



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 "JM 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 section titled "History and Main Objects" on page 109 of the Shelf Prospectus.

Corporate Identity Number of our Company is U74140MH1984PLC033397
Registered and Corporate Office: 7th Floor, Chery, 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@jmfpl.com
Company Secretary and Compliance Officer: Mr. Rupesh Samani; **Tel:** (+91 22) 6630 3030; **Fax:** (+91 22) 6630 3223; **Email:** investorrelations.products@jmfpl.com

PUBLIC ISSUE BY JM FINANCIAL PRODUCTS LIMITED, ("COMPANY" OR THE "ISSUER") BY WAY OF THIS TRANCHE III ISSUE OF SECURED, RATED, LISTED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE ₹ 1,000 EACH ("SECURED NCDs") WITH A BASE ISSUE SIZE OF ₹ 100 CRORES WITH AN OPTION TO RETAIN OVERSUBSCRIPTION UP TO ₹ 200 CRORES, AGGREGATING UP TO ₹ 300 CRORES ("TRANCHE III ISSUE") WHICH IS WITHIN THE SHELF LIMIT OF ₹ 2,000 CRORES.

THIS TRANCHE III ISSUE IS BEING MADE PURSUANT TO THE TERMS AND CONDITIONS OF THIS TRANCHE PROSPECTUS ("TRANCHE III PROSPECTUS"), WHICH SHOULD BE READ TOGETHER WITH THE SHELF PROSPECTUS DATED APRIL 11, 2019 ("SHELF PROSPECTUS") FILED WITH THE REGISTRAR OF COMPANIES, MAHARASHTRA, MUMBAI ("ROC"), THE DESIGNATED STOCK EXCHANGE AND THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") UNDER THE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 AS AMENDED (THE "SEBI DEBT REGULATIONS") AND THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER AS AMENDED. THE TRANCHE III ISSUE IS A PART OF THE PUBLIC ISSUE BY THE ISSUER OF SECURED, RATED, LISTED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF ₹ 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 OF ₹ 1,000 EACH, ("NCDs") FOR AN AMOUNT AGGREGATING UP TO ₹ 2,000 CRORES ("SHELF LIMIT"). THE SHELF PROSPECTUS AND THIS TRANCHE III PROSPECTUS CONSTITUTE THE PROSPECTUS ("PROSPECTUS").

PROMOTER

Our Promoter is JM Financial Limited. For further details refer to the chapter "Our Promoter" on page 123 of the Shelf Prospectus and page 36 of this Tranche III Prospectus.

GENERAL RISKS

Investors are advised to read the Risk Factors carefully before taking an investment decision in the Issue. For taking an investment decision, the investors must rely on their own examination of the Issuer and this Tranche III Issue including the risks involved. Specific attention of the investors is invited to the section titled "Risk Factors" on page 12 of the Shelf Prospectus and "Material Developments" on page 24 of this Tranche III Prospectus before making an investment in this Tranche III Issue. This document has not been and will not be approved by any regulatory authority in India, including the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI"), the Registrar of Companies at Maharashtra ("RoC") or any stock exchange in India.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

CREDIT RATING

The NCDs have been rated [ICRA]AA(Stable) by ICRA for an amount of upto ₹ 2,000 crores vide its letter dated January 9, 2019 and further revaluated on July 24, 2019, January 14, 2020 and February 4, 2020, and have been rated "CRISIL AA/STABLE" by CRISIL for an amount upto ₹ 2,000 crores vide its letter dated January 3, 2019 which has been revaluated on July 30, 2019 and January 21, 2020. The rating of the NCDs by ICRA and CRISIL indicates 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 refer to pages 284 to 313 of this Tranche III Prospectus for rating letters and rationale for the above ratings.

PUBLIC COMMENTS

The Draft Shelf Prospectus dated February 1, 2019 was filed with the BSE Limited ("BSE") pursuant to the provisions of the SEBI Debt Regulations and was open for public comments for a period of 7 (seven) Working Days from the date of filing of the Draft Shelf Prospectus with the Designated Stock Exchange until 5:00 p.m. on February 8, 2019.

LISTING

The Secured NCDs offered through this Tranche III Prospectus are proposed to be listed on the 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/P1-BOND/28/18-19 dated February 8, 2019.

