. Do not Bid on an Application Form that does not have the stamp of the relevant Designated Intermediary or the Designated Branch of the SCSB, as the case may be.
6. Do not fill up the Application Form such that the NCDs applied for exceeds the Issue size and/or investment limit or maximum number of NCDs that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations.
7. Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.
8. Do not submit incorrect details of the DP ID, Client ID, UPI ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue.
9. Do not submit an Application Form using UPI ID, if the Application is for an amount more than ₹2,00,000.
10. Do not submit a bid using UPI ID, if you are not a Retail Individual Investor.

11. Do not submit the Application Forms without ensuring that funds equivalent to the entire Application Amount are available for blocking in the relevant ASBA Account.
12. Do not submit Applications on plain paper or on incomplete or illegible Application Forms.
13. Do not apply if you are not competent to contract under the Indian Contract Act, 1872.
14. Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/or mobile applications which are not mentioned in the list provided in the SEBI.
15. Do not submit an Application in case you are not eligible to acquire NCDs under applicable law or your relevant constitutional documents or otherwise.
16. Do not submit an Application that does not comply with the securities law of your respective jurisdiction.
17. Do not apply if you are a person ineligible to apply for NCDs under the Issue including Applications by Persons Resident Outside India, NRI (inter-alia including NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA).
18. Do not make an application of the NCD on multiple copies taken of a single form.
19. Payment of Application Amount in any mode other than through blocking of Application Amount in the ASBA Accounts shall not be accepted in the Issue.
20. Do not submit more than five Application Forms per ASBA Account.
21. If you are a Retail Individual Investor who is submitting the ASBA Application with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third-party linked bank account UPI ID.

Kindly note that ASBA Applications submitted to the Members of Consortium or Trading Members of the Stock Exchanges at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that Specified City for the Members of Consortium or Trading Members of the Stock Exchange, as the case may be, to deposit such Application Forms (A list of such branches is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>)).

For details in relation to the manner of submission of Application Forms, see “Issue Procedure” on page 350.

OTHER INSTRUCTIONS

Joint Applications

Applications may be made in single or joint names (not exceeding three). In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.

Additional/ Multiple Applications

An Applicant is allowed to make one or more Applications for the NCDs for the same or other series of NCDs, subject to a minimum application size of ₹10,000 and in multiples of ₹1,000 thereafter as specified in the Shelf Prospectus. **Any Application for an amount below the aforesaid minimum application size will be deemed as an invalid application and shall be rejected.** However, multiple Applications by the same individual Applicant aggregating to a value exceeding ₹10 lakhs shall be deemed such individual Applicant to be a HNI Applicant and all such Applications shall be grouped in the HNI Portion, for the purpose of determining the basis of allotment to such Applicant. However, any Application made by any person in his individual capacity and an Application made by such person in his capacity as a Karta of a Hindu Undivided family and/or as Applicant (second or third Applicant), shall not be deemed to be a multiple Application. For the purposes of allotment of NCDs under the Issue, Applications shall be grouped based on the PAN, i.e. Applications under the same PAN shall be grouped together and treated as one Application. Two or more Applications will be deemed to be multiple Applications if the sole or first Applicant is one and the same. For the sake of clarity, two or more applications shall be deemed to be a multiple Application for the aforesaid purpose if the PAN number of the sole or the first Applicant is one and the same.

Depository Arrangements

We have made depository arrangements with NSDL and CDSL for issue and holding of the NCDs in dematerialised form. In this context:

- i. Tripartite Agreements dated July 20, 2016 and July 27, 2017, between us, the Registrar to the Issue and CDSL and NSDL, respectively have been executed, for offering depository option to the Applicants.
- ii. An Applicant must have at least one beneficiary account with any of the Depository Participants of NSDL or CDSL prior to making the Application.
- iii. The Applicant must necessarily provide the DP ID and Client ID details in the Application Form.
- iv. NCDs Allotted to an Applicant in the electronic form will be credited directly to the Applicant's respective beneficiary account(s) with the DP.
- v. Non-transferable Allotment Advice/ refund orders will be directly sent to the Applicant by the Registrar to this Issue.
- vi. It may be noted that NCDs in electronic form can be traded only on Stock Exchanges having electronic connectivity with NSDL or CDSL. The Stock Exchanges have connectivity with NSDL and CDSL.
- vii. Interest or other benefits with respect to the NCDs held in dematerialised form would be paid to those NCD holders whose names appear on the list of beneficial owners given by the Depositories to us as on Record Date. In case of those NCDs for which the beneficial owner is not identified by the Depository as on the Record Date/ book closure date, we would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to us, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.
- viii. The trading of the NCDs on the floor of the Stock Exchanges shall be in dematerialized form in multiples of One NCD only.

Allottees will have the option to rematerialise the NCDs Allotted under this Issue as per the provisions of the Companies Act, 2013 and the Depositories Act.

For further information relating to Applications for Allotment of the NCDs in dematerialised form, see “*Issue Procedure*” on page 350 of this Shelf Prospectus.

PLEASE NOTE THAT TRADING OF NCDs ON THE FLOOR OF THE STOCK EXCHANGES SHALL BE IN DEMATERIALISED FORM ONLY IN MULTIPLE OF ONE NCD.

ISSUANCE OF ALLOTMENT ADVICE

Our Company shall ensure dispatch of Allotment Advice and/ or give instructions for credit of NCDs to the beneficiary account with Depository Participants within 6 (six) Working Days of the Issue Closing Date. The Allotment Advice for successful Applicants will be mailed to their addresses as per the Demographic Details received from the Depositories.

Our Company shall use best efforts to ensure that all steps for completion of the necessary formalities for commencement of trading at the Stock Exchanges where the NCDs are proposed to be listed are taken within 6 (six) Working Days from the Issue Closing Date; provided wherein, the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Accounts(s) of the Applicants within 6 (six) Working Days from the Issue Closing Date, failing which our Company will become liable to refund the Application Amount along with interest at the rate of 15 (fifteen) percent per annum for the delayed period.

Our Company will provide adequate funds required for dispatch of Allotment Advice, as applicable, to the Registrar to the Issue.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or first Applicant, Application Form number, Applicant's DP ID and Client ID, Applicant's PAN, number of NCDs applied for, date of the Application Form, name and address of the Lead Managers, Trading Member of the Stock Exchanges or Designated Branch, as the case may be, where the Application was submitted, and cheque/ draft number and issuing bank thereof or with respect to ASBA Applications, ASBA Account number in which the amount equivalent to the Application Amount was blocked.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB.

Applicants may contact our Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of Allotment Advice, refunds, or credit of NCDs in the respective beneficiary accounts, as the case may be.

Interest in case of Delay

Our Company undertakes to pay interest, in connection with any delay in allotment, demat credit and refunds, beyond the time limit as may be prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated under such applicable statutory and/or regulatory requirements.

SUBMISSION OF COMPLETED APPLICATION FORMS

Mode of Submission of Application Forms	To whom the Application Form has to be submitted
ASBA Applications	If using physical Application Form, (a) to the Members of Consortium or Trading Members of the Stock Exchanges only at the Specified Cities ("Syndicate ASBA"), or (b) to the Designated Branches of the SCSBs where the ASBA Account is maintained; or If using electronic Application Form, to the SCSBs, electronically through internet banking facility, if available.

Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchanges.

No separate receipts will be issued for the Application Amount payable on submission of Application Form. However, the Members of Consortium/ Trading Members of Stock Exchanges will acknowledge the receipt of the Application Forms by stamping the date and returning to the Applicants a TRS which will serve as a duplicate Application Form for the records of the Applicant.

Electronic Registration of Applications

(a) The Members of Consortium, Trading Members of the Stock Exchanges and Designated Branches of the SCSBs, as the case may be, will register the Applications using the on-line facilities of the Stock Exchange. **The Members of Consortium, our Company and the Registrar to the Issue are not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the SCSBs, (ii) the Applications uploaded by the SCSBs, (iii) the Applications accepted but not uploaded by the SCSBs, (iv) with respect to ASBA Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts, or (v) any Applications accepted both uploaded and/or not uploaded by the Trading Members of the Stock Exchange.**

In case of apparent data entry error by the Members of Consortium, Trading Members of the Stock Exchange, or Designated Branches of the SCSBs, as the case may be, in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchange. However, the series, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Members of Consortium, Trading Member of the Stock Exchanges in the data entries as such data entries will be considered for allotment/rejection of Application.

(b) The Stock Exchanges will offer an electronic facility for registering Applications for the Issue. This facility will be available on the terminals of Members of Consortium, Trading Members of the Stock Exchanges and the SCSBs during the relevant Tranche Issue Period. The Members of Consortium and Trading Members of the Stock Exchanges can also set up facilities for off-line electronic registration of Applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for Applications on a regular basis, and before the expiry of the allocated time on the relevant Tranche Issue Closing Date. On the relevant Tranche Issue Closing Date, the Members of Consortium, Trading Members of the Stock Exchanges and the Designated

Branches of the SCSBs shall upload the Applications till such time as may be permitted by the Stock Exchange. This information will be available with the Members of Consortium, Trading Members of the Stock Exchanges and the Designated Branches of the SCSBs on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the relevant Tranche Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation.

(c) With respect to ASBA Applications submitted directly to the SCSBs at the time of registering each Application, the Designated Branches shall enter the requisite details of the Applicants in the on-line system including:

- Application Form number
- PAN (of the first Applicant, in case of more than one Applicant)
- Investor category and sub-category
- DP ID
- Client ID
- Series of NCDs applied for
- Number of NCDs Applied for in each series of NCD
- Price per NCD
- Bank code for the SCSB where the ASBA Account is maintained
- Bank account number
- Application amount

(d) With respect to ASBA Applications submitted to the Members of Consortium, or Trading Members of the Stock Exchanges only at the Specified Cities, at the time of registering each Application, the requisite details of the Applicants shall be entered in the on-line system including:

- Application Form number
- PAN (of the first Applicant, in case of more than one Applicant)
- Investor category and sub-category
- DP ID
- Client ID
- Series of NCDs applied for
- Number of NCDs Applied for in each series of NCD
- Price per NCD
- Bank code for the SCSB where the ASBA Account is maintained
- Location of Specified City
- Application amount

(e) A system generated acknowledgement (TRS) will be given to the Applicant as a proof of the registration of each Application. **It is the Applicant's responsibility to obtain the acknowledgement from the Members of Consortium, Trading Members of the Stock Exchanges and the Designated Branches of the SCSBs, as the case may be. The registration of the Application by the Members of Consortium, Trading Members of the Stock Exchanges and the Designated Branches of the SCSBs, as the case may be, does not guarantee that the NCDs shall be allocated/ Allotted by our Company. The acknowledgement will be non-negotiable and by itself will not create any obligation of any kind.**

(f) Applications can be rejected on the technical grounds as provided in this section or if all required information is not provided or the Application Form is incomplete in any respect.

(g) The permission given by the Stock Exchanges to use their network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Shelf Prospectus; nor does it warrant that the NCDs will be listed or will continue to be listed on the Stock Exchanges.

(h) Only Applications that are uploaded on the online system of the Stock Exchanges shall be considered for allocation/ Allotment. The Members of Consortium, Trading Members of the Stock Exchanges and the Designated Branches of the SCSBs shall capture all data relevant for the purposes of finalising the Basis of Allotment while uploading Application data in the electronic systems of the Stock Exchange. In order that the data so captured is accurate the Members of Consortium, Trading Members of the Stock Exchanges and the Designated Branches of the SCSBs will be given up to one Working Day after the relevant Tranche Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the relevant Tranche Issue Period after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL.

REJECTION OF APPLICATIONS

Applications would be liable to be rejected on the technical grounds listed below or if all required information is not provided or the Application Form is incomplete in any respect. The Board of Directors and/or Bond Issue Committee of our Company reserves its full, unqualified and absolute right to accept or reject any Application in whole or in part and in either case without assigning any reason thereof.

Application may be rejected on one or more technical grounds, including but not restricted to:

- i. Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, except bids by Minors (applying through the guardian) having valid demat account as per demographic details provided by the Depository Participants.
- ii. Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant.
- iii. PAN not mentioned in the Application Form, except for Applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participants. In case of minor Applicants applying through guardian, when PAN of the Applicant is not mentioned.
- iv. Application Amount blocked being higher or lower than the value of NCDs Applied for. However, our Company may allot NCDs up to the number of NCDs Applied for, if the value of such NCDs Applied for exceeds the minimum Application size.
- v. Applications where a registered address in India is not provided for the Applicant.
- vi. In case of partnership firms (except LLPs), NCDs applied for in the name of the partnership and not the names of the individual partner(s).
- vii. DP ID and Client ID not mentioned in the Application Form;
- viii. GIR number furnished instead of PAN.
- ix. Applications by OCBs.
- x. Applications for an amount below the minimum application size.
- xi. Submission of more than five ASBA Forms per ASBA Account.
- xii. Applications by persons who are not eligible to acquire NCDs of our Company in terms of applicable laws, rules, regulations, guidelines and approvals.
- xiii. In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted.
- xiv. Applications accompanied by Stock invest/cheque/ money order/ postal order/ cash.
- xv. If an authorisation to the SCSB or Sponsor Bank for blocking funds in the ASBA Account or acceptance of UPI Mandate Request raised has not been provided;
- xvi. Signature of sole Applicant missing, or in case of joint Applicants, the Application Forms not being signed by the first Applicant (as per the order appearing in the records of the Depository).
- xvii. Applications by persons debarred from accessing capital markets, by SEBI or any other regulatory authority.
- xviii. Date of Birth for first/sole Applicant for persons applying for Allotment not mentioned in the Application Form.
- xix. Application Forms not being signed by the ASBA Account holder, if the account holder is different from the Applicant.
- xx. Signature of the ASBA Account holder on the Application Form does not match with the signature available on the SCSB bank's records where the ASBA Account mentioned in the Application Form is maintained.

- xxi. Application Forms submitted to the Members of Consortium or Trading Members of the Stock Exchanges or Designated Branches of the SCSBs does not bear the stamp of the relevant Member of Consortium or Trading Member of the Stock Exchange or Designated Branch of the SCSB, as the case may be.
- xxii. Applications not having details of the ASBA Account to be blocked.
- xxiii. In case no corresponding record is available with the Depositories that matches three parameters namely, DP ID, Client ID and PAN or if PAN is not available in the Depository database.
- xxiv. Inadequate funds in the ASBA Account to enable the SCSB to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB for blocking of funds.
- xxv. SCSB making an application (a) through an ASBA account maintained with its own self or (b) through an ASBA Account maintained through a different SCSB not in its own name or (c) through an ASBA Account maintained through a different SCSB in its own name, where clear demarcated funds are not present or (d) through an ASBA Account maintained through a different SCSB in its own name which ASBA Account is not utilised solely for the purpose of applying in public issues.
- xxvi. Applications for amounts greater than the maximum permissible amount prescribed by the regulations and applicable law.
- xxvii. Authorisation to the SCSB for blocking funds in the ASBA Account or acceptance of UPI Mandate Request raised has been not provided.
- xxviii. Applications by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority.
- xxix. Applications by any person outside India.
- xxx. Applications by other persons who are not eligible to apply for NCDs under the Issue under applicable Indian or foreign statutory/regulatory requirements.
- xxxi. Applications not uploaded on the online platform of the Stock Exchange.
- xxxii. Applications uploaded after the expiry of the allocated time on the Issue Closing Date, unless extended by the Stock Exchanges, as applicable.
- xxxiii. Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and this Shelf Prospectus and relevant Tranche Prospectus and as per the instructions in the Application Form.
- xxxiv. Applications by Applicants whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010.
- xxxv. Where PAN details in the Application Form and as entered into the electronic system of the Stock Exchange, are not as per the records of the Depositories.
- xxxvi. Applications for Allotment of NCDs in dematerialised form providing an inoperative demat account number.
- xxxvii. Applications submitted to the Members of Consortium, or Trading Members of the Stock Exchanges at locations other than the Specified Cities or at a Designated Branch of a SCSB where the ASBA Account is not maintained.
- xxxviii. Applications tendered to the Trading Members of the Stock Exchanges at centers other than the centers mentioned in the Application Form.
- xxxix. Investor Category not ticked.
- xl. In case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application.
- xli. The UPI Mandate Request is not approved by the Retail Individual Investor.
- xlii. Forms not uploaded on the electronic software of the Stock Exchange.

Kindly note that Applications submitted to the Members of Consortium, or Trading Members of the Stock Exchanges at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has not named at least one branch at that Specified City for the Members of Consortium, or Trading Members of the Stock Exchange, as the case may be, to deposit ASBA Applications (A list of such branches is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>).

For information on certain procedures to be carried out by the Registrar to the Offer for finalisation of the basis of allotment, please refer to “Information for Applicants” on page 378.

For further instructions regarding Application for the NCDs, Applicants are requested to read the Application Form.

Mode of making refunds

The payment of refund, if any, may be done through various electronic modes mentioned below:

- a. Direct Credit – Applicants having bank accounts with the Banker(s) to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by us.
- ii. NACH – Payment of refund would be done through NACH for Applicants having an account at any of the centres specified by RBI, where such facility has been made available. This mode of payment of refunds, if any, would be subject to availability of complete bank account details including the MICR code as available from the Depositories. The payment of refunds, if any, through this mode will be done for Applicants having a bank account at any centre where NACH facility has been made available (subject to availability of all information for crediting the refund through NACH).
- iii. NEFT – Payment of refund shall be undertaken through NEFT wherever the Applicant’s bank has been assigned the Indian Financial System Code (“IFSC”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. In case of online payment or wherever the Investors have registered their nine digit MICR number and their bank account number with the depository participant while opening and operating the demat account, the MICR number and their bank account number will be duly mapped with the IFSC of that particular bank branch and the payment of refund will be made to the Investors through this method.
- iv. RTGS – If the refund amount exceeds ₹ 200,000, Applicants have the option to receive refund through RTGS. Charges, if any, levied by the Banker(s) to the Issue for the same would be borne by us. Charges, if any, levied by the Applicant’s bank receiving the credit would be borne by the Applicant.

The Registrar to the Issue shall instruct the relevant SCSB or in case of Bids by Retail Individual Investors applying through the UPI Mechanism to the Sponsor Bank, to revoke the mandate and to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful Applications within six Working Days of the Issue Closing Date.

Our Company and the Registrar to the Issue shall credit the allotted NCDs to the respective beneficiary accounts/ dispatch the Letters of Allotment or letters of regret by registered post/speed post at the Applicant’s sole risk, within six Working Days from the Issue Closing Date. We may enter into an arrangement with one or more banks in one or more cities for refund to the account of the applicants through Direct Credit/RTGS/NEFT/NACH. Further,

- a. Allotment of NCDs in this Issue shall be made within the time period stipulated by SEBI;
- b. Credit to dematerialised accounts will be given within one Working Day from the Deemed Date of Allotment;
- c. Interest at a rate of 15% per annum will be paid if the Allotment has not been made and/or the refund orders have not been dispatched to the Applicants within six Working days from the Issue Closing Date, for the delay beyond six Working days in case of non-receipt of minimum subscription; and
- d. Our Company will provide adequate funds to the Registrar to the Issue / relevant banks for this purpose.

Retention of oversubscription

As specified in the relevant Tranche Prospectus for each Tranche Issue.

BASIS OF ALLOTMENT

Basis of Allotment for NCDs

The Registrar to the Issue will aggregate the Applications, based on the applications received through an electronic book from the Stock Exchanges and determine the valid Application for the purpose of drawing the basis of allocation.