COUPON RATE, COUPON PAYMENT FREQUENCY, MATURITY DATE, MATURITY AMOUNT & ELIGIBLE INVESTORS

For details relating to Coupon Rate, Coupon Payment Frequency, Maturity Date and Maturity Amount of the Secured NCDs, see section titled "General Terms of the Issue" starting on page 86 of this Tranche III Prospectus. For details relating to eligible investors please see "The Issue" on page 70 of this Tranche III Prospectus.

LEAD MANAGERS TO THE ISSUE

REGISTRAR TO THE ISSUE

DEBENTURE TRUSTEE**



A. K. Capital Services Limited
30-38, Free Press House
3rd Floor, Free Press Journal Marg 215,
Nariman Point, Mumbai 400 021
Tel: (+91 22) 6754 6500
Fax: (+91 22) 6610 0594
Email: jmproducts2020@akgroup.co.in
Investor Grievance Email:
investor.grievance@akgroup.co.in
Website: www.akgroup.co.in
Contact Person: Ms. Aanchal Wagle / Mr. Lokesh Shah
Compliance Officer: Mr. Tejas Davda
SEBI Registration No.: INM000010411



JM Financial Limited***
7th Floor, Chery
Appasaheb Marathe Marg Prabhadevi,
Mumbai - 400 025
Tel: (+91 22) 6630 3030
Fax: (+91 22) 6630 3330
Email: jmfpl.ncd2018@jmfpl.com
Investor Grievance Email:
grievance.ibd@jmfpl.com
Website: www.jmfpl.com
Contact Person: Ms. Prachee Dhuri
Compliance Officer: Mr. Sunny Shah
SEBI Registration No.: INM000010361



Trust Investment Advisors Private Limited
109/110, Balarama, Bandra Kurla Complex, Bandra (E), Mumbai 400 051
Tel: (+91 22) 4084 5000
Fax: (+91 22) 4084 5007
Email: project.paris@trustgroup.in
Investor Grievance Email:
customercare@trustgroup.in
Website: www.trustgroup.in
Contact Person: Ms. Hani Jalan
Compliance Officer: Mr. Ankur Jain
SEBI Registration No.: INM000011120



KFin Technologies Private Limited (Formerly known as Karvy Fintech Private Limited)
Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad 500 032, Telangana
Tel: (+91 40) 6716 2222
Fax: (+91 40) 2343 1551
Email: jmfpl.ncd3@kfintech.com
Investor Grievance Email:
einward.ris@kfintech.com
Website: www.kfintech.com
Contact Person: Mr. Murali Krishna
Compliance Officer: Mr. Rakesh Santhalia
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
Email: itsl@idbitrustee.com
Investor Grievance Email:
response@idbitrustee.com
Website: www.idbitrustee.com
Contact Person: Mr. Dinesh Ladwa
Compliance Officer: Mr. Jatin Bhat
SEBI Registration No.: IND000000460

ISSUE PROGRAMME*

TRANCHE III ISSUE OPENS ON FEBRUARY 13, 2020

TRANCHE III ISSUE CLOSES ON MARCH 9, 2020

*This Tranche III Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m., during the period indicated above, except that this Tranche III 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 an early closure or extension of the Tranche III Issue, our Company shall ensure that notice of the same is provided to the prospective investors in all those newspapers in which an advertisement for opening of this Tranche III Issue has been given on or before such earlier or initial date of Tranche III Issue closure. Applications Forms for this Tranche III 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 Tranche III Issue Period. On the Tranche III 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.

**IDBI Trusteeship Services Limited under Regulation 4(4) of the SEBI Debt Regulations has by its letter dated January 24, 2020 given its consent for its appointment as Debenture Trustee to the Tranche III Issue and for its name to be included in the Tranche III Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Tranche III 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 23(3) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, JM Financial Limited will be involved only in marketing of the Issue.