Allocation Ratio

The registrar will aggregate the applications based on the applications received through an electronic book from the Stock Exchanges and determine the valid applications for the purpose of drawing the basis of allocation. Grouping of the application received will be then done in the following manner:

For the purposes of the basis of allotment:

- A. Applications received from Category I Investors: Applications received from Applicants belonging to Category I shall be grouped together, ("Institutional Portion");
- B. Applications received from Category II Investors: Applications received from Applicants belonging to Category II, shall be grouped together, ("Non-Institutional Portion").
- C. Applications received from Category III Investors: Applications received from Applicants belonging to Category III shall be grouped together, ("High Net-worth Individual Category Portion").
- D. Applications received from Category IV Applicants: Applications received from Applicants belonging to Category IV shall be grouped together, ("Retail Individual Category Portion").

For removal of doubt, the terms "**Institutional Portion**", "**Non-Institutional Portion**", "**High Net-worth Individual Category Portion**" and "**Retail Individual Category Portion**" are individually referred to as "**Portion**" and collectively referred to as "**Portions**".

Reservations shall be made for each of the Portions as specified relevant Tranche Prospectus.

Information for Applicants

Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship).

Unblocking of Funds for withdrawn, rejected or unsuccessful or partially successful Applications:

The Registrar shall, pursuant to preparation of Basis of Allotment, instruct the relevant SCSB to unblock the funds in the relevant ASBA Account for withdrawn, rejected or unsuccessful or partially successful Applications within 6 (six) Working Days of the Issue Closing Date.

Investor Withdrawals and Pre-closure

Investor Withdrawal: Applicants are allowed to withdraw their Applications at any time prior to the Issue Closing Date by submitting a request for the same to Consortium Member, Trading Member of the Stock Exchanges or the Designated Branch, as the case may be, through whom the Application had been placed. In case of Applications submitted to the Consortium Member, or Trading Members of the Stock Exchanges at the Specified Cities, upon receipt of the request for withdrawal from the Applicant, the relevant Consortium Member, or Trading Member of the Stock Exchange, as the case may be, shall do the requisite, including deletion of details of the withdrawn Application Form from the electronic system of the Stock Exchange. In case of Applications submitted directly to the Designated Branch of the SCSB, upon receipt of the request for withdraw from the Applicant, the relevant Designated Branch shall do the requisite, including deletion of details of the withdrawn Application Form from the electronic system of the Stock Exchanges and unblocking of the funds in the ASBA Account directly.

Withdrawal of Applications after the Issue Period: In case an Applicant wishes to withdraw the Application after the Issue Closing Date or early closure date, the same can be done by submitting a withdrawal request to the Registrar prior to the finalization of the Basis of Allotment.

Pre-closure: Our Company, in consultation with the Lead Managers reserves the right to close the Issue at any time prior to the Issue Closing Date, subject to receipt of minimum subscription which is 75% of the Base Issue

before the Issue Closing Date. Our Company shall allot NCDs with respect to the Applications received at the time of such pre-closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements.

Further, the Issue shall also be withdrawn by our Company in the event that the aggregate Applications received for the NCDs is lesser than the minimum subscription which is 75% of the Base Issue before the Issue Closing Date.

In the event of such early closure of this Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the relevant Issue Closing Date of the relevant Tranche Issue, as applicable, through advertisement(s) in all those newspapers in which pre-Issue advertisement and advertisement for opening or closure of this issue have been given.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount has not been subscribed or received, as applicable, within the specified period, the application money received is to be unblocked/credited only to the bank account in/from which the subscription was blocked/remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or the Registrar will follow the guidelines prescribed by SEBI in this regard.

Revision of Applications

As per the Notice no: 20120831-22 dated August 31, 2012 issued by BSE, cancellation of one or more orders (series) within an Application is permitted during the Issue Period as long as the total order quantity does not fall under the minimum quantity required for a single Application. However, please note that in case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application will be liable for rejection by the Registrar.

Applicants may revise/ modify their Application details during the Issue Period, as allowed/permitted by the Stock Exchanges, by submitting a written request to the Designated Intermediary, as the case may be. However, for the purpose of Allotment, the date of original upload of the Application will be considered in case of such revision/modification. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic Application platform of the Stock Exchanges as per the procedures and requirements prescribed by each relevant Stock Exchanges, Applicants should ensure that they first withdraw their original Application and submit a fresh Application. In such a case the date of the new Application will be considered for date priority for Allotment purposes.

Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on Issue Closing Date. However, in order that the data so captured is accurate, the Designated Intermediaries will be given up to one Working Day (till 1:00 PM) after the Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period, after which the data will be sent to the Registrar to the Issue for reconciliation with the data available with the NSDL and CDSL.

Utilisation of Application Amounts

The sum received in respect of a Tranche Issue will be kept in separate bank accounts and we will have access to such funds as per applicable provisions of law(s), regulations and approvals.

Utilisation of the proceeds of this Issue

- All monies to be received out of this Issue shall be credited / transferred to a separate bank account maintained with a Scheduled Bank as referred to in Section 40 of the Companies Act, 2013 and the SEBI NCS Regulations.
- The allotment letter shall be issued or application money shall be refunded / unblocked within 6 Working days from the closure of the Issue or such lesser time as may be specified by SEBI, or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

- Details of all monies utilised out of the previous issue made by way of public offer shall be disclosed and continued to be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies have been utilized.
- Details of all unutilised monies out of this Issue, if any, shall be disclosed and continued to be disclosed under an appropriate head in our balance sheet till the time any part of the proceeds of this Issue remains unutilized indicating the form in which such unutilised monies have been invested. As of the date of this Shelf Prospectus, all issue proceeds from the previous public offer have been utilised.
- We shall utilize proceeds of this Issue subsequent to (a) receipt of minimum subscription; (b) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; (c) creation of security; and (d) obtaining Listing and Trading approval from the Stock Exchanges as stated in this Shelf Prospectus in “*Issue Structure*” on page 329.
- Proceeds of this Issue shall not be utilized towards full or part consideration for the purchase or any other acquisition, inter alia by way of a lease, of any immovable property or in the purchase of any business or in the purchase of an interest in any business.
- The Issue proceeds shall be utilised in compliance with various guidelines, regulations and clarifications issued by RBI, SEBI or any other statutory authority from time to time.
- Further the proceeds of this Issue will be utilised only for the purpose and objects stated in the Offer Documents.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-Section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

“Any person who:

- a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under Section 447.”

Undertakings by our Company

We undertake that:

- a. the complaints received in respect of this Issue (except for complaints in relation to Applications submitted to Designated Intermediaries) shall be attended to by us expeditiously and satisfactorily;
- b. we shall take necessary steps for the purpose of getting the NCDs listed within the specified time i.e. six Working Days from the Issue Closing Date;
- c. the funds required for dispatch of refund orders/Allotment advice will be made available by our Company to the Registrar to the Issue;
- d. necessary cooperation to the credit rating agencies shall be extended in providing true and adequate information until the debt obligations in respect of the NCDs are outstanding;

- e. we shall forward the details of utilisation of the funds raised through the NCDs duly certified by our statutory auditors, to the Debenture Trustee on half year basis;
- f. we shall disclose the complete name and address of the Debenture Trustee in our annual report and on our Company's website;
- g. the assets on which charge is created in the Issue are free from any encumbrances and in cases where the assets are already charged to secure a debt, the permission or consent to create a second or pari-passu charge on our Company's assets has been obtained from the earlier creditor(s);
- h. the charge created on the Security shall be registered with the sub-registrar, RoC, CERSAI, Depositories, as applicable, within 30 days of creation of such charge at the time of each Tranche issue;
- i. NCDs shall be considered as secured only if the charged assets are registered with the sub-registrar or RoC or CERSAI or Depositories, as applicable or is independently verifiable by the Debenture Trustee;
- j. we shall provide a compliance certificate to the Debenture Trustee (on an annual basis) in respect of compliance with the terms and conditions of issue of NCDs as contained in the Transaction Documents; and
- k. we shall make necessary disclosures/ reporting under any other legal or regulatory requirement as may be required by our Company from time to time.
- l. we shall create a recovery expense fund in the manner as maybe specified by SEBI from time to time and inform the Debenture Trustee about the same.

SECTION VIII – SUMMARY OF KEY PROVISIONS OF ARTICLES OF ASSOCIATION

Pursuant to the Companies Act, the main provisions of our Articles of Association relating to, among others, voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Capitalised terms used in this section have the meaning that has been to such terms in the Articles of Association of our Company.

	CAPITAL AND INCREASE AND REDUCTION IN CAPITAL
4.	<i>Amount of Capital</i> The authorised share capital of the Company shall be as stated in Clause V of the Memorandum of Association of the Company.
5.	<i>Increase of Capital by the Company, and how carried into effect</i> The Company in General Meeting may, from time to time, increase the Capital by the creation of new Shares, such increase to be of such aggregate amount and to be divided into Shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, any Shares of the original or increased Capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof shall direct, and if no direction be given, as the Directors shall determine; and in particular, such Shares may be issued with differential rights as to Dividend, voting or otherwise or a preferential or qualified right to Dividends, and in the distribution of assets of the Company, and with a right of voting at General Meetings in conformity with the applicable provisions of the Act. Whenever the Capital has been increased under the provisions of this Article, the Directors shall comply with the applicable provisions of the Act.
6.	<i>New Capital same as Existing Capital</i> Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered as part of the existing capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
9.	<i>Reduction of Capital</i> The Company may subject to the provisions of the Act, from time to time by Special Resolution, reduce its Share Capital and any Capital Redemption Reserve Account and any Share Premium Account in any manner for the time being authorised by law, and in particular (without prejudice to the generality of the power), capital may be paid off on the basis that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.
10.	<i>Sub-division, consolidation and cancellation of shares</i> The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into Shares of such amount, as may be specified in the resolution. Subject to the provisions of Section 61 of the Act, the company may, by ordinary resolution in its General Meeting — (a) increase its authorized share capital by such amount as it thinks expedient; (b) consolidate and divide all or any of its share capital into Shares of larger amount than its existing Shares; (c) convert all or any of its fully paid-up Shares into stock, and reconvert that stock into fully paid-up Shares of any denomination; (d) sub-divide its existing Shares or any of them into Shares of smaller amount than is fixed by the memorandum; (e) Cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
	SHARE AND CERTIFICATES
12.	<i>Register and Index of Members, Debenture holders, etc.</i>

	(i) The Company shall cause to be kept and maintained the following registers namely: (a) Register of members indicating separately for each class of equity and preference shares held by each member residing in India or outside India; (b) Register of debenture-holders; (c) Register of any other security holders; and (d) including an index in respect of each of the registers to be maintained in accordance with Section 88 of the Act. (ii) The Company shall be entitled to keep in any State or Country, outside India a foreign Register of Members resident in that State or Country.
13.	<i>Shares to be numbered progressively and no share to be sub-divided</i> The Shares in the Capital shall be numbered progressively according to their several denominations, and except in the manner hereinabove mentioned no share shall be sub-divided. Every forfeited or surrendered Share shall continue to bear number by which the same was originally distinguished.
14.	<i>Further Issue of Capital</i> Subject to Section 62 and other relevant provisions of the Act, where at any time, the Company proposes to increase its subscribed capital by the issue of further Shares, such Shares shall be offered – (a) to persons who, at the date of the offer, are holders of equity Shares of the Company in proportion, as nearly as circumstances admit, to the paid-up share capital on those Shares by sending a letter of offer subject to the following conditions, namely:— - the offer shall be made by notice specifying the number of Shares offered and limiting a time not being less than fifteen (15) days and not exceeding thirty (30) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined; - subject to the provisions of these Articles the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) of Article 14(a) herein above shall contain a statement of this right; - after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the members and the Company; - The notice referred above shall be dispatched through registered post or speed post or through electronic mode to all the existing Members at least three days before the opening of the issue. (b) to employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to such conditions as may be prescribed under the Act and any other law in force at the time, including the conditions set out under the employees' stock option regulations issued by the SEBI (as may be applicable); or (c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b) hereinabove, either for cash or for a consideration other than cash, if the price of such Shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the Act and rules framed thereunder. (d) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into Shares in the Company. Provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a special resolution passed by the Company in a General Meeting.
15.	<i>Shares under control of Director</i> Subject to the provisions of the Act and these Articles, the Shares shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such Persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

16.	<i>Power of the Company in the General Meeting to issue shares</i> In addition to, and without derogating from the power for that purpose conferred on the Board of Directors under these Articles, the Company in a General Meeting may, subject to the compliances of Sections 42 and 62 of the Act as the case may be and rules issued there under, determine to issue further Shares out of the authorized but unissued share capital of the Company and may determine that any Shares shall be offered to such Persons (whether Members of the Company or not) in such proportions and on such terms and conditions and either at a premium or at par, as such General Meeting shall determine and with full power to give any Person (whether a Member of the Company or not) option to be exercisable at such times and for such consideration as may be directed by such General Meeting and subject to such other provisions whatsoever as the case may be, stipulated by the General Meeting, for the issue, allotment or disposal of any Share.
17.	<i>Acceptance of shares</i> Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register of Members shall, for the purpose of these Articles, be a Member.
18.	<i>Deposit and calls etc./to be a debt payable immediately</i> The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.
20.	<i>Share Certificate</i> (a) Every Person whose name is entered as a Member in the Register of Members shall be entitled to receive within two (2) months after incorporation, in case of subscribers to the Memorandum of Association or after allotment or within one (1) month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,— (i) one certificate for all his/her Shares without payment of any charges; or (ii) several certificates, each for one or more of his/her Shares, upon payment of not more than one (1) rupee for each certificate after the first. (b) Every member or allottee of shares shall be entitled without payment to receive one certificate specifying the name of the person in whose favour it is issued, the shares to which it relates and the amount paid up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letters of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall specify the Shares to which it relates and the amount paid-up thereon, which shall be affixed in the presence of two Directors (or persons acting on behalf of the Directors under a power of attorney) and the Company Secretary or some other person appointed by the Board for the purpose, and two Directors or their attorneys and the Secretary or other person shall sign the share certificates, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing Director or a Whole time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person to whom it has been issued, indicating the date of issue. (c) In respect of any Share or Shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a Share to one of several joint holders shall be sufficient delivery to all such holders. (d) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.
23.	<i>The first named of joint holders deemed sole holder</i>

	If any share stands in the names of two or more persons, the person first named in the Register of Members shall as regards receipt of dividends or bonus or service of notices and all or any matter connected with the Company, except voting at meetings, and the transfer of the shares, be deemed the sole holder thereof but the joint holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such share and for all incidents.
24.	<i>Company not bound to recognize any interest in share other than that of registered holder</i> Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof, but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.
	NOMINATION OF SHARES
25.	<i>Nomination of Shares</i> (a) Every holder of shares in the Company may at any time nominate, in the manner prescribed under the Act, a person to whom his/her shares in the Company shall vest in the event of his/her death. (b) Where shares in the Company are held by more than one person jointly, the joint holders may together nominate, in the manner prescribed under the Act, a person to whom all the rights in the shares of the Company shall vest in the event of death of all the joint holders. (c) Notwithstanding anything contained in any other law for the time being in force or in disposition, whether testamentary or otherwise, in respect of the shares where a nomination made in the manner prescribed under the Act, purports to confer on any person the right to vest the shares in the Company, the nominee shall on the death of the member concerned, or on the death of the joint holders become entitled to all the rights in relation to such shares to the exclusion of all other persons, unless the nomination is varied or cancelled in the manner prescribed under the Act. (d) Where the nominee is a minor, the holders of the shares concerned, can make the nomination to appoint in the manner prescribed under the Act, any person to become entitled to the shares concerned in the event of his/her death during the minority.
	TRANSFER IN CASE OF NOMINATION
26.	<i>Transfer in case of Nomination</i> (a) Any person who becomes a nominee by virtue of the applicable provisions of the Act, upon the production of such evidence as may be required by the Board and subject as hereinafter provided elect either: (i) to register himself as the holder of the share(s) or; or (ii) to make such transfer of share(s), as the deceased member, could have made. (b) If the person being a nominee, so entitled, elects to be registered as holder of the share(s) himself / herself, he / she shall deliver or send to the Company a notice in writing duly signed by him / her stating that the nominee concerned so elects and such notice shall be accompanied with death certificate of the deceased member. (c) All the limitations, restrictions and provisions of the Act relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if the death of the member had not occurred and the notice or transfer were signed by that member. (d) A person being a nominee, becoming entitled to a share / Debenture by reason of the death of the holder shall be entitled to the same dividends and other advantages to which he/she would be entitled if he /she was the registered holder of the shares / Debenture except that he / she shall not, before being registered as a member in respect of his/her shares/Debentures, be entitled in respect of it to exercise any right(s) conferred by membership in relation to meetings of the Company. Provided that the Board may, at any time give notice requiring any such person to elect either to register himself / herself or to transfer the share(s)/Debenture(s), and if the notice is not acted upon by the nominee within ninety days, the Board may thereafter withhold payments of all dividends, bonuses or other moneys payable in respect of the share(s)/Debenture(s) until requirements of the notice have been complied with.

	DECLARATION OF BENEFICIAL INTEREST
27.	<i>Declaration by person not holding beneficial interest in any Shares</i> (a) Notwithstanding anything herein contained, a person whose name is at any time entered in the Register of Members of the Company as the holder of a share in the Company, but who does not hold the beneficial interest in such share, shall, if so required by the Act, within such time and in such form as may be prescribed, make a declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such share in the manner provided in the Act. (b) A person who holds a beneficial interest in a share or a class of shares of the Company shall, if so required by the Act, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the shares stand in the Register of Members of the Company and such particulars as may be prescribed as provided in the Act. (c) Whenever there is a change in the beneficial interest in a share referred to above, the beneficial owner shall if so required by the Act, within the time prescribed, from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed in the Act. (d) Notwithstanding anything contained in the Act and Article 27 hereof, where any declaration referred to above is made to the Company, the Company shall, if so required by the Act, make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration, a return in the prescribed form with the Registrar with regard to such declaration.
	DEMATERIALISATION OF SECURITIES
28.	<i>Dematerialisation of Securities</i> Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and offer the same in a dematerialised form in pursuance of the Depositories Act.
29.	<i>Options for investors</i> Every person subscribing to the Securities offered by the Company shall have the option to opt for Security certificates or to hold the Securities with a Depository. A person who is the Beneficial Owner of the Securities can at any time opt out of a Depository, if permitted by law, in respect of any securities in the manner provided by the Depositories Act or any amendments thereto and the Company shall, in the manner and within the time prescribed, issue to such Beneficial Owner, the Certificate of Securities. If a person opts to hold the securities with a Depository, the Company shall intimate such Depository, the particulars of allotment of Security, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Security.
30.	<i>Securities in Depositories to be in fungible form</i> All Securities held by a Depository shall be dematerialised and shall be in fungible form. Nothing contained in Sections 89 of the Act shall apply to a Depositor in respect of the Securities held by it on behalf of the Beneficial Owners.
31.	<i>Rights of Depositories And Beneficial Owner</i> (a) Notwithstanding anything to the contrary contained in the Articles or any other law for the time being in force, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of the Security on behalf of the Beneficial Owner. (b) Save as otherwise provided in (i) hereinabove, the Depository as a registered owner shall not have any voting rights or any other rights in respect of Securities held by it. (c) Every person holding Securities of the Company and whose name is entered as a Beneficial

	Owner in the records of the Depository shall be deemed to be a Member of the Company. The Beneficial Owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of his Securities held by a Depository.
33.	<i>Transfer of Securities</i> Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a Depository.
34.	<i>Allotment of Securities dealt with in a Depository</i> Notwithstanding anything contained in the Act or these Articles, where securities are dealt with in a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.
35.	<i>Distinctive numbers of securities held in a Depository</i> Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.
36.	<i>Register and Index of Beneficial Owners</i> The Register and Index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles.
	POWER OF THE COMPANY TO PURCHASE ITS OWN SECURITIES
37.	<i>Funds of Company shall not be applied in purchase of shares of the Company</i> None of the funds of the Company shall be applied in the purchase of any Shares of the Company and itself not give any financial assistance for or in connection with the purchase or subscription of any Shares in the Company or in its holding company save as provided by provisions of the Act.
38.	<i>Power to purchase own Securities</i> Notwithstanding anything contained in these Articles and in pursuance of the applicable provisions of the Act, the Company may, purchase/buy back its own Shares or other Securities as it may think necessary, subject to such limits, restrictions, terms and conditions and subject to such approvals, as may be specified under the applicable provisions of the Act and the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 if applicable. For the purpose of this Article, Securities shall have the same meaning as assigned to it in the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and includes hybrids.
	UNDERWRITING AND BROKERAGE
39.	<i>Commission for placing shares, debentures, etc.</i> The Company may, subject to the applicable provisions of the Act, at any time pay a commission to any Person in consideration of his/her subscribing or agreeing to subscribe or such Person procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for any Shares in or Debentures of the Company, but the rate of such commission shall not exceed the permissible rates under the provisions of the Act. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid Shares or Debentures or partly in the one way and partly in the other.
40.	<i>Brokerage</i> The Company may also on any issue of Shares or Debentures pay such brokerage as may be lawful.

	CALLS
41.	<i>Directors may make calls</i> The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board (and not by circular resolution) make such call as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board. A call may be made payable by installments. Provided that no call shall exceed one-fourth of the nominal value of the Share or be payable at less than one month from the date fixed for the payment of the last preceding call.
42.	<i>Notice of Calls</i> Each Member shall, subject to receiving at least fourteen (14) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his/her Shares.
43.	<i>Calls to date from resolution</i> A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board.
44.	<i>Directors may extend time</i> The Board may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members, who from residence at a distance or other cause, the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.
47.	<i>Calls to carry interest</i> If any Members fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board, but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.
48.	<i>Sums deemed to be calls</i> Any sum, which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
49.	<i>Proof on trial or suit for money due</i> On the trial or hearing of any action or suit brought by the Company against any member or his representative for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder, at or subsequently to the date at which the money sought to be recovered is alleged to have become due on the shares in respect of which money is sought to be recovered that the resolution making the call is duly recorded in the minute book, and that notice of which call was duly given to the member or his representatives and sued in pursuance of these Articles, and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board

	at which any call was made nor that the meeting at which any call was duly convened or constituted nor any other matters whatsoever, but the proof of the matter aforesaid shall be conclusive evidence of the debt.
50.	<i>Partial payment not to preclude forfeiture</i> Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his shares, either by way of principal or interest, or any indulgence granted by Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.
51.	<i>Power of Company to accept unpaid share Capital although not called</i> The Company may accept from any Member the whole or a part of the amount remaining unpaid on any Shares held by him, although no part of that amount has been called up, pursuant to and in accordance with the applicable provisions of the Act.
	LIEN
53.	<i>Company's lien on Shares/Debentures</i> The Company shall have a first and paramount lien upon all the Shares and Debentures (other than fully Paid up Shares or Debentures) registered in the name of each Member or Debenture holder (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares or Debentures and no equitable interest in any Shares or Debentures shall be created except upon the basis and condition that in these Articles will have full effect. Any such lien shall extend to all Dividends or interest, as the case may be, from time to time declared or paid in respect of such Shares or Debentures. Unless otherwise agreed to, registration of a transfer of Shares or Debentures shall operate as waiver of the Company's lien, if any, on such Shares or Debentures. The aforesaid lien of the Company shall also extend to shares held by the Directors with unlimited liabilities in respect of any liability which such of the Directors having unlimited liability, may be liable to pass.
54.	<i>As to enforcing lien by sale</i> For the purpose of enforcing such lien, the Board may sell the Shares or Debentures subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such Shares or Debentures and may authorize one of their number to execute a transfer thereof on behalf of and in the name of such Member or Debenture holder. No sale shall be made until such period as aforesaid shall have arrived, and until notice in writing of the intention to sell shall have been served on such Member or Debenture holder or their representatives and default shall have been made by him or them in payment, fulfillment or discharge of such debts, liabilities or engagements for fourteen (14) days after such notice.
55.	<i>Application of proceeds of sale</i> The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the Shares or Debentures before the sale) be paid to the Persons entitled to the Shares or Debentures at the date of the sale.
	FORFEITURE OF SHARES OR DEBENTURES
56.	<i>If money payable on shares not paid, notice to be given to member</i> If any Member or Debenture holder fails to pay any call or installment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may at anytime thereafter, during such time as the call or installment remains unpaid, give notice to him

	requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
57.	<i>Form of Notice</i> The notice shall name a day (not being less than fourteen (14) days from the date of the notice) and a place on and at which such call or installment and such interest thereon at such rate as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place appointed, the Shares or Debentures in respect of which the call was made or installment is payable, will be liable to be forfeited.
58.	<i>In default of payment shares to be forfeited</i> If the requirements of any such notice as aforesaid shall not be complied with, every or any Share or Debenture in respect of which such notice has been given, may at any time thereafter before payment of all calls or installments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include in the case of Shares, all Dividends declared or any other money payable in respect of the forfeited Share or Debenture and not actually paid before the forfeiture.
59.	<i>Notice of forfeiture to a Member or Debenture holder</i> When any Share or Debenture shall have been so forfeited, notice of the forfeiture shall be given to the Member or Debenture holder in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members or Register of Debenture holders but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
60.	<i>Forfeited shares to be the property of the Company and may be sold etc.</i> Any Share or Debenture so forfeited shall be deemed to be the property of the Company, and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other Person, upon such terms and in such manner as the Board shall think fit.
62.	<i>Effect of forfeiture</i> The forfeiture of a Share or Debenture shall involve extinction, at the time of the forfeiture, of all interest in and all claims and demands against the Company, in respect of the Share or Debenture and all other rights incidental to the Share or Debenture, except only such of those rights as by these Articles are expressly saved.
63.	<i>Evidence of forfeiture</i> A declaration in writing that the declarant is a Director or Secretary and that a Share or Debenture has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of facts therein stated as against all Persons claiming to be entitled to the Share or Debenture.
64.	<i>Validity of sale</i> Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares or Debentures sold and may cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold or the Register of Debenture holders in respect of Debentures sold, and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares or in the Register of Debenture holders in respect of such Debentures, the validity of the sale shall not be impeached by any Person and the remedy of any Person aggrieved by the sale shall be in damages only and against the Company exclusively.

65.	<i>Cancellation of share certificates in respect of forfeited shares</i> Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate originally issued in respect of the respective Shares or Debentures shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Members or Debenture holders) stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a duplicate certificate in respect of the said Shares or Debentures to the Person entitled thereto.
66.	<i>Power to annul forfeiture</i> The Board may at any time before any Share or Debenture so forfeited shall have been sold, reallocated or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.
TRANSFER AND TRANSMISSION OF SHARES	
67.	<i>Register of Transfers</i> The Company shall keep the "Register of Transfers" and therein shall fairly and distinctly enter particulars of every transfer or transmission of any share.
68.	<i>Form of Transfer</i> Shares in the Company may be transferred by an instrument in writing in the usual common form or in such other form as shall from time to time be approved by the Directors provided that if so required by the provisions of the Act, such instrument of transfer shall be in the form prescribed and shall be duly stamped and delivered to the Company within the prescribed period.
69.	<i>Transfer form to be completed and presented to the Company</i> The instrument of transfer complete with all details, duly stamped and executed by the transferor and the transferee shall be delivered to the Company in accordance with the provisions of the Act. The instrument of transfer shall be accompanied by such evidence as the Board may require to prove the title of transferor and his right to transfer the shares and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board. The transferor shall be deemed to be the holder of such shares until the name of the transferee shall have been entered in the Register of Members in respect thereof. Before the registration of a transfer the certificate or certificates of the share must be delivered to the Company.
70.	<i>Transfer Books and Register of Members when Closed</i> The Board shall have power on giving seven days previous notice by advertisement in some newspaper circulating in the district in which the Registered Office of the Company is situate to close the transfer books, Register of Members or Register of Debenture-holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year as it may seem expedient.
71.	<i>Board may refuse to register transfer</i> Subject to the provisions of Section 58 of the Act, the Board may, at its discretion decline to register or acknowledge any transfer of Share whether fully paid or not (notwithstanding that the proposed transferee be already a member), but in such case it shall within one month from the date on which the instrument of transfer was lodged with the Company, send to transferee and the transferor notice of the refusal to register such transfer, giving reasons for such refusal. Registration of transfer of shares shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on the shares. The Board may decline to recognize any instrument of transfer unless—

	(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of Section 56; (b) the instrument of transfer is accompanied by the certificate of the Shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and (c) the instrument of transfer is in respect of only one class of Shares.
72.	<i>Notice of application when to be given</i> Where, in the case of partly paid shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.
73.	<i>Death of one or more joint holders of shares</i> In the case of the death of any one or more of the persons named in the Register of Members as the joint holders of any share, the survivor or survivors shall be the only persons recognised by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.
74.	<i>Title to Shares of deceased member</i> The executors or administrators or holders of a succession certificate or the legal representative of a deceased member (not being one of two or more joint holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such member, and the Company shall not be bound to recognise such executors or administrators or holders of a succession certificate or the legal representatives unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be, from a duly constituted court in India, provided that in case where the Board may in their absolute discretion think fit, may dispense with production of probate or letters of Administration or Succession Certificate upon such terms as to indemnify or otherwise as the Board in its absolute discretion may think necessary, and under the provisions of Article 77 hereto, register the name of any person who claims to be absolutely entitled to the Shares standing in the name of a deceased Member, as a Member.
75.	<i>No transfer to infant etc.</i> No share shall in any circumstances be transferred to any infant, insolvent or person of unsound mind.
76.	<i>No transfer to more than three joint holders</i> No share shall in any circumstances be transferred to more than three joint holders.
77.	<i>Registration of persons entitled to shares otherwise than by transfer (Transmission Article)</i> Subject to the provisions of these Articles, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any member, or the marriage of any female member or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board (which it shall not be under any obligation to give), upon producing Probate or Letters of Administrations or Succession Certificate or such other evidence that he sustains the character in respect of which he proposes to act under the Article or of his title, as the Board thinks sufficient, either be registered himself as the holder of the share or elect to have some person nominated by him and approved by the Board, registered as such person, provided, nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an Instrument of Transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the shares. This Article is referred to in these Articles as "The Transmission Article".
78.	<i>Persons entitled may receive dividend without being registered as member</i>

	A person entitled to a share by transmission shall subject to the right of the Directors to retain such dividend or money as hereinafter provided, be entitled to receive and may be given a discharge for, any dividends or other moneys payable in respect of the share.
79.	<i>Fee on Transfer or Transmission</i> There shall be paid to the Company, in respect of the transfer or transmission of any number of shares to the same party, such sum as the Board may require. The Board, may, however, in its absolute discretion wholly or partly waive payment of the fee aforesaid generally or in the specific case or cases, as it may deem fit.
	CONVERSION OF SHARES INTO STOCK AND RECONVERSION
81.	<i>Shares may be converted into stock</i> The Company in General Meeting may convert any paid-up shares into stock, and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interests, in the same manner and subject to the same regulations under which the shares from which the stock arose might have been transferred, as if no such conversion had taken place, or as near thereto as circumstances will admit. The Company may any time reconvert any stock into paid-up shares of any denomination;
82.	<i>Right of stockholders</i> The holders of stock shall, according to the amount of stock held by them, have the same right, privilege and advantages as regards dividends, voting at meeting of the Company, and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets of winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
	MEETING OF MEMBERS
88.	<i>Annual General Meeting</i> Subject to the provisions of the Act, the Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. All General Meetings other than Annual General Meeting shall be called Extra Ordinary General Meetings. The Annual General Meeting shall be held within six months after the expiry of such financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for a time during business hours, on a day that is not a National holiday, and shall be held at the Office of the Company or at some other place within the city in which the Office of the Company is situated as the Board may think and determine and the notices calling the Meeting shall specify it as then Annual General Meeting. Every member, either in person or proxy, Director, and auditor of the Company and every trustee for the debenture holders of any debentures issued by the Company shall be entitled to receive notice and attend any General Meeting. At every Annual General Meeting of the Company, there shall be laid on the table the Directors' Report and audited financial statements, Auditors' Report (if not already incorporated in the audited financial statements) the proxy Register with proxies and the Register of Directors' shareholding which Register shall remain open and accessible during the continuance of the meeting.
89.	<i>Directors may call Extra Ordinary General Meeting</i> The Board of Directors may call an Extra Ordinary General Meetings whenever they think fit.
94.	<i>Twenty-one clear days notice of meeting to be given</i> At least Twenty-one clear days notice in writing or by electronic mode in the manner set out under the Act be given of every General Meeting, Annual or Extraordinary, and by whomsoever called, specifying the date, place and hour of meeting, and the general nature of the business to be transacted thereat to

	such persons entitled to receive notice from the Company; Provided that in the case of all General Meeting(s), if the consent accorded by members constituting not less than 95 percent of the total paid up share capital of the Company and eligible to vote in writing or by electronic mode, a General meeting may be convened by a shorter notice in writing or by electronic mode; In the case of an Annual General Meeting, if any business other than (i) the consideration of the audited financial statements and reports of Board and the Auditors, (ii) the declaration of dividend, (iii) the appointment of Directors in place of those retiring, (iv) the appointment of, and fixing the remuneration of the Auditors, is to be transacted and in the case of any other meeting in any event, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business, including in particular the nature and extent of the interest, if any, therein of every Director, Manager and other Key Managerial Personnel and their relatives respectively. In every notice there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and that a proxy need not be a Member of the Company. Where any such item of special business relates to, or affects any other company, the extent of shareholding interest in that other company of every Promoter, Director, Manager and Key Managerial Personnel, if any, of the Company shall also be set out in the statement if the extent of such shareholding interest is not less than 2 per cent of the paid-up share capital of that other company. Where any item of business consists of the according of approval to any documents by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.
95.	<i>Meetings by Video Conference, E-Voting</i> Notwithstanding anything contrary contained in the Articles of Association, the Company may, in pursuance of and subject to the provisions of the Act, rules, regulations, circulars, guidelines, notifications, amendments, re- enactments, etc. as may be specified by the Ministry of Corporate Affairs (MCA), Securities & Exchange Board of India (SEBI), or any competent authority, if any, from time to time as may be applicable to the Company, allow the Member(s) of the Company to participate in the General Meeting(s) of the Members through any type of electronic mode like e-voting, video conferencing, etc. and the Members so participating shall be deemed to be present in such General Meeting(s) for the purpose of the quorum, voting, recording and all other relevant provisions in this regard. For conducting the aforesaid meetings, the Company shall follow the procedure specified under the applicable laws for the time being in force and the rules, regulations, circulars, notifications, guidelines, etc. issued / to be issued from time to time by MCA, SEBI or any other competent authority(ies) in this regard.
96.	<i>Omission to give notice not to invalidate resolution passed</i> The accidental omission to give any such notice as aforesaid to any of the members, or the non-receipt of any notice by any Member/eligible person thereof shall not invalidate the proceedings and resolution passed at such meeting.
98.	<i>Quorum at General Meeting</i> Save as otherwise provided herein, the quorum for the general meetings shall be as provided in Section 103 of the Act. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with the applicable provisions of the Act.
99.	<i>If quorum not present Meeting to be dissolved or adjourned</i> If at the expiration of half an hour from the time appointed for holding of general meeting of the Company, a valid quorum shall not be present, the meeting, if convened by or upon the requisition of members, shall stand cancelled, but in every other case it shall stand adjourned to the same day, time and place in the next week, or to such other date, time and place as the Board may determine provided that in case of an adjourned meeting or of a change of day, time or place of meeting, the Company shall give not less than three day's notice to the members either individually or by publishing an advertisement in newspapers as prescribed in the Act. If at such adjourned meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called. No business

	shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.
100.	<i>Chairman of General Meeting</i> The Chairman of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting, then Directors present at the meeting may mutually elect any one amongst themselves to act as the Chairman of such General Meeting or if the Directors present fail to elect Chairman amongst themselves then the Members present shall elect one of the Directors present as the Chairman or if all the Directors present decline to take the Chair, then the members present shall elect one of their Members to be the Chairman.
102.	<i>Chairman with consent may adjourn meeting</i> The Chairman with the consent of the meeting when quorum is present, may adjourn any meeting from time to time and from place to place in the city or town in which the office of the Company is for the time being situate, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
103.	<i>Questions at General Meeting how decided</i> At any General Meeting a resolution put to the vote at the meeting shall, unless a poll is demanded, or if voting is carried out electronically in accordance with the provisions of the Act, be decided on a show of hands. Such voting in a General meeting or by postal ballot shall also include electronic voting as permitted by applicable laws from time to time. A declaration by the Chairman that a resolution has on a show of hands, been carried unanimously, or by a particular majority or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution.
104.	<i>Chairman's casting vote</i> In the case of an equality of votes, the Chairman shall both on a show of hands and at a poll, if any, shall be entitled to have a second or casting vote in addition to the vote or votes to which he may be entitled as a member.
	VOTES OF MEMBERS
109.	<i>Members in Arrears not to vote</i> No member shall be entitled to vote either personally or by proxy or electronically at any General Meeting or meeting of a class of members either upon a show of hands or by electronic means as may be prescribed under the Act, or upon a poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, or has exercised, any right of lien.
110.	<i>Number of votes to which member is entitled</i> Subject to the provisions of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands every member present in person shall have one vote and upon voting by electronic means and upon a poll the voting right of every member present in person or by proxy shall be in proportion to his share of the Paid-up equity share capital of the Company.
111.	<i>Voting right may be exercised by electronic means</i> A Member may exercise his vote on resolution to be considered at General Meeting by electronic means

	in accordance with the provisions of the Act.
113.	<i>How members not compos mentis and minor may vote</i> A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If any Member is a minor, the vote in respect of his Share or Shares shall be by his guardian, or any one of his guardians; if more than one, to be selected in case of dispute by the Chairman of the General Meeting.
114.	<i>Votes of joint members</i> If there be joint registered holders of any Shares, any one of such persons may vote at any General Meeting or may appoint another person (whether a Member or not) as his proxy in respect of such Shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the General Meeting and if more than one of such joint holders be present at any General Meeting, that one of the said persons so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such Shares, but the other of the joint holders shall be entitled to be present at the General Meeting. Several executors or administrators of a deceased Member in whose name Shares stand shall for the purpose of these Articles be deemed joint holders thereof.
115.	<i>Voting in person or by proxy</i> Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorised in accordance with the applicable provisions of the Act and such representative shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member.
116.	<i>Votes in respect of shares of deceased and insolvent member</i> Any person entitled under the Transmission Article to transfer any Share, shall not be entitled to be present; or to vote at any meeting either personally or by proxy in respect of such Shares, unless a least forty eight (48) hours before the time for holding the meeting or adjourned meeting as the case may be; at which he proposes to be present and to vote, he shall have satisfied the Directors of his right to transfer such Shares (as to which the opinion of the Directors shall be final) and give such indemnity, if any, as the Directors may require or the Directors shall have provisionally admitted his right to vote at such meeting in respect thereof.
117.	<i>Appointment of Proxy</i> Every proxy (whether a member or not) shall be appointed by an instrument in writing signed by the appointer or his attorney duly authorized in writing, or if the appointer is a body corporate, be signed by an Officer or an attorney duly authorized by it, and any guardian, legal representative or attorney may appoint such proxy. The proxy so appointed shall not have right to speak in the meeting.
118.	<i>Proxy either for specified meeting or for a period</i> An instrument of Proxy may appoint a proxy either for the purpose of a particular meeting specified in the Instrument and any adjournment thereof or it may appoint for the purpose of every meeting of the Company or of every meeting to be held before a date specified in the Instrument and every adjournment of any such meeting.
119.	<i>Deposit of Instrument of Appointment</i> The Instrument appointing a proxy and a power of Attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of authority, shall be deposited at the Office not later than forty - eight hours before the time for holding the meeting at which the person named in the Instrument proposes to vote, and in default the Instrument of Proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its

	execution.
120.	<i>Form of Proxy</i> An instrument appointing a proxy shall be in such form as may be prescribed by the Act from time to time.
121.	<i>Proxy to vote only on a poll</i> A Member present by proxy at a General Meeting shall be entitled to vote only on a poll.
123.	<i>Validity of votes given by proxy notwithstanding death of members</i> A vote given in accordance with the terms of an Instrument of Proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any power of Attorney under which such proxy was signed or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the Office before the meeting.
125.	<i>Chairman of the Meeting to be the judge of validity of any votes</i> The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.
126.	<i>Minute Books of General Meeting</i> (a) The Company shall cause minutes of all proceeding of every General Meeting to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered. (b) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for that purpose. (c) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise. (d) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat. (e) All appointments of officers made at any meeting aforesaid shall be included in the minutes of the meeting. (f) Nothing herein contained shall require or to be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting (i) is or could reasonably be regarded as defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interest of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds. (g) Any such minutes shall be evidence of the proceedings recorded therein. (h) The book containing the minutes of proceedings of General Meetings shall be kept at the Office of the Company and shall be open during business hours, for such periods not being less in the aggregate than two hours in each day as the Directors determine, to the inspection of any member without charge.
	DIRECTORS
127.	<i>Number of Directors</i> Subject to the provisions of the Act, the number of Directors shall not be less than three (3) and unless otherwise determined by the Company in general Meeting not more than fifteen (15). The Company may appoint more than fifteen (15) directors after passing a special resolution.