A copy of the Shelf Prospectus was filed with the Registrar of Companies, Maharashtra in Mumbai, in terms of Section 26 and 31 of the Companies Act, 2013, along with the endorsed/certified copies of all requisite documents on April 11, 2019 and a copy of this Tranche III Prospectus shall be filed with the Registrar of Companies, Maharashtra in 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 please refer to the section titled "Material Contracts and Documents for Inspection" beginning on page 142 of this Tranche III 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 having its registered office at 7 th Floor, Cnergy, Appasaheb Marathe Marg Prabhadevi, Mumbai, Maharashtra 400 025, India.
AOA/Articles of Association / Articles of Association	Articles of Association of our Company, as amended from time to time.
Astute	M/s. Astute Investments, a partnership firm of JM Financial Services Limited and JM Financial Commtrade Limited for the year 2015.
Astute Financial Statements	The reformatted standalone statement of assets and liabilities and the related reformatted standalone statement of profit and loss and cash flow statement of Astute as at and for the year ended March 31, 2015 as examined by the Astute Auditors.
Astute Auditors	Deloitte Haskins & Sells LLP, Chartered Accountants.
Audited Financial Results	The audited financial results comprising of the statement of assets and liabilities, the related standalone statement of profit and loss and cash flow statement of our Company as at and for the year ended March 31, 2019 as examined by the Statutory Auditors of our Company.
Audited Ind AS Financial Statements	The audited financial statements comprising of the statement of assets and liabilities, the related standalone statement of profit and loss and cash flow statement of JMFHL as at and for the year ended March 31, 2019 as examined by the JMFHL Auditors.
Board / Board of Directors	The Board of Directors of our Company and includes any Committee constituted thereof, from time to time.
Category I	(a) Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs; (b) Provident funds and pension funds with a minimum corpus of ₹ 25 crores, superannuation funds and gratuity funds, which are authorised to invest in the NCDs; (c) Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012; (d) Resident Venture Capital Funds registered with SEBI; (e) Insurance companies registered with the IRDA; (f) State industrial development corporations; (g) Insurance funds set up and managed by the army, navy, or air force of the Union of India; (h) Insurance funds set up and managed by the Department of Posts, the Union of India; (i) Systemically Important Non-Banking Financial Company registered with the RBI and having a net-worth of more than ₹ 500 crores as per the last audited financial statements; (j) 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; and (k) Mutual funds registered with SEBI.
Category II	(a) Companies within the meaning of Section 2(20) of the Companies Act, 2013; (b) Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs; (c) Co-operative banks and regional rural banks; (d) Trusts including Public/private charitable/religious trusts which are authorised to invest in the NCDs; (e) Scientific and/or industrial research organisations, which are authorised to invest in the NCDs; (f) Partnership firms in the name of the partners; (g) Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009); (h) Association of Persons; and (i) Any other incorporated and/ or unincorporated body of persons.
Category III	High Net-worth Individual Investors ("HNIs") - Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating to above INR 1,000,000 across all Series of NCDs in the Issue
Category IV	Retail Individual Investors - Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating up to and including INR 1,000,000 across all Series of NCDs in the Issue.
Equity Shares	Equity shares of face value ₹10 each of our Company.
Group Companies	(a) JM Financial Services Limited; (b) JM Financial Commtrade Limited; (c) JM Financial Properties and Holdings Limited; (d) CR Retail Malls (India) Limited; (e) JM Financial Institutional Securities