128.	<i>J.M. Financial Limited's right to nominate non-retiring directors</i> (a) So long as JMFL holds not less than twenty-six percent (26%) of the issued and Paid up Capital of the Company, JMFL shall have the right to nominate up to 1/3rd of the total number of Directors as Directors not liable to retire by rotation and to remove all or any of such directors so nominated from office and on a vacancy arising in such office from any cause whatsoever, including resignation, death or removal of persons so terminated, to appoint another or others in the vacant place(s). (b) Any appointment or removal of a director under this article shall be by notice, in writing, addressed to the Company under the hands of the Chairman, Managing Director or Secretary of JMFL and shall take effect forthwith upon such notice being delivered to the Company. (c) The right of nomination of directors conferred on JMFL under this Article shall not be determined by reason of any change in the name or style of JMFL or any body corporate in which JMFL has amalgamated or merged."
129.	<i>Debenture Director</i> If it is provided by the Trust Deed, securing or otherwise, in connection with any issue of debentures, debenture stock of the Company, that trustees or any person(s) shall have power to nominate a Director of the Company, then in the case of such issue of debentures, the person(s) having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as "Debenture Director". A Debenture Director may be removed from Office at any time by the trustees or such person(s) in whom for the time being power is vested under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be required to hold any qualification shares and shall not be liable to retire by rotation. The trust deed may contain such ancillary provisions as may be arranged between the Company and the trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.
130.	<i>Appointment of Alternate Directors</i> The Board of Directors may appoint a person, not being a person holding any alternate directorship for any other director in the Company, to act as an alternate Director for a Director (hereinafter called the "Original Director") during his absence for a period of not less than three months from India provided that no person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act. An alternate Director appointed shall not hold Office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate Office if and when the Original Director returns to India. If the terms of Office of the Original Director is determined before he so returns to India, any provisions in the Act or in these Articles for the automatic re-appointment of a retiring Director in default of another appointment shall apply to the Original Director and not to the alternate Director.
131.	<i>Directors' power to fill casual vacancy</i> Subject to the provisions of Section 161 of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be a Director to fill a casual vacancy. Any person so appointed shall hold Office only upto the date upto which the Director in whose place he is appointed would have held Office if it had not been vacated by him.
132.	<i>Appointment of Additional Directors</i> Subject to the provisions of Section 161 of the Act, the Director shall have power at any time and from time to time to appoint a person or persons as additional director(s) but so that the total number of Directors shall not at any time exceed the maximum fixed under Article 127. Any such additional director shall hold Office only upto the date of the next Annual General Meeting. Provided that any person, who fails to get appointed at a General Meeting, shall not be eligible for appointment as an additional director.
133.	<i>Nominee Directors</i>

	The Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement. Any deed for securing loans by the Company from financial corporations may be so arranged to provide for the appointment from time to time by the lending financial institution of some person or persons to be a director or directors of the Company and may empower such lending financial corporation from time to time to remove and re-appoint any Director so appointed. A Director appointed under this Article is herein referred as "Nominee Director" and the term "Nominee Director" means any director for time being in office under this Article. The deed aforesaid may contain ancillary provisions as may be arranged between the Company and the lending institution and all such provisions shall have effect notwithstanding any of the other provisions herein contained.
134.	<i>Appointment of independent directors</i> The Company shall appoint such number of directors as independent directors as may be required under Section 149 of the Act and in pursuance of the provisions of any law for the time being in force. The persons to be appointed as independent director shall hold such qualifications and shall comply with such conditions as may be prescribed under the Act and any other law for the time being in force.
135.	<i>Appointment of Women Director</i> The Company shall appoint such number of women directors as may be required under the provisions of the Act and any other law for the time being in force.
136.	<i>Qualification Shares</i> A Director of the Company shall not be bound to hold any qualification shares.
137.	<i>Remuneration of Directors</i> Subject to the provisions of Section 197 and Schedule V to the Act, the remuneration payable to the Director of the Company shall be as hereinafter provided: (a) Subject to the provisions of the Act, the Managing Director(s) and Whole-time Director(s), may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other. (b) Subject to the provisions of Section 197 and Schedule V and other applicable provisions to the Act read with these Articles, the Board or its Committee shall have powers to determine and pay such remuneration to a Director for his services, whole time or part time, to the Company or for services of a professional or other nature rendered by him as may be determined by the Board or its Committee. If any Director being willing, shall be called upon to perform extra services or make any special exception in going to or residing at a place other than the place where Office of the Company is situate or where the Director usually resides, or otherwise in the Company's business or for any of the purposes of the Company, then subject to the provisions of the Act, the Board or its Committee shall have power to pay to such Director such remuneration as may be determined by the Board. (c) The fees payable to a Director for attending a meeting of the Board or a committee of the Board or a General Meeting shall be decided by the Board of Directors from time to time within the maximum limits of such fees that may be prescribed by Central Government pursuant to the provisions of the Act, from time to time.
138.	<i>Travelling expenses incurred by Director or by Director going out on Company's business</i> The Board may allow and pay to any Director such sum as the Board may consider fair compensation or for travelling, boarding, lodging and other expenses in addition to his fee for attending such meeting as above specified and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any travelling or other expenses incurred in connection with business of the Company.
139.	<i>Directors may act notwithstanding vacancy</i>

	The continuing Directors may act notwithstanding any vacancy in their Board but subject to the provisions of the Act if and so long as their number is reduced below the minimum number fixed by Article 127 hereof the continuing Directors not being less than two may act for the purposes of filling up vacancies and increasing the number of Directors to that number or summoning a General Meeting but not for any other purpose.
141.	<i>Directors may contract with Company</i> Subject to the provisions of Section 185 and 188 of the Act, a Director shall be permitted to contract with the Company for any purpose and in any capacity whatsoever including either as vendor, purchaser, agent, broker, underwriter of Shares and Debentures of the Company or otherwise, and any such contract, or any contract or arrangement entered into by or on behalf of the Company and such interest Director shall not be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office, or of the fiduciary relationship thereby established. It is however mandatory for the Director to have declared the nature of his/her interest in such contract and the same must be disclosed by him/ her as provided hereunder.
144.	<i>Interested Directors not to participate or vote in Board's proceedings</i> A Director shall not take any part in the discussion of or vote on any contract or arrangement entered into, or to be entered into by or on behalf of the Company, if he is in any way directly or indirectly, concerned or interested in the contract or arrangement nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote, and if he does vote, his vote shall be void. Nothing contained herein shall apply to any contract or arrangement entered into or to be entered into between the Company and any other Company where any one of the Directors of the Company or two or more of them together holds or hold not more than two percent of the paid up share capital in the other Company.
145.	<i>Register of Contracts in which Directors are interested</i> (a) The Company shall keep a Register in accordance with the provisions of the Act, in which shall be entered separately, particulars of all contracts or arrangements in which the Directors interested. The Registers shall include details of the contracts and name of parties and such other details as may be required under the prevailing provisions of the Act. (b) The Register aforesaid shall also specify, in relation to each Director of the Company, the names of the firms and bodies corporate of which notice has been given by him General Notice of interest. (c) The Registers as aforesaid shall be kept at the registered office of the Company and they shall be open to inspection at such office and extracts may be taken from any of them and copies thereof may be required by any Member of the Company to the same extent in the same manner and on payment of the same fees as in case of the Register of Members.
148.	<i>Retirement and rotation of Directors</i> Subject to the provisions of Section 152 of the Act, at every Annual General Meeting of the Company, one-third of such of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from Office. Independent, Debenture Directors and Nominee Directors shall not be subject to retirement under this clause and shall not be taken into account in determining the Directors liable to retire by rotation.
150.	<i>Eligibility for re-election</i> A retiring Director shall be eligible for re-appointment and shall act as a Director throughout the meeting at which he retires.
151.	<i>Company to appoint successors</i> The Company at the Annual General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing the retiring director or some other person thereto.

152.	<i>Provision in default of appointment</i> (a) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place. (b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting, unless :- (i) at that meeting or at the previous meeting resolution for the re- appointment of such Director has been put to the meeting and lost; (ii) the retiring Director has, by a notice in writing addressed to the Company or its Board expressed his unwillingness to be so re-appointed; (iii) he is not qualified or is disqualified for appointment; (iv) a resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act; or (v) Section 162 is applicable to the case.
153.	<i>Company may increase or reduce the number of Directors</i> Subject to relevant provisions of the Act, the Company may by Members approval, from time to time increase or reduce the number of Directors and the Company may subject to the provisions of the Act and these Articles remove any Director before the expiry of his period of office and appoint another qualified person instead. The person so appointed shall hold Office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.
154.	<i>Notice of candidature for office of Directors</i> (a) Subject to the provisions of the Act and these Articles any person who is not a retiring director shall be eligible for appointment to the office of the Director at any General Meeting if he or some Member intending to propose him has, at least fourteen (14) clear days before such meeting, left at the registered office of the Company, a notice in writing under his hand signifying his candidature for the office of Director or the intention of such Member to propose him as a candidate for that office as the case may be, along with a deposit of such sum as may, from time to time, be prescribed under the Act as security deposit, which shall be refundable only if the candidate in respect of whom the deposit is made has duly been elected as Director. (b) Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Sub- Clause (1) of this Article signifying candidature for the office of a Director) proposed as a candidate for the office of a Director shall sign and file with the Company, his consent in writing to act as a Director if appointed.
155.	<i>Register of Directors and key managerial personnel and their shareholding etc., and notification of change to Registrar</i> The Company shall keep at its Office a Register containing the particulars of its Directors and Key Managerial Personnel in accordance with the provisions of Section 170 of the Act, and shall otherwise comply with the provisions of the said Section in all respects.
PROCEEDINGS OF THE BOARD OF DIRECTORS	
156.	<i>Meeting of Directors</i> The Directors may meet together as a Board for the despatch of business from time to time, and shall so meet at least once in every four months and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit.
157.	<i>Meetings through video conference</i>

	Pursuant to and in compliance of applicable provisions of Act, rules, regulations, circulars, guidelines, notifications etc. as may be specified by the Ministry of Corporate Affairs, SEBI or any competent authority, the Company may allow the Director(s) of the Company to participate in the Board Meeting(s) or Committee Meeting(s) through video conferencing and other valid audio visual medium in compliance of provisions of the Act and the Directors so participating shall be deemed to be present in such Meeting(s) for the purpose of the quorum, voting, recording and all other relevant provisions in this regard.
158.	<i>Notice of Meetings</i> Subject to provisions of the Act, notice of not less than seven days of every meeting of the Board of Directors of the Company shall be given in writing to every Director at his address registered with the Company and shall be sent by hand delivery or by post or through electronic means. The meeting of the Board may be called at a shorter notice to transact urgent business subject to the condition that at least one Independent Director of the Company shall be present at the meeting. In the event, any Independent Director is not present at the meeting called at shorter notice, the decision taken at such meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one Independent Director.
159.	<i>Quorum</i> Subject to the provisions of the Act, the quorum for a meeting of the Board shall be one-third of its total strength (excluding Directors, if any, whose places may be vacant at the time and any fraction contained in that one-third being rounded off as one) or two Directors, present in person or attending through video conferencing, whichever is higher, provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength the number of the remaining Directors, that is to say, the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such time.
160.	<i>Adjournments of meeting for want of quorum</i> If a meeting of the Board of Directors cannot be held for want of quorum, then the meeting shall stand adjourned until such date and at such time and place as the Chairman may appoint and in default of such appointment to the same day in the next week at the same time and place or if that day is a national holiday till the next succeeding day which is not a national holiday, at the same time and place.
161.	<i>When meeting to be convened</i> A Director may at any time or Company Secretary shall, as and when directed by the Directors to do so, convene a meeting of the Board by giving a notice in writing to every other Director.
162.	<i>Chairman</i> The Board may from time to time elect one of their members to be the Chairman of the Board and may determine the period for which he is to hold the office. If at any meeting of the Board, the Chairman is not present at a time appointed for holding the same, the Directors present shall choose one of their members to be the Chairman of such meeting.
163.	<i>Questions at Board meeting how to be decided (casting vote)</i> Questions arising at any meeting of the Board shall be decided by a majority of the votes of the Directors present thereat and in the case of an equality of votes, the Chairman shall have a second or casting vote.
164.	<i>Power of Board Meeting</i> A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act or the Articles of the Company are for the time being vested in or exercisable by the Board generally.
165.	<i>Directors may appoint committee</i>

	Subject to the provisions of the Act, the Board may delegate any of their powers to committees of the Board consisting of such number of its body as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes, but every committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board. The Company shall as and when required under provisions of the Act and any other law for the time being in force constitute such committees to discharge such functions as may be prescribed from time to time.
169.	<i>Minutes of proceedings of Board of Directors and Committees to be kept</i> (a) The Company shall cause minutes of all proceedings of every meeting of the Board and Committee thereof to be kept by making within thirty days of the conclusion of each such meeting entries thereof in books kept for that purpose with their pages consecutively numbered. (b) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. (c) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise. (d) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat. (e) All appointment of Officers made at any of the meetings aforesaid shall be included in the minutes of the meeting. (f) The minutes shall also contain :- - the names of the Directors present in the meeting; and - in the case of each resolution passed at the meeting, the names of the Directors, if any dissenting from or not concurring in the resolution. (g) Nothing contained in sub-clauses (a) to (f) shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting :- - is, or could reasonably be regarded as defamatory of any person; - is irrelevant or immaterial to the proceedings; or - is detrimental to the interest of the Company. The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the ground specified in this sub-clause. (h) Minutes of the meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.
170.	<i>Powers of Directors</i> The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other act or by the Memorandum or Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, the provisions of the Act, or any other act and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall not exercise the following powers except with the consent of the Company accorded by a special resolution in General Meeting: (a) to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the

	company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings. The terms “Undertaking” and “substantially the whole of the undertaking” shall mean as defined in the Act. (b) to remit, or give time for the repayment of, any debt due from a Director; (c) to invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation; (d) to borrow money, where the money to be borrowed, together with the money already borrowed by the Company will exceed aggregate of its Paid-Up share capital and free reserves, apart from temporary loans obtained from the company’s bankers in the ordinary course of business. The term “temporary loans” shall mean as defined in the Act. (e) contribute to bona fide charitable and other funds, any amounts the aggregate of which will, in any financial year, exceed five per cent of its average net profit as determined in accordance with the provisions of Section 198 of the Act during the three immediately preceding financial years.
	DIVIDENDS
181.	<i>Division of profits</i> The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles and subject to the provisions of these Articles, shall be divisible among the Members in proportion to the amount of capital paid up or credited as paid up on the shares held by them respectively.
182.	<i>The Company in General Meeting may declare a dividend</i> Subject to the provisions of Section 123 of the Act, the Company in General Meeting may declare dividends to be paid to Members according to their respective rights, but no dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may declare a smaller dividend.
185.	<i>Dividend out of reserves</i> Where, owing to inadequacy or absence of profits in any year, the Company proposes to declare Dividend out of the accumulated profits earned by the Company in previous years and transferred by it to the reserves, such declaration of Dividend shall not be made except in accordance with such rules as may be made by the Central Government in this behalf, and where any such declaration is not in accordance with such rules, such declaration shall not be made except with the previous approval of the Central Government.
187.	<i>Dividends in proportion to amount paid-up</i> All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during which any portion or portions of the period in respect of which the dividend is paid up; but if any share is issued on the terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly.
188.	<i>Retention of Dividends until completion of transfer of shares</i> The Board may retain the dividends payable upon shares in respect of which any person is entitled to become a Member, or which any person under that Article is entitled to transfer until such person shall become a member in respect of such shares, or shall duly transfer the same and until such transfer of shares has been registered by the Company, notwithstanding anything contained in any other provision of the Act or the Articles, the provisions of Section 126 of the Act, shall be applicable.
189.	<i>Dividend etc., to joint holders</i> Only the person whose name stands first in the Register of Members as one of the joint holders may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such shares.

190.	<i>No member to receive dividend whilst indebted to the Company and Company's right to reimbursement there out</i> No member shall be entitled to receive payment of any interest or dividend in respect of his share or shares whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise howsoever, either alone or jointly with any other person or persons, and the Board may deduct from the interest or dividend payable to any member all sums of money so due from him to the Company.
191.	<i>Transfer of shares must be registered</i> A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.
192.	<i>In case of transfer not been registered</i> Where any instrument of transfer of Shares has been delivered to the Company for registration and the transfer of such Shares has not been registered by the Company, it shall: (a) transfer the Dividend in relation to such Shares to the special account referred to in Article 195 unless the Company is authorised by the registered holder of such Shares in writing to pay such Dividend to the transferee specified in such instrument of transfer, and (b) keep in abeyance in relation to Shares any offer of rights shares under the applicable provisions of the Companies Act and any issue of fully paid bonus Shares pursuant to the applicable provisions of the Act.
194.	<i>Notice of Dividend</i> Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
195.	<i>Unclaimed dividend</i> (a) Subject to applicable provisions of the Act, if the Company has declared a dividend but which has not been paid or claimed or dividend warrant or such other instrument has not been posted within 30 days from the date of declaration to any member entitled to the payment of the dividend, the Company shall within seven days from the date of the expiry of the aforesaid 30 days period transfer the total amount of dividend which remains unpaid or unclaimed to a Special Account to be opened in that behalf in any scheduled Bank called Unpaid Dividend Account. (b) No unclaimed dividend shall be forfeited by the Board.
196.	<i>No interest on dividends</i> No unpaid dividend shall bear interest against the Company.
197.	<i>Dividend and call together</i> Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the member, be set off against the calls.
	CAPITALISATION OF RESERVES
	<i>Capitalisation</i>
198.	(a) The Company in General Meeting may, upon the recommendation of the Board, resolve: (i) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and (ii) that such sum be accordingly set free for distribution in the manner specified in clause (b)

	amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. (b) The sum aforesaid shall not be paid in cash but shall be applied, either in or towards— (i) paying up any amounts for the time being unpaid on any Shares held by such Members respectively; (ii) paying up in full, unissued Shares of the Company to be allotted and distributed, credited as fully Paid-Up, to and amongst such Members in the proportions aforesaid; (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii); (iv) A securities premium account and a capital redemption reserve account may, for the purposes of this Article, be applied in the paying up of un-issued Shares to be issued to Members of the Company as fully paid bonus Shares; (v) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.
199.	(a) Whenever such a resolution as aforesaid shall have been passed, the Board shall— (i) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid Shares, if any; and (ii) generally do all acts and things required to give effect thereto. (b) The Board shall have power— (i) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of Shares becoming distributable in fractions; and (ii) to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further Shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares; (c) Any agreement made under such authority shall be effective and binding on such Members. (d) A General Meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company, or any investments representing the same, or any other undistributed profits of the Company not subject to charge for income tax be distributed among the members on the basis that they receive the same as Capital.
	ACCOUNTS
200.	<i>Books of Account to be kept</i> (i) The Company shall prepare and keep at its Office books of account and other relevant books and papers and financial statement for every financial year which give a true and fair view of the state of the affairs of the Company, including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting: Provided that the Company may keep such books of account or other relevant papers in electronic mode as per provisions of the Act and Rules. The Company shall preserve in good order the Books of Account relating to the period of not less than eight years preceding the current year, together with the vouchers relevant to any entry in such Books of Account. Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board may decide, and when the Board may decide the Company shall, within seven days of the decision, file with the Registrar a notice in writing giving the full address of that other place. (ii) If the Company shall have branch office, whether in or outside India, proper books of account relating to the transactions effected at the office shall be kept at that office, and proper summarized returns, made up to date at intervals of not more than three months, shall be sent by the branch office

	of the Company to its Office or other place in India, as the Board thinks fit where the main books of the Company are kept. (iii) The Books of Account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain its transactions. The Books of Account and other books and papers shall be open to inspection by any Director during business hours.
201.	<i>As to inspection of accounts or books by members</i> The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions and regulations the accounts and books of the Company or, any of them, shall be open to the inspection of Members not being Directors and no Member (not being Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by law or authorized by the Board.
204.	<i>Accounts to be audited</i> Auditors shall be appointed and their rights and duties regulated in accordance with relevant provisions of the Act.
	SECRECY CLAUSE
215.	<i>Secrecy Clause</i> (a) Every director, manager, auditor, treasurer, trustee, Member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company, shall if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transaction and affairs of the Company with the customers and the state of the accounts with individuals and in realization thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these Articles contained. (b) No Member shall be entitled to visit or inspect the Company's works without the permission of the Directors or the Managing Director or to require discovery of any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors or the Managing Director it will be inexpedient in the interest of the Members of the Company to communicate to the public.
	INDEMNITY AND RESPONSIBILITY
216.	<i>Directors and other right to indemnity</i> Every officer, Director and key managerial personnel of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.
217.	<i>Directors and others not responsible for acts of others</i> Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, omissions, neglects, defaults, malafide acts, error of judgment or oversight of any other Director or officer or employee which shall happen in the execution of the duties of their office or for any loss or expenses suffered by the Company through insufficiency or deficiency of any security in or upon which any of the monies of the Company shall be invested or for any loss or damage arising from the bankrupt, insolvency, or tortious act of any person, company or corporation, with whom any moneys, securities or effects' shall be entrusted or deposited.
218.	<i>General Power</i>

	Whenever in the Act, it has been provided that the Company shall have any right privileges or authority or that the Company could carry out any transaction only if the Company is authorized by its Articles, then and in that case this Article thereto authorizes and empowers the Company to have such rights, privilege or authority and to carry such transactions as have been permitted by the Act, without there being any specific regulation in that behalf herein provided.
	WINDING UP
219.	<i>Liquidator may divide assets in specie</i> The Liquidator on any winding up (whether voluntary, under supervision or compulsory) may, with the sanction of a Special Resolution, but subject to the rights attached to any Preference Share Capital, divide among the contributories in specie any part of the assets of the Company and may with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories as the liquidator with the like sanction shall think fit.

SECTION IX – MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts which are or may be deemed material have been entered or are to be entered into by the Company. These contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of the Company situated at 7th Floor, Cnergy, Appasaheb Marathe Marg Prabhadevi, Mumbai, Maharashtra 400 025, India from 10.00 A.M. to 5.00 P.M. on any Working Day during which the issue is open for public subscription under the respective Tranche Prospectus.

A. *Material Contracts*

1. Issue Agreement dated September 2, 2021 between the Company, Equirus Capital Private Limited and JM Financial Limited.
2. Registrar Agreement dated September 1, 2021 executed between the Company and the Registrar to the Issue.
3. Debenture Trustee Agreement dated September 1, 2021 executed between the Company and the Debenture Trustee.
4. The agreed form of the Debenture Trust Deed (including deed of hypothecation and deed of confirmation) to be executed between the Company and the Debenture Trustee.
5. Public Issue Account and Sponsor Bank Agreement to be executed between our Company, the Registrar, the Public Issue Account Bank, Sponsor Bank, Refund Bank and the Lead Managers.
6. Consortium Agreement to be executed between our Company, the Consortium Members and the Lead Managers.

B. *Material Documents*

1. Certificate of incorporation of the Company dated July 10, 1984, issued by the RoC.
2. Memorandum and Articles of Association of the Company.
3. The certificate of registration No. B-13.00178 dated March 02, 1998 issued by Reserve Bank of India u/s 45 IA of the RBI Act, 1934.
4. Credit rating letter dated August 30, 2021 from ICRA Limited along with the rationale granting credit ratings to the NCDs.
5. Credit rating letter dated August 31, 2021 from CRISIL Ratings Limited along with the rationale granting credit ratings to the NCDs.
6. Copy of the resolutions passed by the Board of Directors of the Company dated July 11, 2019 and May 4, 2020 approving the Issue.
7. Copy of resolution passed by the NCD Public Issue Committee dated September 2, 2021 approving the Draft Shelf Prospectus.
8. Copy of resolution passed by the NCD Public Issue Committee dated September 16, 2021 approving the Shelf Prospectus.
9. Copy of the resolution passed by the shareholders of the Company on October 25, 2018, approving the overall borrowing limit of Company.
10. Consents in writing of: (a) the Directors, (b) our Company Secretary and Compliance Officer, (c) Bankers to the Issue, (d) Lead Managers, (e) the Registrar to the Issue, (f) Legal Advisor to the Issue, (g) Credit Rating Agencies, (h) CRISIL in relation to the CRISIL in relation to the industry report (i) the Debenture Trustee, (j) Chief Financial Officer, (k) Public Issue Account* and/or Sponsor Bank*, (l) Refund Bank*, Consortium Members*, and (m) lenders have been or will be duly obtained from them and the same will

be filed along with a copy of the Shelf Prospectus and relevant Tranche Prospectus with the RoC as required under Section 26 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Shelf Prospectus with the Stock Exchange.

**The consents will be procured at respective Tranche Issue stage.*

11. The consent of the Statutory Auditors for inclusion of: (a) their names as the Statutory Auditors, (b) examination reports on Reformatted Standalone Financial Information and Reformatted Consolidated Financial Information and report on the Limited Review Financial Results in the form and context in which they appear in this Shelf Prospectus; (c) the statement of tax benefits available to the debenture holders; and (d) inclusion of the statement of tax benefits, in the form and context in which they appear in this Shelf Prospectus.
12. The examination report dated August 31, 2021 for the Reformatted Standalone Financial Information and the Reformatted Consolidated Financial Information for Fiscals 2019, 2020 and 2021 issued by our Statutory Auditors.
13. Limited review report dated July 20, 2021 for the quarter ended June 30, 2021 issued by our Statutory Auditors.
14. Statement of tax benefits dated September 2, 2021 issued by our Statutory Auditors.
15. Industry report on “Assessment of Various Financial Products and Services in India” dated August 2021 issued by CRISIL.
16. Annual Reports of the Company for the last three Financial Years.
17. Tripartite agreement between the Company, Registrar to the Issue and CDSL dated July 20, 2016.
18. Tripartite agreement between the Company, Registrar to the issue and NSDL dated July 27, 2017.
19. Due Diligence certificate dated September 16, 2021 filed by Equirus Capital Private Limited with SEBI.
20. Due diligence certificate dated September 2, 2021 from the Debenture Trustee to the Issue.
21. In – principle approval letter number DCS/BM/PI-BOND/012/21-22 dated September 14, 2021 for the Issue issued by the BSE.

DECLARATION

We, the Directors of the Company, hereby certify and declare that all the applicable legal requirements in connection with the Issue including the relevant provisions of the Companies Act, 2013, as amended, and the rules prescribed thereunder, as applicable, on the date of this Shelf Prospectus and the guidelines issued by the Government of India or the regulations, guidelines and the circulars issued by the Reserve Bank of India and the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, the Securities Contracts (Regulation) Act, 1956 and the rules and regulations made thereunder, the Securities and Exchange Board of India Act, 1992 and the rules and regulations made thereunder, have been complied with. We further certify that the disclosures made in this Shelf Prospectus are true and correct and in conformity with the Companies Act, 2013, as amended, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, the Securities and Exchange Board of India Act, 1992, as amended, the Securities Contracts (Regulation) Act, 1956, as amended and rules made thereunder including the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and no statement made in this Shelf Prospectus is contrary to the provisions of the Companies Act, 2013, as amended, the Securities Contracts (Regulation) Act, 1956, as amended, or the Securities and Exchange Board of India Act, 1992, as amended, or rules, guidelines and circulars issued thereunder as on the date of this Shelf Prospectus.

We further certify that all the disclosures and statements in this Shelf Prospectus are in compliance with all the applicable legal requirements and are true, accurate and correct in all material respects and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, false or misleading and that this Shelf Prospectus does not contain any misstatements.

SIGNED BY THE BOARD OF DIRECTORS:

Mr. E A Kshirsagar : Sd/-
(Independent Director)

DIN: 00121824

Mr. Atul Mehra : Sd/-
(Non – Executive Director)

DIN: 00095542

Mr. Subodh Shinkar : Sd/-
(Non – Executive Director)

DIN: 00095541

Mr. Vishal Kampani : Sd/-
(Managing Director)

DIN: 00009079

Date: September 16, 2021

Place: Mumbai

DECLARATION

I, the Director of the Company, hereby certify and declare that all the applicable legal requirements in connection with the Issue including the relevant provisions of the Companies Act, 2013, as amended, and the rules prescribed thereunder, as applicable, on the date of this Shelf Prospectus and the guidelines issued by the Government of India or the regulations, guidelines and the circulars issued by the Reserve Bank of India and the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, the Securities Contracts (Regulation) Act, 1956 and the rules and regulations made thereunder, the Securities and Exchange Board of India Act, 1992 and the rules and regulations made thereunder, have been complied with. I further certify that the disclosures made in this Shelf Prospectus are true and correct and in conformity with the Companies Act, 2013, as amended, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, the Securities and Exchange Board of India Act, 1992, as amended, the Securities Contracts (Regulation) Act, 1956, as amended and rules made thereunder including the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and no statement made in this Shelf Prospectus is contrary to the provisions of the Companies Act, 2013, as amended, the Securities Contracts (Regulation) Act, 1956, as amended, or the Securities and Exchange Board of India Act, 1992, as amended, or rules, guidelines and circulars issued thereunder as on the date of this Shelf Prospectus.

I further certify that all the disclosures and statements in this Shelf Prospectus are in compliance with all the applicable legal requirements and are true, accurate and correct in all material respects and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, false or misleading and that this Shelf Prospectus does not contain any misstatements.

SIGNED BY:

Mr. V P Shetty

:

Sd/-

(Non – Executive Chairman)

DIN: 00021773

Date: September 16, 2021

Place: Bengaluru

DECLARATION

I, the Director of the Company, hereby certify and declare that all the applicable legal requirements in connection with the Issue including the relevant provisions of the Companies Act, 2013, as amended, and the rules prescribed thereunder, as applicable, on the date of this Shelf Prospectus and the guidelines issued by the Government of India or the regulations, guidelines and the circulars issued by the Reserve Bank of India and the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, the Securities Contracts (Regulation) Act, 1956 and the rules and regulations made thereunder, the Securities and Exchange Board of India Act, 1992 and the rules and regulations made thereunder, have been complied with. I further certify that the disclosures made in this Shelf Prospectus are true and correct and in conformity with the Companies Act, 2013, as amended, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, the Securities and Exchange Board of India Act, 1992, as amended, the Securities Contracts (Regulation) Act, 1956, as amended and rules made thereunder including the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and no statement made in this Shelf Prospectus is contrary to the provisions of the Companies Act, 2013, as amended, the Securities Contracts (Regulation) Act, 1956, as amended, or the Securities and Exchange Board of India Act, 1992, as amended, or rules, guidelines and circulars issued thereunder as on the date of this Shelf Prospectus.

I further certify that all the disclosures and statements in this Shelf Prospectus are in compliance with all the applicable legal requirements and are true, accurate and correct in all material respects and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, false or misleading and that this Shelf Prospectus does not contain any misstatements.

SIGNED BY:

Mr. Dharendra Singh
(Independent Director)

:

Sd/-

DIN: 00852815

Date: September 16, 2021

Place: Greater Noida

DECLARATION

I, the Director of the Company, hereby certify and declare that all the applicable legal requirements in connection with the Issue including the relevant provisions of the Companies Act, 2013, as amended, and the rules prescribed thereunder, as applicable, on the date of this Shelf Prospectus and the guidelines issued by the Government of India or the regulations, guidelines and the circulars issued by the Reserve Bank of India and the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, the Securities Contracts (Regulation) Act, 1956 and the rules and regulations made thereunder, the Securities and Exchange Board of India Act, 1992 and the rules and regulations made thereunder, have been complied with. I further certify that the disclosures made in this Shelf Prospectus are true and correct and in conformity with the Companies Act, 2013, as amended, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, the Securities and Exchange Board of India Act, 1992, as amended, the Securities Contracts (Regulation) Act, 1956, as amended and rules made thereunder including the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and no statement made in this Shelf Prospectus is contrary to the provisions of the Companies Act, 2013, as amended, the Securities Contracts (Regulation) Act, 1956, as amended, or the Securities and Exchange Board of India Act, 1992, as amended, or rules, guidelines and circulars issued thereunder as on the date of this Shelf Prospectus.

I further certify that all the disclosures and statements in this Shelf Prospectus are in compliance with all the applicable legal requirements and are true, accurate and correct in all material respects and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, false or misleading and that this Shelf Prospectus does not contain any misstatements.

SIGNED BY:

Ms. Roshini Bakshi
(Independent Director)

:

Sd/-

DIN: 01832163

Date: September 16, 2021

Place: Singapore



ICRA Limited

CONFIDENTIAL

Ref: ICRA/JM Financial Products Limited/30082021/01

Date: August 30, 2021

Mr. Nishit Shah

Chief Financial Officer

JM Financial Products Limited

5B, 5th Floor, Cnergy, Appasaheb Marathe Marg,
Prabhadevi, Mumbai – 400 025

Dear Sir,

Re: ICRA rating for the Rs. 3,850 crore¹ NCD Programme (fully interchangeable between public issue and private placement) of JM Financial Products Limited

Please refer to your email dated August 25, 2021 requesting for revalidation of the rating letter issued for the captioned Rs. 3,850 crore NCD programme (fully interchangeable between public issue and private placement).

We confirm that the **[ICRA]AA** (pronounced as ICRA double A) rating, with Stable outlook, assigned to your captioned programme and last communicated to you vide our letter dated **July 14, 2021** stands. Instruments with **[ICRA]AA** rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

The other terms and conditions for the credit rating of the aforementioned instrument shall remain the same as communicated vide our letters ICRA/JM Financial Products Limited/14072021/02 dated July 14, 2021.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold non-convertible debenture to be issued by you.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

Yours sincerely,

For ICRA Limited

KARTHIK SRINIVASAN

2021.08.30 11:35:38 +05'30'

Authorised Signatory

KARTHIK SRINIVASAN

Senior Vice President

karthiks@icraindia.com

¹ Of the rated NCD programme, Rs. 1,948.52 crore is unutilised and available for placement.

July 16, 2021

JM Financial Products Limited: Ratings reaffirmed; PP-MLD[ICRA]AA (Stable) assigned to fresh MLD programme

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible Debenture (NCD) Programme	3,850.00	3,850.00	[ICRA]AA (Stable); reaffirmed
NCD Programme	150.00	-	[ICRA]AA (Stable); reaffirmed and withdrawn
Long-term Market Linked Debentures (Principal Protected) {MLD (PP)} Programme	-	150.00	PP-MLD[ICRA]AA (Stable); assigned
MLD (PP) Programme	250.00	250.00	PP-MLD[ICRA]AA (Stable); reaffirmed
Long-term Bank Lines (Cash Credit)	60.00	60.00	[ICRA]AA (Stable); reaffirmed
Long-term Bank Lines (Term Loan)	1,025.00	325.00	[ICRA]AA (Stable); reaffirmed
Long-term Bank Lines (Unallocated)	915.00	1,615.00	[ICRA]AA (Stable); reaffirmed
Commercial Paper (CP) Programme (IPO Financing)	4,200.00	4,200.00	[ICRA]A1+; reaffirmed
CP Programme	2,500.00	2,500.00	[ICRA]A1+; reaffirmed
Total	12,950.00	12,950.00	

*Instrument details are provided in Annexure-1

Rationale

ICRA has withdrawn the rating assigned to the Rs. 150.00-crore NCD programme of JM Financial Products Limited (JMFPL) as there is no amount outstanding against the rated instrument. The rating has been withdrawn at the request of the company and as per ICRA's policy on the withdrawal and suspension of credit ratings.

The assigned ratings factor in the demonstrated track record and established franchise of the JM Financial Group (the Group) in the domestic financial services industry, its diversified revenue stream and healthy financial profile with steady profitability and an adequate capitalisation level. While assigning the ratings, ICRA has taken a consolidated view of the Group (i.e. JM Financial Limited (JMFL) on a consolidated basis) due to the close linkages between the Group entities, given the common promoters and senior management team, shared brand name, and strong financial and operational synergies. Moreover, ICRA expects the financial, managerial and operational support from the Group to continue to be available to all key Group companies.

The strengths are partially offset by the exposure to the volatility in capital markets and the portfolio concentration and inherent risk profile of the key segments (like real estate and promoter funding) in the wholesale lending segment (~85% of the total book as on March 31, 2021). The real estate sector has been facing a prolonged slowdown due to subdued sales and lack of funding access. The spread of the Covid-19 pandemic and the resulting nationwide lockdown further impacted the sector. ICRA notes that while regulatory and government interventions eased some pressure on the developers, a sustained pickup in sales across geographies is key for the developers over the medium term. Although a pickup in residential sales and collections was witnessed in H2 FY2021, the second wave of the pandemic impeded the sales momentum.

JMFL's asset quality, though healthy, moderated in recent quarters with the gross non-performing assets (GNPAs) increasing to 3.50% of the loan book as on March 31, 2021 from 1.79% as on December 31, 2020¹ and 1.65% as on March 31, 2020 (partly due to the base effect of a declining loan book). The special mention accounts-2 (SMA 2) stood at 2.94% of the loan book as on March 31, 2021 compared to 6.19%¹ as on December 31, 2020 and 2.64% as on March 31, 2020. Additionally, ~19% of the loan book had been restructured under the Covid-19-related regulatory package/extension of date of commencement of commercial operations (DCCO). While the asset quality remains a key monitorable, the presence of adequate collateral and the Group's conservative underwriting norms, adequate risk management systems and proactive monitoring and resolution process provide comfort.