Term	Description
	Limited (formerly known as JM Financial Securities Limited); (f) JM Financial Capital Limited; (g) JM Financial Credit Solutions Limited; (h) JM Financial Asset Reconstruction Company Limited; (i) J M Financial and Investment Consultancy Services Private Limited; (j) JSB Securities Limited; and (k) JM Financial Asset Management Limited; and (l) Infinite India Investment Management Limited.
Independent Chartered Accountant	Our independent chartered accountant being, Arun Arora & Co.
JMFCL	JM Financial Commtrade Limited, step down subsidiary of our Company for the years 2014 and 2015.
JMFCL Auditors	M/s. Khimji Kunverji & Co., LLP (formerly known as M/s. Khimji Kunverji & Co.)
JMFCL Standalone Financial Statements	The reformatted standalone statement of assets and liabilities and the related reformatted standalone statement of profit and loss and cash flow statement of JMFCL as at and for the years ended March 31, 2014 and 2015 as examined by the JMFCL Auditors.
JMFSL	JM Financial Services Limited, subsidiary of our Company for the years 2014 and 2015.
JMFSL Auditors	Deloitte Haskins & Sells LLP, Chartered Accountants
JMFSL Standalone Financial Statements	The reformatted standalone statement of assets and liabilities and the related reformatted standalone statement of profit and loss and cash flow statement of JMFSL as at and for the years ended March 31, 2014 and 2015 as examined by the JMFSL Auditors.
JMFHL Subsidiary	/ JM Financial Home Loans Limited, a public limited company incorporated under the Companies Act, 2013 and having its registered office at 7 th Floor, Cnergy, Appasaheb Marathe Marg Prabhadevi, Mumbai, Maharashtra 400 025, India.
JMFHL Auditors	Deloitte Haskins & Sells, LLP, Chartered Accountants
JMFHL Special Purpose Unaudited Interim Financial Information	The special purpose unaudited condensed interim financial statement for the nine months ended December 31, 2019 of JMFHL prepared in accordance with IND AS and independent auditors review report on the special purpose unaudited condensed interim financial statement by Deloitte Haskins & Sells LLP, Mumbai.
KMP/Key Managerial Personnel	Key Managerial Personnel, as defined under the Companies Act, 2013, Section 2(51) as under: “key managerial personnel”, in relation to a company, means - i. the Chief Executive Officer or the managing director or the manager; ii. the company secretary; iii. the whole-time director; iv. the Chief Financial Officer; v. such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and vi. such other officer as may be prescribed”
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 vide board resolution dated October 24, 2018 and further re – constituted vide board resolution dated July 11, 2019.
Promoter	JM Financial Limited
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.
Unaudited Financial Results	The unaudited standalone financial results for the nine months period ended December 31, 2019 of our Company prepared in accordance with IND AS and subjected to limited review by M/s. Khimji Kunverji & Co. LLP (formerly known as M/s. Khimji Kunverji & Co.).

Issue related terms

Term	Description
Abridged Prospectus	A memorandum containing salient features of the Shelf Prospectus and this Tranche III Prospectus.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form
Allotment / Allotted	Unless the context otherwise requires, the allotment of the Secured NCDs pursuant to the Issue to the Allottee(s).
Allottee(s)	The successful applicant to whom the Secured NCDs will be allotted.
Allotment advice	The communication sent to the Allottees conveying details of NCDs allotted to the Allottees in

Term	Description
	accordance with the Basis of Allotment.
Applicant / Investor	The person who applies for issuance and Allotment of Secured NCDs pursuant to the terms of the Shelf Prospectus, this Tranche III Prospectus and Abridged Prospectus and the Application Form for this Tranche III Issue.
Application / ASBA Application	An application for Allotment of Secured NCDs offered pursuant to this Tranche III Issue by submission of a valid Application Form and authorising an SCSB to block the Application Amount in the ASBA Account.
Application Amount	The aggregate value of the Secured NCDs applied for, as indicated in the Application Form for this Tranche III Prospectus.
Application Form / ASBA Form	The form in terms of which the Applicant shall make an offer to subscribe to the Secured NCDs through the ASBA process, in terms of the Shelf Prospectus and this Tranche III Prospectus.
ASBA or “Application Supported by Blocked Amount”	The Application 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.
ASBA Account	An account maintained with an SCSB which will be blocked by such SCSB to the extent of the Application Amount of an Applicant.
Base Issue / Size	₹ 100 crores.
Basis of Allotment	The basis on which Secured NCDs will be allotted to Applicants under this Tranche III Issue and which is described in “ <i>Issue Procedure – Basis of Allotment</i> ” on page 125 of this Tranche III Prospectus.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, i.e., Designated Branches of SCSB, Specified Locations for Members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Broker Centres	Broker centres notified by the Stock Exchanges where Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, 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
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 from time to time registered with SEBI and who is eligible to procure Applications in the Issue, at the Designated CDP Locations.
Coupon Rate / Interest Rate	The aggregate rate of interest payable in connection with the Secured NCDs in accordance with this Tranche III Prospectus. For further details, please refer to “ <i>Issue Related Information</i> ” on page 86 of this Tranche III Prospectus.
Credit Rating Agencies	For the Issue, the credit rating agencies being, ICRA and CRISIL.
CRISIL	CRISIL Limited.
Debt Application Circular	Circular no. CIR/IMD/DF-1/20/2012 issued by SEBI on July 27, 2012 and Circular no. CIR/DDHS/P/121/2018 issued by SEBI on August 16, 2018.
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 of our Company.
Debenture Trust Deed	The trust deed dated May 20, 2019 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 Secured NCDs for the Tranche III 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 Secured NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the Secured NCDs including interest on Secured NCDs shall be available to the Debenture holders from the Deemed Date of Allotment.
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 at www.bseindia.com
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, this Tranche III Prospectus and the Public Issue Account Agreement.
Designated	The Members of the Syndicate, SCSBs, Trading Members, RTAs and CDPs who are authorized to collect