The Group's capitalisation profile is healthy, with the leverage being lower than that of its peers, which provides it with financial flexibility as well as the ability to absorb losses, if needed. JMFL's consolidated net worth was Rs. 9,552.3 crore as on March 31, 2021, with a capital adequacy ratio (CRAR) of 40.2%. The company raised equity capital of Rs. 770 crore in June 2020 to shield itself from the uncertainties surrounding the pandemic and its impact on the economy. Supported by the capital raise, the Group's net gearing improved to 0.7 times as on March 31, 2021 from 1.0 times as on March 31, 2020. It made additional provisions (including a fair value loss) of Rs. 175.2 crore in Q4 FY2020 and Rs. 207.5 crore in FY2021 (1.7% of average total assets) towards the potential impact of the pandemic, as assessed by the management, on the business. Going forward, the Group's ability to manage its asset quality over the near-to-medium-term would remain critical. The ratings also consider the risks associated with the distressed assets business, given the nature of the underlying assets, the focus on large-ticket exposures, the protracted resolution process and the uncertainty associated with the same.

While assigning the ratings, ICRA has noted the continued challenges in resource mobilisation stemming from the current operating environment and the risk-averse sentiment of investors towards non-banks, particularly wholesale-oriented entities. Given the prominence of the lending business in the Group's revenue profile, its ability to manage its asset and liability profile, particularly considering the current operating environment, would remain critical. However, ICRA notes that the Group raised ~Rs. 1,000 crore of term loans and Rs. 2,122 crore of NCDs in FY2021, and that the cost of incremental borrowings has been declining. Following the onset of the liquidity crisis for non-banking financial companies (NBFCs), there has been a change in the Group's debt maturity profile with the share of short-term debt declining to ~9% as on March 31, 2020 from ~27% as on March 31, 2019. The share of short-term debt has since increased to ~22% as on March 31, 2021, largely in line with the increase in short-term assets.

Going forward, the Group's ability to generate adequate fee income and scale up its lending operations, while controlling the asset quality and maintaining a healthy profitability, capitalisation and asset liability profile, would remain critical from a credit perspective.

Key rating drivers and their description

Credit strengths

Established position of the Group in financial services industry – The Group is a diversified financial services entity with a presence in investment banking, retail and institutional equity broking, wealth management, investment advisory services, portfolio management, asset management, commodity broking, securities-based lending, corporate lending, real estate lending, private equity, and asset reconstruction. It is one of the leading entities in capital markets and related businesses with a key focus on investment banking and merchant banking operations and has been a part of many marquee deals. On a consolidated basis, the Group's revenue stream remains well diversified with the investment banking, wealth management & securities (IWS) business, mortgage lending, distressed credit and asset management businesses contributing 49%, 38%, 12% and 1%, respectively, in FY2021.

Diversification in business profile – The Group, which forayed into the non-capital market lending business in 2008, subsequently diversified its lending portfolio to wholesale mortgage, retail mortgage, and corporate lending. It forayed into the small and medium enterprises (SME) segment in FY2017 and housing finance in FY2018. Currently, the lending business

¹ GNPA's would have been 3.57% of the loan book and SMA 2 would have been 4.41% of the loan book as on December 31, 2020 without considering the Supreme Court's stay order on the NPA classification of assets post the end of the moratorium on August 31, 2020

has emerged as a key contributor to revenues. On an overall basis, the Group's loan book contracted by ~6% to Rs. 10,854 crore as on March 31, 2021 from Rs. 11,531 crore as on March 31, 2020 (peak level of Rs. 17,108 crore as on September 30, 2018).

While the granular loan book (capital markets and retail mortgage) posted growth in FY2021, the wholesale loan book declined, given the strong collections witnessed in H2 FY2021. The share of wholesale loans in the total portfolio thus declined to ~85% as on March 31, 2021 from ~90% as on March 31, 2020. As on March 31, 2021, wholesale mortgage, corporate lending, capital markets lending, retail mortgage and wealth loan against property (LAP) accounted for 66%, 19%, 7%, 7% and 1%, respectively, of the loan book. The retail mortgage book, one of the focus areas for the Group, grew by ~30% YoY to Rs. 744 crore as on March 31, 2021. While lending has emerged as the largest business activity for the Group, the fee-based businesses continue to account for a sizeable share of the net operating income² (~45% in FY2021).

Adequate capitalisation and low leverage at Group level – The Group's capitalisation remains adequate with a consolidated net worth (including non-controlling interest of the Group and net of goodwill on consolidation) of Rs. 9,552.3 crore and a CRAR of 40.2% as on March 31, 2021 (Rs. 7,993 crore and 38.7%, respectively, as of March 31, 2020). The total borrowings at the consolidated level increased to Rs. 12,369 crore as on March 31, 2021 from Rs. 11,756 crore as on March 31, 2020 (peak debt of Rs. 17,794 crore as on September 30, 2018).

The Group had raised equity capital of Rs. 1,380 crore from external investors during FY2018-FY2019, thereby supporting the overall capitalisation levels and helping it maintain a low leverage. JMFL raised Rs. 770-crore equity through the qualified institutional placement (QIP) route in Q1 FY2021, which further enhanced the Group's capitalisation profile. The consolidated gearing was low at 1.29 times as on March 31, 2021 (1.47 times as on March 31, 2020) compared to 1.11 times as on December 31, 2020. The Group's capitalisation profile remains healthy, with lower leverage compared to peers, and provides adequate cushion against losses, if required. With the Group adopting a conservative approach towards wholesale lending and planning to increase its focus on retail lending, the leverage is expected to remain low over the near term. Over the medium term, the management intends to maintain the gearing under 3 times for the real estate lending business and 2 times for the distressed credit business.

Adequate profitability indicators – The Group's total income declined marginally to Rs. 3,227 crore in FY2021 from Rs. 3,454 crore in FY2020 owing to a moderation in the performance of the asset management business and the distressed assets business. JMFL reported a consolidated net profit (net of non-controlling interest) of Rs. 590 crore in FY2021 with adequate return on assets (RoA)³ of 3.7% (3.6% in FY2020). The return on equity (RoE)³ moderated to 9.2% in FY2021 from 10.2% in FY2020. The net interest margins (NIMs), which remained stable at 6.6% in FY2020 with the transmission of the increase in the cost of funds to the borrowers, improved to 7.5% in FY2021 as the average cost of borrowings moderated to 10.0% in Q4 FY2021 from 10.2% in Q4 FY2020. While the declining loan book and higher provision expenses (including the provisions for the estimated Covid-19 impact on the business) constrained the profitability of the lending business, robust fee and brokerage income and higher gains from fair value changes supported the Group's profitability in FY2021.

Credit challenges

Fund-raising challenges for non-bank financiers impacting business; ability to maintain asset and liability profile remains critical – The operating environment for NBFCs and housing finance companies (HFCs), especially entities with sizeable real estate exposure, has remained challenging since September 2018. The risk-averse sentiment of lenders/investors towards real estate lenders has constrained the ability of NBFCs and HFCs, including JMFL, to mobilise long-term resources from diversified sources. Though the cost of funds moderated in FY2021, the same remains high. This, coupled with the subdued macro-economic and operating environment, has impacted JMFL's ability to grow the lending business and the margins (even for the non-real estate lending businesses). While the Group raised long-term funds of ~Rs. 3,123 crore in FY2021, the same was largely used for meeting debt repayment obligations and reducing commercial paper (CP) borrowings. The Group raised ~Rs.

² Net operating income = Revenue from operations (excludes net gain on derecognition of financial assets and investments carried at fair value) less finance cost and sub-brokerage, fee and commission expense

³ RoA and RoE are as per ICRA's calculations

1,000 crore of term loans and Rs. 2,122 crore of NCDs in FY2021. ICRA notes that the Group has tied up sizeable 10-year money during the current quarter and has also raised term money from a mutual fund.

JMFL's debt maturity profile has changed following the onset of the liquidity crisis for NBFCs. As on March 31, 2020, the share of short-term debt in the total borrowings was ~9% compared to ~27% as on March 31, 2019. The same, however, increased to ~22% as on March 31, 2021. ICRA notes that these short-term liabilities, predominantly in the form of CP and short-term loans, are largely matched by assets with similar maturity such as capital market and trading assets. Given the rising prominence of the lending business, the Group's ability to manage its asset and liability profile would remain critical. ICRA takes comfort from the Group's adequate liquid assets (cash and liquid investments) of Rs. 5,351 crore and undrawn bank lines of Rs. 659 crore as on March 31, 2021, and its ability to raise funds from the market when required, as demonstrated in the past.

High concentration and inherent credit risk in wholesale segment; moderation in asset quality in current fiscal – The Group's loan portfolio largely comprises wholesale lending (~85% of the total book as on March 31, 2021), which includes real estate, promoter funding and corporate loans. The concentration in the wholesale segment could result in a sharp deterioration in the asset quality in case of slippages. The risks are further aggravated by the pandemic-induced stress on the operating environment, which was already facing challenges due to the continued slowdown in the real estate sector and the liquidity squeeze faced by developers and financiers. While residential real estate sales picked up in H2 FY2021, the momentum was impeded by the second wave of the pandemic. A sustained pickup in sales across geographies is key for the sector over the medium term.

The Group's asset quality, though healthy, moderated in recent quarters with the GNPA's increasing to 3.50% of the loan book as on March 31, 2021 from 1.79% as on December 31, 2020 and 1.65% as on March 31, 2020 (partly due to the base effect of a declining loan book). SMA 2 was 2.94% of the loan book as on March 31, 2021 compared to 6.19% as on December 31, 2020 and 2.64% as on March 31, 2020. Additionally, ~19% of the loan book was restructured under the Covid-19-related regulatory package/extension of the DCCO.

In ICRA's view, the Group's asset quality indicators remain comfortable despite the moderation in recent quarters. The Group's ability to maintain a healthy asset quality in the near term, with the pandemic-linked regulatory forbearance having ended, will be critical from a credit perspective. The presence of adequate collateral and the Group's conservative underwriting norms, adequate risk management systems, and proactive monitoring and resolution process provide comfort. ICRA also draws comfort from the Group's leverage being lower than that of its peers, which provides it with the ability to absorb losses if needed.

Risks associated with distressed assets business given the nature of underlying assets, uncertainty associated with resolution process and large-ticket exposures – The Group, through JM Financial Asset Reconstruction Company Limited (JMFARC), is one of the prominent players in the asset reconstruction business, with distressed credit assets under management (AUM) of Rs. 11,060 crore as on March 31, 2021. JMFARC focusses on the large single borrower corporate segment, which is riskier than the retail segment on account of the larger ticket size, higher complexity involved in the transactions and the resolution process, and the high degree of engagement required with promoters. This, along with the inherent risks in the industry, given the nature of the underlying asset class and the company's strategy of focussing on resolution through the revival of operations and debt restrictions, can result in a protracted process. The presence in the corporate and SME portfolios consisting of multiple borrowers provides some diversification to the AUM.

Liquidity position: Adequate

As on March 31, 2021, JMFL had cash and cash equivalents of Rs. 5,351 crore and unutilised bank lines of Rs. 659 crore. The Group's liquidity profile is adequate for its near-term maturities. The Group used the liquidity buffer to buy back its bonds from the secondary market. As per the asset-liability statements for the key lending entities in the Group as on March 31, 2021, the cumulative cashflow position remains comfortable for the near term.

Rating sensitivities

Positive factors – ICRA could upgrade the ratings if the Group posts a substantial and sustained improvement in its business performance, characterised by well-diversified growth in the lending portfolio with an increase in granularity, healthy growth in fee-based income and improvement in profitability while maintaining the current capital structure and asset quality.

Negative factors – The ratings or the outlook could be revised if the asset quality deteriorates significantly with the reported GNPA's increasing above 5% on a sustained basis or if there is an increase in the vulnerability of the wholesale loan book/asset reconstruction business. Pressure on the ratings could also emerge if the challenges in funding access for NBFCs continue for a prolonged period with the Group not being able to maintain its current scale of lending operations. A significant deterioration in the profitability, a reduction in the fee-based income and weakening of the capitalisation profile would also be credit negatives.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA's Credit Rating Methodology for Non-Banking Finance Companies Consolidation and rating approach ICRA Policy on Withdrawal and Suspension of Credit Rating
Parent/Group Support	Not applicable; while assigning the ratings, ICRA has taken a consolidated view of the Group (JMFL - Consolidated), given the high operational and managerial linkages between the Group companies and the shared brand name.
Consolidation/Standalone	To arrive at the ratings, ICRA has considered the consolidated financial profile of JMFL. As on March 31, 2021, JMFL had nine subsidiaries, six stepdown subsidiaries, one partnership firm (with two of JMFL's subsidiaries as partners) and one associate company. Details of these companies are provided in Annexure-2.

About the company

JMFPL is a non-deposit accepting systemically important, non-banking financial company (NBFC-ND-SI) registered with the Reserve Bank of India (RBI). It is a 99.45% subsidiary of JMFL, the flagship company of the Group. JMFPL caters to individuals, corporates and SMEs, and operates under various verticals namely structured financing, real estate financing, capital market financing, retail mortgage and financial institution financing. The company forayed into the housing finance business through its 90.10% subsidiary, JM Financial Home Loans Limited (JMFHL), to diversify its product mix. JMFHL was granted a licence to operate as a housing finance company by National Housing Bank (NHB) in FY2018.

JMFPL had a loan book of Rs. 3,081 crore as on March 31, 2021 compared to Rs. 3,679 crore as on March 31, 2020. The loan book declined post the crisis in September 2018, impacted further by the uncertainties in the macro-economic and credit environment and the recent pandemic. Over the past few quarters, the company has been focussing on reducing its leverage and shoring up its on-balance sheet liquidity to meet uncertainties. It held liquidity of Rs. 1,584 crore as on March 31, 2021, which constituted ~47% of the total borrowings. The liquidity is held in the form of liquid mutual funds and bank balances and is adequate to meet the near-term debt repayments. As on March 31, 2021, the loan book consisted of corporate loan/structured finance (41%), real estate (24%), capital markets (21%), and the retail mortgage and financial institution financing book (13%). JMFHL had a loan book of Rs. 431 crore as on March 31, 2021, which consisted of home loans (69%), loan against properties (20%) and loans to educational institutions (11%).

JMFPL has been reporting steady profitability over the years. It reported a net profit of Rs. 138 crore on a total income of Rs. 661 crore in FY2021 compared to a net profit of Rs. 160 crore on a total income of Rs. 840 crore in FY2020. In FY2021, the company reported a decline in the total income and profits because of the reduction in the scale of lending operations. As on March 31, 2021, JMFPL reported a net worth of Rs. 1,829 crore, with a capital adequacy ratio of 35.0% and a gearing of 1.92 times. JMFPL's net gearing (net debt to equity) was lower at 1.05 times as on March 31, 2021.

The company reported GNPA's of 1.83% as on March 31, 2021 (0.12% as on March 31, 2020). As on March 31, 2021, JMFPL carried a provision of Rs. 150.04 crore (Rs. 95.06 crore as on March 31, 2020) for the expected credit loss on financial assets, including an estimated potential impact of Rs. 79.03 crore due to the pandemic.

In FY2021, JMFPL raised Rs. 1,100-crore longer-tenure NCDs across investor categories ranging from 1.5 years to 10 years and Rs. 80-crore longer-tenure (3 years) term loans. The long-term sources of borrowing formed ~86% of JMFPL's total borrowings as on March 31, 2021.

Key financial indicators of JMFPL

JMFPL	FY2019	FY2020	FY2021
Total income (Rs. crore)	934	840	661
Profit after tax (Rs. crore)	204	160	138
Net worth (including non-controlling interest; Rs. crore)	1,560	1,707	1,829
Loan book* (Rs. crore)	5,225	3,735	3,131
Total assets* (Rs. crore)	6,155	5,478	5,604
Return on assets (%)	3.1%	2.8%	2.5%
Return on net worth (%)	13.5%	9.8%	7.8%
Gross gearing (times)	2.9	2.1	1.9
Gross NPA (%)	0.07%	0.12%	1.86%
Net NPA (%)	0.06%	0.08%	1.09%
CRAR (%)	25.5%	31.9%	35.0%

Source: JM Financial Products Limited and ICRA research; Note: All ratios are as per ICRA calculations

* Gross of impairment loss allowance

JM Financial Group

JM Financial is an integrated and diversified financial services group. Its primary businesses include (a) IWS, including fee and fund-based activities for its clients, (b) mortgage lending, which includes both wholesale mortgage lending and retail mortgage lending (home loans, educational institution lending and loan against property), (c) distressed credit, which includes the asset reconstruction business, and (d) asset management, which includes the mutual fund business.

JMFL is the holding company for the operating companies in the Group and is also engaged in investment banking and the management of private equity funds. As on March 31, 2021, the consolidated loan book stood at Rs. 10,854 crore (Rs. 11,531 crore as on March 31, 2020), distressed credit business assets under management (AUM) at Rs. 11,060 crore (Rs. 11,489 crore as on March 31, 2020), wealth management assets under advice (AUA) at Rs. 59,052 crore (Rs. 44,883 crore as on March 31, 2020) and mutual fund quarterly average AUM (QAAUM) at Rs. 2,389 crore (Rs. 6,109 crore as on March 31, 2020). The Group is headquartered in Mumbai and has a presence in 550 locations spread across 170 cities in India. JMFL's equity shares are listed in India on the BSE and the NSE.

In FY2021, JMFL reported a consolidated net profit (net of non-controlling interest) of Rs. 590 crore on a total income of Rs. 3,227 crore compared with a consolidated net profit of Rs. 545 crore on a total income of Rs. 3,454 crore in FY2020.