Term	Description
Intermediaries	Application Forms from the Applicants, in relation to the Issue.
Designated RTA Locations	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
Designated Stock Exchange	BSE i.e. BSE Limited
DP / Depository Participant	A depository participant as defined under the Depositories Act.
Draft Shelf Prospectus	The Draft Shelf Prospectus dated February 1, 2019 filed with the Designated Stock Exchange for receiving public comments and with SEBI in accordance with the provisions of the Act/relevant provisions of the Companies Act, 2013 applicable as on the date of the Draft Shelf Prospectus and the SEBI Debt Regulations.
ICRA	ICRA Limited
Interest Payment Date / Coupon Payment Date	The dates on which interest/coupon on the Secured NCDs shall fall due for payment as specified in this Tranche III Prospectus. Please see the section titled “ <i>Terms of the Issue – Interest and Payment of Interest</i> ” on page 98 of this Tranche III Prospectus.
Issue	Public issue by our Company of Secured NCDs and/or Unsecured NCDs, for an amount aggregating upto ₹ 2,000 crores. The Unsecured NCDs will be in the nature of subordinated debt and will be eligible for inclusion as Tier II capital.
Issue Agreement	Agreement dated January 24, 2019 and further amended by amendment agreements dated July 30, 2019 and February 7, 2020 entered into by our Company and the Lead Managers.
JMFL or JM Financial	JM Financial Limited
Lead Brokers	<ul style="list-style-type: none"> • JM Financial Services Limited • A. K. Stockmart Private Limited • Trust Financial Consultancy Services Private Limited • Trust Securities Services Private Limited • HDFC Securities Limited • ICICI Securities Limited • Axis Capital Limited • IIFL Securities Limited • Integrated Enterprises (India) Private Limited • SMC Global Securities Limited • Kotak Securities Limited • Edelweiss Securities Limited • RR Equity Brokers Private Limited
Lead Broker Agreement	Agreement dated February 7, 2020 entered into amongst our Company, the Lead Managers and the Lead Brokers in relation to this Tranche III Issue on the terms and conditions contained therein.
Lead Managers	A. K. Capital Services Limited, JM Financial Limited* and Trust Investment Advisors Private 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 23(3) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, JM Financial Limited will be involved only in marketing of the Issue.</i>
Market Lot	1 NCD.
Members of the Syndicate	Lead Managers and the Lead Brokers.
Members of the Syndicate Bidding Centres	Members of the Bidding Centers established for acceptance of Application Forms.
NCDs	The Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of ₹ 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 of ₹ 1,000 for an amount aggregating up to ₹ 2,000 crores (“ Shelf Limit ”) issued pursuant to the Shelf Prospectus and the Tranche Prospectus(es).
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 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, the Shelf Prospectus, this Tranche III 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

Term	Description
	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 this Tranche III Prospectus.
Public Issue Account	Bank account 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 Agreement	Agreement dated February 7, 2020 entered into amongst our Company, the Registrar, the Public Issue Account Bank, the Lead Managers, and the Refund Bank 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 this Tranche III Issue on the terms and conditions contained therein.
Public Issue Account Bank	ICICI Bank Limited.
Record Date	The Record Date for payment of interest in connection with the Secured NCDs or repayment of principal in connection therewith which shall be 15 days prior to the date of payment of 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 Secured NCDs, the trading in the Secured 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 Circular bearing no. CIR/IMD/DF-1/122/2016 dated November 11, 2016.
Redemption/Maturity Amount	The amount repayable on the Secured NCDs, as specified in the section “ <i>Issue Structure - Terms and Conditions in connection with the Secured NCDs</i> ” on page 93 of this Tranche III Prospectus.
Redemption Date	The date on which our Company is liable to redeem the Secured NCDs in full as specified in the section “ <i>Issue Structure - Terms and Conditions in connection with the Secured NCDs</i> ” on page 93 of this Tranche III Prospectus. If the Redemption Date/Maturity Date of any Series of the NCDs falls on a day that is not a Working Day, the redemption/maturity proceeds shall be paid on the immediately preceding Working Day along with interest accrued on the NCDs until but excluding the date of such payment. During the tenor of the Secured NCDs, redemption payments shall be made only on the days when the money market is functioning in Mumbai. For further details, please refer to section “ <i>Issue Structure - Terms and Conditions in connection with the Secured NCDs</i> ” on page 93 of this Tranche III Prospectus.
Refund Bank	ICICI Bank Limited.
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 Issuer in accordance with the provisions of the Companies Act, 2013 and as more particularly detailed in the section title “ <i>General Terms of the Issue</i> ” on page 86 of this Tranche III 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	Agreement dated January 24, 2019 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
SEBI Regulations	SEBI (Issue and Listing of Debt Securities) Regulations, 2008, issued by SEBI, effective from June 6, 2008 as amended from time to time.
Security	As specified disclosed in the chapter “ <i>Issue Structure</i> ” on page 92 of this Tranche III 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 for an amount up to ₹ 100 crores, with an option to retain oversubscription up to ₹ 200 crores, aggregating up to ₹ 300 crores which is within the Shelf Limit, being offered through this Tranche III 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, 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.
Series	An option of Secured NCDs which are identical in all respects including, but not limited to terms

Term	Description
	and conditions, listing and ISIN and as further stated to be an individual Series in this Tranche III Prospectus.
Shelf Limit	The aggregate limit of the Issue, being ₹ 2,000 crores to be issued under the Shelf Prospectus through one or more Tranche Issues.
Shelf Prospectus	The Shelf Prospectus dated April 11, 2019 filed by our Company with the SEBI, BSE and the RoC in accordance with the provisions of the Companies Act, 2013 and the SEBI Debt Regulations.
Specified Cities/Speciifed Locations	Bidding Centres where the Member of the Syndicate 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
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: <ul style="list-style-type: none"> • 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 Designated Intermediaries.
Syndicate ASBA Application Locations	Bidding centres where the Designated Intermediaries 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 Branches	SCSB
	In relation to Applications submitted to a Designated Intermediary, 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 Secured NCDs. Please refer to the “ <i>Issue Structure - Terms and Conditions in connection with the Secured NCDs</i> ” on page 93 of this Tranche III 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 with a Lead 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 collection and electronic upload of Application Forms on the electronic application platform provided by Stock Exchanges.
Tranche II Prospectus	The Tranche II Prospectus dated July 31, 2019 issued pursuant to the Tranche II Issue of secured, rated, listed, redeemable non-convertible debentures of face value of ₹ 1,000 each for an amount of ₹ 100 crores with an option to retain oversubscription up to ₹ 400 crores aggregating upto ₹ 500 crores.
Tranche III Issue	Issue of the Secured NCDs pursuant to this Tranche III Prospectus.
Tranche III Issue Opening Date	February 13, 2020
Tranche III Issue Closing Date	March 9, 2020* *The Tranche III Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. during the period indicated above, except that the Tranche III Issue may close on such