Key financial indicators of JM Financial Group

JMFL (Consolidated)	FY2019	FY2020	FY2021
Total income (Rs. crore)	3,499	3,454	3,227
Profit after tax ⁴ (Rs. crore)	572	545	590
Net worth (including non-controlling interest; Rs. crore) ⁵	7,229	7,993	9,552
Loan book (Rs. crore)	14,107	11,531	10,854
Total assets ⁵ (Rs. crore)	22,588	20,693	23,322
Return on assets (%)	3.7%	3.6%	3.7%
Return on net worth (%)	12.8%	10.2%	9.2%
Gross gearing (times)	1.94	1.47	1.29
Gross NPA (%)	0.68%	1.65%	3.50%
Net NPA (%)	0.55%	1.13%	1.95%
CRAR (%)	31.90%	38.70%	40.2%

Source: Company, ICRA research; **Note:** All ratios as per ICRA calculations

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

⁴ Including share in profit of associates and net of non-controlling interest

⁵ Net of goodwill on consolidation

Rating history for past three years

	Instrument	Type	Rating (FY2022)				Chronology of Rating History for the Past 3 Years				
			Amount Rated (Rs. crore)	Amount Outstanding as on Jul 13, 2021 (Rs. crore)	Current Rating	Earlier Rating	Date & Rating in FY2021	Date & Rating in FY2020			Date & Rating in FY2019
					Jul 16, 2021	Jun 21, 2021	Mar 17, 2021 Feb 26, 2021 Jan 15, 2021 Aug 06, 2020 Apr 13, 2020	Mar 04, 2020 Jan 20, 2020	Aug 06, 2019 Jul 31, 2019 Jul 02, 2019	Jun 03, 2019 May 17, 2019 Apr 17, 2019 Apr 01, 2019	Jan 23, 2019 Jan 14, 2019 Oct 05, 2018 Sep 04, 2018 Jul 27, 2018 Jul 02, 2018 May 10, 2018 Apr 18, 2018
1	NCD Programme	Long Term	3,850.0	1,728.2	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
2	NCD Programme	Long Term	150.0	-	[ICRA]AA (Stable); withdrawn	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
3	MLD (PP) Programme	Long Term	150.0	-	PP-MLD[ICRA]AA (Stable)	-	-	-	-	-	-
4	MLD (PP) Programme	Long Term	250.0	250.0	PP-MLD[ICRA]AA (Stable)	PP-MLD[ICRA]A (Stable)	PP-MLD[ICRA]A (Stable)	PP-MLD[ICRA]A (Stable)	PP-MLD[ICRA]A (Stable)	PP-MLD[ICRA]AA (Stable)	PP-MLD[ICRA]AA (Stable)
5	Bank Lines (Cash Credit)	Long Term	60.0	-	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
6	Bank Lines (Term Loan)	Long Term	325.0	325.0	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	-	-	-
7	Bank Lines (Unallocated)	Long Term	1,615.0	-	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	-	-	-
8	CP Programme	Short Term	2,500.0	593.0	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
9	CP Programme (IPO Financing)	Short Term	4,200.0	3,750.0	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	-	-

Complexity level of the rated instrument

Instrument	Complexity Indicator
NCD Programme	Simple
MLD (PP) Programme	Complex
Bank Lines (Cash Credit)	Simple
Bank Lines (Term Loan)	Simple
Bank Lines (Unallocated)	Not Applicable
CP Programme	Very Simple
CP (IPO Finance) Programme	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: www.icra.in

Annexure-1: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE523H07999	NCD	Sep 07, 2018	364-day T-bill linked	Jun 30, 2022	150.0	[ICRA]AA (Stable)
INE523H07AB3	NCD	Sep 14, 2018	0.00%	Aug 11, 2021	16.5	[ICRA]AA (Stable)
INE523H07AC1	NCD	Sep 14, 2018	0.00%	Sep 13, 2021	40.0	[ICRA]AA (Stable)
INE523H07AD9	NCD	Sep 14, 2018	0.00%	Apr 04, 2022	65.0	[ICRA]AA (Stable)
INE523H07AE7	NCD	Sep 27, 2018	0.00%	Sep 29, 2022	45.0	[ICRA]AA (Stable)
INE523H07AR9	NCD	Oct 18, 2019	10.00%	Oct 18, 2022	50.0&	[ICRA]AA (Stable)
INE523H07BD7	NCD	Jul 01, 2020	9.00%	Jun 30, 2023	100.0#	[ICRA]AA (Stable)
INE523H07BE5	NCD	Jul 28, 2020	9.10%	Jul 27, 2023	25.0	[ICRA]AA (Stable)
INE523H07BG0	NCD	Oct 06, 2020	8.40%	Apr 06, 2022	150.0	[ICRA]AA (Stable)
INE523H07BH8	NCD	Dec 03, 2020	8.65%	Dec 03, 2030	200.0	[ICRA]AA (Stable)
INE523H07BI6	NCD	Jan 14, 2021	7.75%	Jan 13, 2023	300.0	[ICRA]AA (Stable)
INE523H07BJ4	NCD	Feb 12, 2021 Feb 24, 2021	8.75%	Jun 30, 2023	65.0 30.0	[ICRA]AA (Stable)
INE523H07BK2	NCD	Mar 12, 2021	8.81%	Mar 12, 2031	155.0	[ICRA]AA (Stable)
INE523H07AK4	NCD^	May 21, 2019	10.04%	May 21, 2024	66.9	[ICRA]AA (Stable)
INE523H07AL2	NCD^	May 21, 2019	10.50%	May 21, 2024	100.1	[ICRA]AA (Stable)
INE523H07AM0	NCD^	Sep 11, 2019	10.20%	Nov 11, 2022	64.1	[ICRA]AA (Stable)
INE523H07AN8	NCD^	Sep 11, 2019	0.00%	Nov 11, 2022	10.9	[ICRA]AA (Stable)
INE523H07AO6	NCD^	Sep 11, 2019	10.30%	Sep 11, 2024	29.5	[ICRA]AA (Stable)
INE523H07AP3	NCD^	Sep 11, 2019	9.85%	Sep 11, 2024	15.4	[ICRA]AA (Stable)
INE523H07AQ1	NCD^	Sep 11, 2019	0.00%	Sep 11, 2026	8.3	[ICRA]AA (Stable)
INE523H07AT5	NCD^	Mar 16, 2020	NA	Mar 16, 2022	30.7	[ICRA]AA (Stable)
INE523H07AU3	NCD^	Mar 16, 2020	NA	Jul 16, 2023	4.5	[ICRA]AA (Stable)
INE523H07AV1	NCD^	Mar 16, 2020	NA	Jul 16, 2025	4.1	[ICRA]AA (Stable)
INE523H07AW9	NCD^	Mar 16, 2020	9.50%	Mar 16, 2022	31.1	[ICRA]AA (Stable)
INE523H07AX7	NCD^	Mar 16, 2020	9.70%	Jul 16, 2023	12.5	[ICRA]AA (Stable)
INE523H07AY5	NCD^	Mar 16, 2020	9.29%	Jul 16, 2023	11.4	[ICRA]AA (Stable)
INE523H07AZ2	NCD^	Mar 16, 2020	9.90%	Jul 16, 2025	10.3	[ICRA]AA (Stable)
INE523H07BA3	NCD^	Mar 16, 2020	9.48%	Jul 16, 2025	12.7	[ICRA]AA (Stable)
INE523H07BB1	NCD^	Mar 16, 2020	10.00%	Jul 16, 2030	2.4	[ICRA]AA (Stable)
INE523H07BC9	NCD^	Mar 16, 2020	9.57%	Jul 16, 2030	5.0	[ICRA]AA (Stable)
NA	NCD Programme (Unutilised)	NA	NA	NA	150.0	[ICRA]AA (Stable); reaffirmed and withdrawn
NA	NCD Programme*	NA	NA	NA	2,038.52	[ICRA]AA (Stable)
INE523H07AS7	MLD (PP)	Nov 22, 2019	10-yr G-Sec linked	Nov 22, 2021	50.0	PP-MLD[ICRA]AA (Stable)
INE523H07BF2	MLD (PP)	Aug 04, 2020 Aug 26, 2020	10-yr G-Sec linked	Jun 07, 2022	50.0 25.0	PP-MLD[ICRA]AA (Stable)
INE523H07BL0	MLD (PP)	Jul 12, 2021	10-yr G-Sec linked	Oct 12, 2021	125.0	PP-MLD[ICRA]AA (Stable)
NA	MLD (PP) Programme*	-	-	-	150.0	PP-MLD[ICRA]AA (Stable)
NA	Term Loan	2018-2021	NA	2021-2024	325.0	[ICRA]AA (Stable)
NA	Cash Credit	NA	NA	NA	60.0	[ICRA]AA (Stable)
NA	Unallocated *	NA	NA	NA	1,615.0	[ICRA]AA (Stable)
INE523H14U10	CP	Jul 24, 2020	8.25%	Jul 23, 2021	18.0	[ICRA]A1+
INE523H14V84	CP	Feb 23, 2021	7.25%	Feb 23, 2022	150.0	[ICRA]A1+
INE523H14W00	CP	Mar 4, 2021	7.25%	Mar 4, 2022	175.0	[ICRA]A1+
INE523H14W83	CP	Jul 6, 2021	5.50%	Nov 30, 2021	100.0	[ICRA]A1+
INE523H14W91	CP	Jul 6, 2021	5.20%	Oct 5, 2021	150.0	[ICRA]A1+
NA	CP Programme*	NA	NA	7-365 days	1,907.0	[ICRA]A1+

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE523H14X09	CP (IPO Financing)	Jul 9, 2021	6.00%	Jul 16, 2021	3,750.0	[ICRA]A1+
NA	CP Programme (IPO Financing)*	NA	NA	7-30 days	450.0	[ICRA]A1+

Source: JMFPL; * Proposed; ^ Public issue of NCD; & NCD bought back on June 29, 2021; # Outstanding amount of Rs. 66.67 crore as on Jul 15, 2021

Annexure-2: List of entities considered for consolidated analysis

Company Name	Ownership as on March 31, 2021	Consolidation Approach
JM Financial Limited	Holding Company	ICRA has taken a consolidated view of the parent and its subsidiaries and an associate
JM Financial Asset Management Limited	59.54%	
JM Financial Products Limited	99.45%	
JM Financial Capital Limited	100%	
JM Financial Services Limited	100%	
JM Financial Credit Solutions Limited	46.68%	
JM Financial Asset Reconstruction Company Limited	59.25%	
JM Financial Home Loans Limited	93.80%	
JM Financial Institutional Securities Limited	100%	
JM Financial Trustee Company Private Limited	25%	
JM Financial Overseas Holding Private Limited	100%	
JM Financial Securities Inc.	100%	
JM Financial Singapore Pte Ltd	100%	
JM Financial Commtrade Limited	100%	
JM Financial Properties and Holdings Limited	100%	
Astute Investments	100%	
CR Retail Malls (India) Limited	100%	
Infinite India Investment Management Limited	100%	
J.M. Financial & Investment Consultancy Services Private Limited	Related Party *	

Source: JMFL

Note: ICRA has taken a consolidated view of the parent (JMFL), its subsidiaries and associates while assigning the ratings

* Owned by the promoters of JMFL

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+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)
info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

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Branches



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RL/JMFPPL/277154/NCD/0821/16544/81020013/1
August 31, 2021

Mr. Nishit Shah
Chief Financial Officer
JM Financial Products Limited
7th Energy,
Appasaheb Marathe Marg,
Prabhadevi,
Mumbai City - 400025

Dear Mr. Nishit Shah,

Re: CRISIL Rating on the Non Convertible Debentures Aggregating @ Rs.2383.35 Crore and Rs. 1368 Crore Non Convertible Debentures® of JM Financial Products Limited

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated August 30, 2021 bearing Ref. no.: RL/JMFPPL/277154/NCD/0821/16544/81020013 and rating letter dated August 30, 2021 bearing Ref. no.: RL/JMFPPL/277154/NCD/0821/16539/97712904

Please find in the table below the rating outstanding for your company.

S.No.	Instrument	Rated Amount (Rs. in Crore)	Rating Outstanding
1	Non-Convertible Debentures	3751.35	CRISIL AA/Stable

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crsil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crsil.com for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,



Rahul Malik
Associate Director - CRISIL Ratings



Nivedita Shibu
Associate Director - CRISIL Ratings



@Can be used for private and public issue

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Ratings

CRISIL Ratings Limited (A subsidiary of CRISIL Limited)



Rating Rationale

August 30, 2021 | Mumbai

JM Financial Products Limited

'CRISIL AA/Stable' assigned to Non Convertible Debentures

Rating Action

Total Bank Loan Facilities Rated	Rs.500 Crore
Long Term Rating	CRISIL AA/Stable (Reaffirmed)

Rs.1368 Crore Non Convertible Debentures@	CRISIL AA/Stable (Assigned)
Non Convertible Debentures Aggregating@ Rs.2383.35 Crore (Reduced from Rs.2750.4 Crore)	CRISIL AA/Stable (Reaffirmed)
Rs.4200 Crore Commercial Paper Programme(IPO Financing)&	CRISIL A1+ (Reaffirmed)
Rs.2500 Crore Commercial Paper	CRISIL A1+ (Reaffirmed)

& Assigned for initial/follow-on public offer financing on episodic basis

@Can be used for private and public issue

1 crore = 10 million

Refer to annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL Ratings has assigned its '**CRISIL AA/Stable**' rating to Rs.1368 crore Non-convertible Debentures of JM Financial Products Limited (JMFPPL) and reaffirmed its ratings on the bank facilities and other debt instruments at '**CRISIL AA/Stable/CRISIL A1+**'.

CRISIL Ratings has also **withdrawn** its rating on the Non-convertible Debentures of Rs 50 crore (See annexure 'Details of Rating Withdrawn') as CRISIL Ratings has received independent confirmation that these instruments have been redeemed. The withdrawal is in line with CRISIL Ratings withdrawal policy.

The ratings continue to reflect JM Financial group's continued healthy capitalisation metrics, comfortable earnings profile and established track record across its businesses. While the group's asset quality metrics have so far remained stable, the vulnerability of the same in the current environment remains a key monitorable. Further, for non-banks with predominantly wholesale book like JM Financial group, the ability to raise funds from diversified sources on regular basis and at optimal rates remains a key monitorable.

Analytical Approach

For arriving at its ratings, team has combined the business and financial risk profiles of all companies within the JM Financial group. This also includes the non-banking financial company (NBFC), JM Financial Credit Solutions Ltd, where a fund raised by Mr. Vikram Pandit has 48.96% stake; as well as JM Financial Asset Reconstruction Company Ltd (JMARC; rated '**CRISIL AA-/Stable/CRISIL A1+**'), in which the group has 59.25% stake. The combined approach is because of significant operational and financial integration among group companies, common senior management, and shared brand. All the companies are collectively referred to as the JM Financial group.

Please refer Annexure - List of entities consolidated, which captures the list of entities considered and their analytical treatment of consolidation.

Key Rating Drivers & Detailed Description

Strengths:

• Healthy capitalisation

The overall wholesale segment is facing challenges on account of funding constraint and lack of demand which makes the segment vulnerable to slippages in asset quality. Since the company maintains healthy capitalisation, it inherently provides cushion against the asset-side risk. Capitalisation is supported in the form of fresh equity as well as healthy accruals to networth.

Capitalisation metrics remain healthy with network (including minority interest) of around Rs 9827 crore as on June 30, 2021 with overall CAR at 39.8% (40.2% as on March 31, 2021). Over the past five fiscals, the peak gearing for the company was at 2.8 times in December 2017 and remained comfortable at 1.1 times as on June 30, 2021. The Net Debt to Equity as of June 2021 on a consolidated basis stood at 0.7x. The capitalisation metrics have been supported by proactive capital raises with JM group raising equity of around Rs 1379.4 crores in fiscal 2018-2019 and Rs 770 crores in June 2020. This provides cushion to mitigate potential asset-side slippages.

- Established market position across its businesses**

The group has developed a strong franchise in key operating segments such as investment bank, wealth management, and securities-based lending. This is aided by the track record and reputation of its experienced management and healthy client relationship. Furthermore, management has been conservative in its risk philosophy. The group has strong network of borrowers with whom they have long relationship and has never faced any asset quality issues. Over the years the company has strengthened its risk department.

- Diversified business model and comfortable earnings profile**

The group's earnings remain comfortable, with total revenue of Rs 993 crore and a profit after tax (post Minority interest) of Rs 203 crore for the quarter June 2021. The group benefits from greater diversification of the business profile over the past few years and this has given stability to its earnings profile. The group has grown its investment bank and mortgage lending business and it constituted around 32% and 30% of total revenue, respectively, for the first quarter of fiscal 2022. Since 2018, the group has forayed into retail finance especially housing finance loans. While the share of the same to the overall portfolio remains small given the nascent stage of operations, the group intends to focus on growing the retail portfolio which would provide granularity to the AUM. Profit after tax (PAT) contribution from these segments has also been high and constituted 43% and 12% of total PAT of the company. The earnings profile for JM Financial group has been comfortable with an average 5 year ROA of around 4.0% providing sufficient cushion in the earnings profile to withstand any increase in delinquencies. The group reported a ROA[1] of around 4.7% (without minority interest) for first quarter of fiscal 2022 compared to 3.7% for full fiscal 2021 despite elevated provisioning driven by the strong performance of the investment bank and wealth management business of the group. Any impact on the earnings profile in the event of slippages translating into elevated credit costs remains a monitorable.

Weaknesses:

- Asset quality in the wholesale lending business remains inherently vulnerable; albeit risk management processes are comfortable**

At a sectoral level, what has supported the asset quality metrics of wholesale non-banks in the past, has been the ability of the entity to get timely repayments/exits via refinancing or event-linked fund inflows. However, the current challenging funding environment has significantly increased refinancing risks especially for real estate players.

JM Financial group has put in place adequate credit appraisal, strong risk management and processes which has supported the asset quality metrics. The management too has taken steps in order to reduce concentration risk in the portfolio with focus on growing the individual housing loans portfolio.

On the asset quality side, JM Financial Group had provided Covid-19 linked moratorium to its borrowers in line with the relief measures provided by the Reserve Bank of India (RBI). Post the reopening of the lockdowns, underlying collections for real estate segment had improved. Additionally, RBI permitted one-time restructuring scheme as well as extension of date of commencement of commercial operations (DCCO) by another one year (effectively two years) without downgrading the asset classification. Under the Covid-19 linked restructuring the group has only restructured assets worth Rs 67.8 crores and none of them are in the real estate sector. Around 22% of the total loan book as on June 30, 2021 has been given DCCO extension. Nevertheless, post September 2020, amidst the macroeconomic environment, the asset quality metrics have inched up with GNPA at 3.5% as on June 30, 2021 (similar to the GNPA as of March 31, 2021) compared to 1.7% as on March 31, 2020. Further, the SMA-2 accounts which had increased to 6.2% as on December 31, 2020 improved to 2.9% as on March 31, 2021 with the improvement in the macroeconomic environment. However, amidst the second Covid-19 wave, the SMA-2 accounts increased to 5.0% as on June 30, 2021.

The collections too were not severely impacted in the month of April as the lockdowns were enforced towards the second half of the month. However, collections in May were impacted and with the reopening of the lockdowns in June, collections have improved since June. Nevertheless, the group still has a fair share of the book under contractual moratorium but it has been able to get interest as well as principal payment from these borrowers. The ability to get timely recoveries and control incremental slippages, will remain a key monitorables going forward.

- Potential funding challenges for wholesale-oriented non-banks**

Since September 2018, the operating environment for both NBFCs and HFCs has been challenging in terms of accessing funds, especially for those with a wholesale lending book. Interest from investors in the debt capital market has reduced in

the recent past, and a material turnaround is not expected in the near term. JM Financial group has managed to raise long term funds aggregating over Rs 3,700 crores in FY20 and around Rs 3,123 crores for FY21. For the first quarter of fiscal 2022, the company raised around Rs 1348 crore of funds, out of which long term funds stood at Rs 573 crore. The funds raised has been through diversified sources including Commercial papers, Non-Convertible Debentures, Inter Corporate Deposit and Bank loan with improving cost of borrowings. Over a period of time, the company has also managed to diversify its investor base by raising money through retail investors, insurance companies, employees provident fund trusts and mutual funds. The group's commercial paper (CP) borrowings are largely matched by similar maturity short term assets which include capital market and trading assets and assets having short term contractual maturities.

^[1] Return on assets is calculated as profit after tax/average total assets and is as per CRISIL calculations

Liquidity: Strong

At a group level, as on June 30, 2021, the group had total debt repayment (including interest) of Rs. 2,372 crore till December 2021. In addition to scheduled collections, the group had cash and equivalent of Rs 3892 crore and unutilised bank lines of Rs 192 crores.

Outlook: Stable

CRISIL believes the JM Financial group will maintain its healthy financial risk profile over the medium term, supported by strong capitalisation, conservative gearing, and high profitability.