Term	Description
	<i>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 an early closure or extension of the Tranche III Issue, our Company shall ensure that notice of the same is provided to the prospective investors in all those newspapers in which an advertisement for opening of this Tranche III Issue has been given on or before such earlier or initial date of Tranche III Issue closure. On the Tranche III Issue Closing Date, the Application Forms for Tranche III 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 Stock Exchanges.</i>
Tranche III Issue Period	The period between the Tranche III Issue Opening Date and the Tranche III Issue Closing Date inclusive of both days.
Tranche III Prospectus	This Tranche Prospectus dated February 10, 2020 containing the details of the Secured NCDs issued pursuant to the Tranche III Issue.
Tranche Issue	Issue of the NCDs pursuant to the respective Tranche Prospectus(es).
Tranche Prospectus(es)	The Tranche Prospectus(es) 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 January 24, 2019 entered between our Company and the Lead Managers and further amended by amendment agreements dated July 30, 2019 and February 7, 2020, the Registrar Agreement dated January 24, 2019 entered between our Company and the Registrar to the Issue, the Public Issue Account Agreement dated February 7, 2020 with the Public Issue Account Bank, the Refund Bank, the Lead Managers and the Registrar to the Issue, the Lead Broker Agreement dated February 7, 2020 with the Lead Brokers and Lead Managers, the Debenture Trustee Agreement dated January 24, 2019 executed between our Company and the Debenture Trustee and the Debenture Trust Deed executed between our Company and the Debenture Trustee dated May 20, 2019 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 Secured 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.
Working Day	Working Day(s) shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Tranche III Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India. Furthermore, for the purpose of post issue period, i.e. period beginning from Tranche III Issue Closing Date to listing of the NCDs, Working Days shall mean all trading days of Stock Exchange excluding Sundays and bank holidays, in Mumbai as per the SEBI Circular CIR/DDHS/P/121/2018 dated August 16, 2018. During the tenor of the NCDs, interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai.

Industry related terms

Term	Description
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.
NSSO	National Sample Survey Organisation.
PPP	Purchasing Power Parity.
RRB	Regional Rural Bank.
SCB	Scheduled Commercial Banks.

Conventional and general terms

Term	Description
AGM	Annual General Meeting.
AS	Accounting Standard.

Term	Description
BSE	BSE Limited.
CAGR	Compounded Annual Growth Rate.
CDSL	Central Depository Services (India) Limited.
Companies Act, 1956	The <i>erstwhile</i> Companies Act, 1956, applicable prior to the commencement of the Companies Act, 2013.
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 Policy	The Government policy and the regulations (including the applicable provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000) issued by the Government of India prevailing on that date in relation to foreign investments in our Company's sector of business as amended from time to time.
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended from time to time.
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.
Indian GAAP	Generally Accepted Accounting Principles in India.
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.
NSE	National Stock Exchange of India 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 Regulations	Debt Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended from time to time.
SEBI Act	The Securities and Exchange Board of India Act, 1992 as amended from time to time.
SEBI Regulations	LODR Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
TDS	Tax Deducted at Source.
WDM	Wholesale Debt Market.

Notwithstanding anything contained herein, capitalised terms that have been defined in the sections titled “*Statement of Tax Benefits*”, “*Other Regulatory and Statutory Disclosures*” and “*Issue Procedure*” beginning on pages 78, 131 and 109 of this Tranche III Prospectus, respectively will have the meanings ascribed to them in such sections.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Tranche III Prospectus that are not statements of historical fact constitute “forward-looking statements”. Investors can generally identify forward-looking statements by terminology such as “aim”, “anticipate”, “believe”, “continue”, “could”, “estimate”, “expect”, “intend”, “may”, “objective”, “plan”, “potential”, “project”, “pursue”, “shall”, “seek”, “should”, “will”, “would”, or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, revenue and profitability, new business and other matters discussed in the Shelf Prospectus and the Tranche III Prospectus that are not historical facts. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. 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:

- Compliance with various financial and other covenants under the loan agreements;
- The outcome of any legal or regulatory proceedings we are or may become a party to;
- Dependency on our fellow subsidiary company, JM Financial Credit Solutions Limited for origination of loans in real estate segment;
- Significant operational and financial integration among the Group Companies;
- Our business is tied to the “JM Financial” goodwill and brand name;
- Operation in an increasingly competitive financial services industry;
- Volatility in interest rates;
- Default or late or non-payment by or from our customers;
- Inability to effectively manage and sustain our rate of growth;
- Operation in a highly regulated industry and subject to various laws;
- Downward revision in credit rating(s);
- Our ability to control or reduce the level of non-performing assets in our portfolio; and
- General economic and business conditions in India and globally.

For further discussion of factors that could cause our actual results to differ, see the section titled “*Risk Factors*” on page 12 of the 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*”, “*Our Business*” and “*Legal and Other Information*” on pages 74, 92 and 183 respectively of the Shelf Prospectus. The forward-looking statements contained in this Tranche III 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 our Company, its Directors and officers, nor any of their respective affiliates 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 Debt 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 and the Tranche III Prospectus with the ROC and the date of receipt of listing and trading permission being obtained from the Stock Exchanges.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

General

In this Tranche III 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 Tranche III Prospectus, references to "US\$" is to the legal currency of the United States and references to "Rs.", "₹" 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.