Rating Sensitivity factors

Upward factors

- Maintenance of comfortable asset quality metrics and earnings profile (RoA > 4%) on a steady state basis while substantially increasing the share of non-wholesale lending book at group level.
- Increase in funding access to pre-September 2018 levels on a steady state basis while substantially increasing the scale of operations

Downward factors

- Deterioration in asset quality over an extended period thereby also impacting profitability
- Challenges in raising funds from diversified sources on consistent basis and at optimal rates
- With the current AUM mix i.e. wholesale constituting a substantial portion of AUM, weakening of capitalisation metrics with gearing inching beyond 3 times for an extended period of time

About the Company

JMFPL is a systemically important, non-banking finance company (NBFC-ND-SI) registered with the Reserve Bank of India (RBI). JMFPL is a 99.6% subsidiary of JMFL caters to individuals, corporates and SMEs. The key business vertical it operates include capital market financing, bespoke financing, real estate financing, retail mortgage and financial institution financing. The company has a 90.10% subsidiary, JM Financial Home Loans Limited (JMFHL) which has been granted a license to operate as a housing finance company by the National Housing Bank (NHB) in FY2018.

About the Group

JM Financial is an integrated and diversified financial services group. The Group's primary businesses include (a) Investment bank which shall cater to Institutional, Corporate, Government and Ultra High Networth clients and includes investment bank, institutional equities and research, private equity funds, fixed income, syndication and finance; (b) Mortgage Lending includes both wholesale mortgage lending and retail mortgage lending (home loans, education institutions lending and LAP); (c) Alternative and Distressed credit includes the asset reconstruction business and alternative credit funds; and (d) Platform AWS which shall provide an integrated investment platform to individual clients and includes wealth management business, broking, PMS and mutual fund business.

As of March 31, 2021, the consolidated loan book stood at ~Rs 10,854 crore, distressed credit business AUM at ~Rs 11,060 crore, wealth management AUA at ~Rs 59,052 crore, and mutual fund QAAUM at ~ Rs 2,389 crore.

As of June 30, 2021, the consolidated loan book stood at ~Rs 11,014 crore, distressed credit business AUM at ~Rs 10,885 crore, wealth management AUA at ~Rs 60,385 crore, and mutual fund QAAUM at ~ Rs 2,135 crore.

The Group is headquartered in Mumbai and has a presence across 550 locations spread across 177 cities in India. The equity shares of JM Financial Limited are listed in India on the BSE and NSE.

Key Financial Indicators

Particulars	Unit	Jun-21	Mar-21	Mar-20
Total assets (net of goodwill on consolidation)	Rs. Cr.	23,628	23,322	20,693
Total income	Rs. Cr.	993	3,227	3,454
Profit after tax*	Rs. Cr.	275	808	778
Gross NPA	%	3.5	3.5	1.7
Gearing	Times	1.1	1.3	1.5

**before Minority interest and after share of profit of associate*

Any other information: Not applicable

Note on complexity levels of the rated instrument:

CRISIL Ratings' complexity levels are assigned to various types of financial instruments. The CRISIL Ratings' complexity levels are available on www.crisil.com/complexity-levels. Users are advised to refer to the CRISIL Ratings' complexity levels for instruments that they consider for investment. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name of Instrument	Date of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs.Cr)	Complexity levels	Rating Outstanding with Outlook
INE523H07BM8	Non-Convertible Debenture issue	16-Jul-21	8.50%	16-Jul-31	90.00	Simple	CRISIL AA/Stable
INE523H07BJ4	Non-Convertible Debenture issue	12-Feb-21	8.75%	12-Feb-31	65.00	Simple	CRISIL AA/Stable
INE523H07BJ4	Non-Convertible Debenture issue	24-Feb-21	8.75%	12-Feb-31	30.00	Simple	CRISIL AA/Stable
INE523H07BG0	Non-Convertible Debenture issue	06-Oct-20	8.40%	06-Apr-22	150.00	Simple	CRISIL AA/Stable
INE523H07BH8	Non-Convertible Debenture issue	03-Dec-20	8.65%	03-Dec-30	200.00	Simple	CRISIL AA/Stable
INE523H07BI6	Non-Convertible Debenture issue	14-Jan-21	7.75%	13-Jan-23	300.00	Simple	CRISIL AA/Stable
INE523H07999	Non-Convertible Debenture issue	07-Sep-18	9.42%	30-Jun-22	150.00	Simple	CRISIL AA/Stable
INE523H07BD7	Non-Convertible Debenture issue	01-Jul-20	9.10%	30-Jun-23	100.00	Simple	CRISIL AA/Stable
INE523H07AK4	Non-Convertible Debenture issue^	21-May-19	10.04%	21-May-24	66.92	Simple	CRISIL AA/Stable
INE523H07AL2	Non-Convertible Debenture issue^	21-May-19	10.50%	21-May-24	100.10	Simple	CRISIL AA/Stable
INE523H07AM0	Non-Convertible Debenture issue^	11-Sep-19	10.20%	11-Nov-22	64.08	Simple	CRISIL AA/Stable
INE523H07AN8	Non-Convertible Debenture issue^	11-Sep-19	0.00%	11-Nov-22	10.89	Simple	CRISIL AA/Stable
INE523H07AO6	Non-Convertible Debenture issue^	11-Sep-19	10.30%	11-Sep-24	29.50	Simple	CRISIL AA/Stable
INE523H07AP3	Non-Convertible Debenture issue^	11-Sep-19	9.85%	11-Sep-24	15.38	Simple	CRISIL AA/Stable
INE523H07AQ1	Non-Convertible Debenture issue^	11-Sep-19	0.00%	11-Sep-26	8.31	Simple	CRISIL AA/Stable
INE523H07AW9	Non-Convertible Debenture issue^	16-Mar-20	9.50%	16-Mar-22	31.12	Simple	CRISIL AA/Stable
INE523H07AT5	Non-Convertible Debenture issue^	16-Mar-20	N.A.	16-Mar-22	30.70	Simple	CRISIL AA/Stable
INE523H07AX7	Non-Convertible Debenture issue^	16-Mar-20	9.70%	16-Jul-23	12.52	Simple	CRISIL AA/Stable
INE523H07AU3	Non-Convertible Debenture issue^	16-Mar-20	N.A.	16-Jul-23	4.54	Simple	CRISIL AA/Stable
INE523H07AY5	Non-Convertible Debenture issue^	16-Mar-20	9.29%	16-Jul-23	11.42	Simple	CRISIL AA/Stable
INE523H07AZ2	Non-Convertible Debenture issue^	16-Mar-20	9.90%	16-Mar-25	10.34	Simple	CRISIL AA/Stable
INE523H07AV1	Non-Convertible Debenture issue^	16-Mar-20	N.A.	16-Mar-25	4.14	Simple	CRISIL AA/Stable
INE523H07BA3	Non-Convertible Debenture issue^	16-Mar-20	9.48%	16-Mar-25	12.69	Simple	CRISIL AA/Stable

INE523H07BB1	Non-Convertible Debenture issue^	16-Mar-20	10.00%	16-Mar-30	2.37	Simple	CRISIL AA/Stable
INE523H07BC9	Non-Convertible Debenture issue^	16-Mar-20	9.57%	16-Mar-30	4.96	Simple	CRISIL AA/Stable
INE523H07BK2	Non-Convertible Debenture issue	12-Mar-21	8.81%	12-Mar-31	55.00	Simple	CRISIL AA/Stable
INE523H07BK2	Non-Convertible Debenture issue	26-Mar-21	8.81%	12-Mar-31	100.00	Simple	CRISIL AA/Stable
NA	Non-Convertible Debenture issue**	NA	NA	NA	2091.37	Simple	CRISIL AA/Stable
NA	Commercial Paper Programme	NA	NA	7-365 days	2500	Simple	CRISIL A1+
NA	Long-Term Bank Facility	NA	NA	NA	200	NA	CRISIL AA/Stable
NA	Cash Credit	NA	NA	NA	200	NA	CRISIL AA/Stable
NA	Proposed Long Term Bank Loan Facility	NA	NA	NA	100	NA	CRISIL AA/Stable
NA	Commercial Paper Issue*	NA	NA	7-30 days	4200	Simple	CRISIL A1+

**Yet to be issued

*Assigned for initial/follow-on public offer financing on episodic basis

^Public issue of NCD

Annexure - Details of Rating Withdrawn

ISIN	Name of Instrument	Date of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs.crore)	Complexity levels
INE523H07AR9	Non-Convertible Debenture issue	18-Oct-19	10.00%	18-Oct-22	50.00	Simple

Annexure – List of entities consolidated

Names of Entities Consolidated	Extent of Consolidation	Rationale for Consolidation
JM Financial Products Limited	Full	Subsidiary
JM Financial Credit Solutions Limited	Full	Subsidiary
JM Financial Services Limited	Full	Subsidiary
JM Financial Institutional Securities Limited	Full	Subsidiary
JM Financial Capital Limited	Full	Subsidiary
JM Financial Commtrade Limited	Full	Subsidiary
JM Financial Overseas Holdings Private Limited	Full	Subsidiary
JM Financial Singapore Pte Limited	Full	Subsidiary
JM Financial Securities, Inc	Full	Subsidiary
JM Financial Home Loans Limited	Full	Subsidiary
Infinite India Investment Management Limited	Full	Subsidiary
JM Financial Asset Management Limited	Full	Subsidiary
JM Financial Properties and Holdings	Full	Subsidiary
JM Financial Asset Reconstruction Company Limited	Full	Subsidiary
CR Retail Malls (India) Limited	Full	Subsidiary
JM Financial Trustee Company Private	Equity method	Associate
Astute Investments	Full	Subsidiary

Annexure - Rating History for last 3 Years

Current				2021 (History)		2020		2019		2018		Start of 2018
Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT	500.0	CRISIL AA/Stable	16-06-21	CRISIL AA/Stable	22-10-20	CRISIL AA/Stable	03-01-19	CRISIL AA/Stable	29-03-18	CRISIL AA/Stable	CRISIL AA/Stable

			--	26-02-21	CRISIL AA/Stable	30-09-20	CRISIL AA/Stable		--		--	--
			--		--	22-09-20	CRISIL AA/Stable		--		--	--
			--		--	08-09-20	CRISIL AA/Stable		--		--	--
			--		--	28-02-20	CRISIL AA/Stable		--		--	--
			--		--	30-01-20	CRISIL AA/Stable		--		--	--
Commercial Paper	ST	2500.0	CRISIL A1+	16-06-21	CRISIL A1+	22-10-20	CRISIL A1+	03-01-19	CRISIL A1+	29-03-18	CRISIL A1+	CRISIL A1+
			--	26-02-21	CRISIL A1+	30-09-20	CRISIL A1+		--		--	--
			--		--	22-09-20	CRISIL A1+		--		--	--
			--		--	08-09-20	CRISIL A1+		--		--	--
			--		--	28-02-20	CRISIL A1+		--		--	--
			--		--	30-01-20	CRISIL A1+		--		--	--
Commercial Paper Issue	ST		--		--	22-10-20	Withdrawn		--	29-03-18	Withdrawn	CRISIL A1+
			--		--	30-09-20	CRISIL A1+		--		--	--
			--		--	22-09-20	CRISIL A1+		--		--	--
			--		--	08-09-20	CRISIL A1+		--		--	--
			--		--	28-02-20	CRISIL A1+		--		--	--
Commercial Paper Programme(IPO Financing)	ST	4200.0	CRISIL A1+	16-06-21	CRISIL A1+	22-10-20	CRISIL A1+		--		--	--
			--	26-02-21	CRISIL A1+		--		--		--	--
Non Convertible Debentures	LT	3751.35	CRISIL AA/Stable	16-06-21	CRISIL AA/Stable	22-10-20	CRISIL AA/Stable	03-01-19	CRISIL AA/Stable	29-03-18	CRISIL AA/Stable	CRISIL AA/Stable
			--	26-02-21	CRISIL AA/Stable	30-09-20	CRISIL AA/Stable		--		--	--
			--		--	22-09-20	CRISIL AA/Stable		--		--	--
			--		--	08-09-20	CRISIL AA/Stable		--		--	--
			--		--	28-02-20	CRISIL AA/Stable		--		--	--
			--		--	30-01-20	CRISIL AA/Stable		--		--	--

All amounts are in Rs.Cr.

Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Rating
Cash Credit	200	CRISIL AA/Stable
Long Term Bank Facility	200	CRISIL AA/Stable
Proposed Long Term Bank Loan Facility	100	CRISIL AA/Stable

Criteria Details

Links to related criteria
CRISILs Bank Loan Ratings - process, scale and default recognition

Rating Criteria for Finance Companies

CRISILs Criteria for rating short term debt

CRISILs Criteria for Consolidation

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Rating Rationale

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Ref. No. 32079/ITSL/OPR/CL/21-22/DEB/641

Date: 01st September, 2021

To:

JM Financial Products Limited7th Floor, Cnergy, Appasaheb Marathe Marg,
Prabhadevi, Mumbai 400 025

Dear Sir,

Re: Proposed public issue by JM Financial Products Limited ("the Company") of secured, rated, listed, redeemable, non-convertible debentures of face value of Rs. 1,000 each and/or Unsecured, Rated, Listed, Redeemable, Non-Convertible Debentures in the nature of subordinated debt eligible for inclusion as Tier II capital of face value Rs. 1,000 each (the "NCDs") aggregating up to Rs. 1500 Crore through one or more tranches (the "Issue")

We, IDBI Trusteeship Services Limited, hereby give our consent to our name being included as Debenture Trustee to the Issue in accordance with Regulation 4(4) of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 in the (i) draft shelf prospectus ("**Draft Shelf Prospectus**") / draft prospectus ("**Draft Prospectus**") to be filed with Registrar of Companies, Maharashtra at Mumbai ("ROC") and with the stock exchange(s) where the NCDs are proposed to be listed ("**Stock Exchanges**") and forwarded to the Securities and Exchange Board of India ("**SEBI**") for its records (ii) the shelf prospectus ("**Shelf Prospectus**") / prospectus ("**Prospectus**") with the stock exchange(s) where the NCDs are proposed to be listed ("**Stock Exchanges**") and forwarded to the Securities and Exchange Board of India ("**SEBI**") for its records in respect of the Issue and all related advertisements, and subsequent periodical communications sent to the holders of the NCDs pursuant to the Issue

We hereby authorise you to deliver this letter of consent to the Stock Exchange(s), the ROC and/or such other regulatory authority, as may be required by law

The following details with respect to us may be disclosed:

Name:	IDBI Trusteeship Services Limited
Address:	IDBI Trusteeship Services Limited, Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400 001
Tel:	(91) (22) 40807000
Fax:	66311776/40807080
Email:	itsl@idbitrustee.com ; rmitra@idbitrustee.com ; sumedh@idbitrustee.com
Website:	www.idbitrustee.com
Contact Person:	Mr. Ritobrata Mitra / Mr. Jatin Bhat / Mr. Sumedh Vaidya
Investor Grievance e-mail:	response@idbitrustee.com
SEBI Registration No:	IND000000460
Logo	

IDBI Trusteeship Services Ltd

We confirm that we have not been prohibited from SEBI to act as an intermediary in capital market issues. We confirm that we are registered with the SEBI and that such registration is valid as on date of this letter. We further confirm that no enquiry/investigation is being conducted by SEBI on us. Copy of our SEBI registration certificate and declaration regarding our registration with SEBI in the required format is attached as Annexure A.



IDBI Trusteeship Services Ltd.

CIN : U65991MH2001GOI131154



We shall immediately intimate the Lead Managers and Issuer of any changes, additions or deletions in respect of the aforesaid details till the date when the NCDs of the Issuer offered, issued and allotted

pursuant to the Issue, are traded on the Stock Exchanges. In absence of any such communication from us, the above information should be taken as updated information until the listing and commencement of trading of the NCDs on the Stock Exchanges

We also agree to keep strictly confidential, until such time the proposed Issue is publicly announced by the Company in the form of a press release, (i) the nature and scope of the Issue; and (ii) our knowledge of the Issue of the Company.

Yours faithfully,

For IDBI Trusteeship Services Limited

Authorised Signatory

Name: Ritobrata Mitra

Designation: Assistant Vice President



01st September, 2021**Annexure A**

To:

JM Financial Products Limited7th Floor, Cnergy, Appasaheb Marathe Marg,
Prabhadevi, Mumbai 400 025

Dear Sir / Madam,

Re: Proposed public issue by JM Financial Products Limited ("the Company") of secured, rated, listed, redeemable, non-convertible debentures of face value of Rs. 1,000 each and/or Unsecured, Rated, Listed, Redeemable, Non-Convertible Debentures in the nature of subordinated debt eligible for inclusion as Tier II capital of face value Rs. 1,000 each (the "NCDs") aggregating up to Rs. 1500 Crore through one or more tranches (the "Issue")

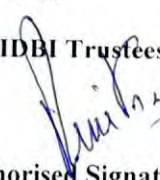
We hereby confirm that as on date the following details in relation to our registration with the Securities and Exchange Board of India as a Debenture Trustee are true and correct:

S. No.	Particulars	Details
1.	Registration Number	IND000000460
2.	Date of registration/ date of last renewal of registration/ date of application for renewal of registration	February 14, 2017
3.	Date of expiry of registration	<i>The Certificate of registration shall be valid unless it is suspended or cancelled by the Board</i>
4.	Details of any communication from SEBI prohibiting from acting as an intermediary	NIL
5.	Details of any pending inquiry/ investigation being conducted by SEBI	NIL
6.	Details of any penalty imposed by SEBI	NIL

We shall immediately intimate the Company of any changes, additions or deletions in respect of the matters covered in this certificate till the date when the securities of the Issuer, offered, issued and allotted pursuant to the Issue, are traded on the Stock Exchanges. In the absence of any such communication from us, the above information should be taken as updated information until the listing and trading of the Non-convertible Debentures on the Stock Exchanges.

Sincerely,

For IDBI Trusteeship Services Limited


Authorised Signatory

Name: Ritobrata Mitra

Designation: Assistant Vice President



डिबेंचर न्यासी

प्ररूप ख
FORM-B

DEBENTURE TRUSTEE

भारतीय प्रतिभूति और विनियम बोर्ड
SECURITIES AND EXCHANGE BOARD OF INDIA

(डिबेंचर न्यासी) विनियम, 1993
(DEBENTURE TRUSTEE) REGULATIONS, 1993

000 263

(विनियम 8)
(Regulation 8)

रजिस्ट्रीकरण प्रमाणपत्र
CERTIFICATE OF REGISTRATION

- 1) बोर्ड, भारतीय प्रतिभूति और विनियम बोर्ड अधिनियम, 1992 के अधीन डिबेंचर न्यासी के लिए बनाए गए नियमों और विनियमों के साथ पठित उस अधिनियम की धारा-12 की उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए,
1) In exercise of the powers conferred by sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992, read with the rules and regulations made thereunder for the debenture trustee the Board hereby grants a certificate of registration to

**IDBI TRUSTEESHIP SERVICES LIMITED
ASIAN BUILDING, GROUND FLOOR
17, R. KAMANI MARG
BALLARD ESTATE
MUMBAI-400 001**

को नियमों में, शर्तों के अधीन रहते हुए और विनियमों के अनुसार डिबेंचर न्यासी के रूप में रजिस्ट्रीकरण का प्रमाणपत्र इसके द्वारा प्रदान करता है।
as a debenture trustee subject to the conditions in the rules and in accordance with the regulations.

- 2) डिबेंचर न्यासी के लिए रजिस्ट्रीकरण कूट
2) Registration Code for the debenture trustee is

IND000000460

- 3) जब तक नवीकृत न किया जाए, रजिस्ट्रीकरण का प्रमाणपत्र
3) Unless renewed, the certificate of registration is valid from

से तक विधिमान्य है।
This certificate of registration shall be valid unless it is suspended or cancelled by the board

स्थान Place : **MUMBAI**

तारीख Date : **FEBRUARY 14, 2017**



आदेश से
भारतीय प्रतिभूति और विनियम बोर्ड
के लिए और उसकी ओर से
By order
For and on behalf of
Securities and Exchange Board of India

MEDHASONPAROTE

प्राधिकृत हस्ताक्षरकर्ता Authorised Signatory