In this Tranche III Prospectus, references to any chapters or sections of the Shelf Prospectus shall include a reference to the relevant chapter or section of this Tranche III Prospectus.

Unless otherwise stated, references in this Tranche III 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 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.

In accordance with the roadmap on implementation of Indian Accounting Standards, our Company has adopted IND AS as the applicable accounting standards from April 1, 2018. The Audited Financial Results, the Unaudited Financial Results, the Audited IND AS Financial Statements and the JMFHL Special Purpose Unaudited Interim Financial Information, as included in this Tranche III Prospectus, have been prepared in accordance with IND AS and Regulation 52 of the SEBI LODR Regulations. Due to the transition from Indian GAAP to IND AS from April 1, 2018, figures prior to March 31, 2018 are not comparable with the figures post April 1, 2018. Similarly, the figures in the Reformatted Standalone Summary Financial Statements upto March 31, 2018 due to implementation of the IND AS are not comparable with the figures post April 1, 2018.

The Reformatted Standalone Summary Financial Statements are included in the Shelf Prospectus. The examination reports on the Reformatted Standalone Summary Financial Statements, as issued by our Company's Statutory Auditors, M/s. Khimji Kunverji & Co. LLP, Chartered Accountants, Mumbai, (*formerly known as M/s. Khimji Kunverji & Co.*) are included in the Shelf Prospectus at page 252 of the Section titled "*Financial Information*" at page 246 of the Shelf Prospectus. Similarly, the JMFCL Standalone Financial Statements, as issued by the JMFCL Auditors are included in the Shelf Prospectus at page 344 of the Section titled "*Financial Information*" beginning at page 246 of the Shelf Prospectus; the JMFHL Standalone Financial Statements, as issued by the JMFHL Auditors are included in the Shelf Prospectus at page 294 of the Section titled "*Financial Information*" beginning at page 246 of the Shelf Prospectus; the JMFSL Standalone Financial Statements, as issued by the JMFSL Auditors are included in the Shelf Prospectus at page 321 of the Section titled "*Financial Information*" beginning at page 246 of the Shelf Prospectus; and the Astute Standalone Financial Statements, as issued by the Astute Auditors are included in the Shelf Prospectus at page 365 of the Section titled "*Financial Information*" beginning at page 246 of the Shelf Prospectus.

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 the 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 the 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 the Shelf Prospectus is meaningful depends on the readers' familiarity with and understanding of methodologies used in compiling such data.

SECTION II: 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 section titled "*History and Main Objects*" on page 109 of the Shelf Prospectus. For further details regarding the Promoter and the Group Companies please refer to "*Our Promoter*" at page 123 of the 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, refer to the section titled "*History and Main Objects*" on page 109 of the Shelf Prospectus.

Registration

Registration Number: 033397

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/rupesh.samani@jmfl.com

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer in case of any pre-issue or post-issue related issues such as non-receipt of intimation of allotment advice, demat credit of allotted NCDs or refund orders, as the case may be.

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, number of NCDs applied for, amount paid on application, Depository Participant and the collection centre of the Designated Intermediaries 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 the relevant SCSB, giving full details such as name, address of Applicant, Application Form number, number of NCDs applied for, amount blocked on Application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the Applicant.

All grievances arising out of Applications for the NCDs made through the Online Stock Exchanges Mechanism may be addressed directly to the respective Stock Exchanges.

Lead Managers**A. K. Capital Services Limited**

30-38, Free Press House,

3rd Floor, Free Press Journal Marg,

215, Nariman Point,

Mumbai 400 021

CIN: L74899MH1993PLC274881

Tel: (+91 22) 6754 6500

Fax: (+91 22) 6610 0594

Email: jmproducts2020@akgroup.co.in

Investor Grievance Email: investor.grievance@akgroup.co.in

Website: www.akgroup.co.in

Contact Person: Ms. Aanchal Wagle / Mr. Lokesh Shah

Compliance Officer: Mr. Tejas Davda

SEBI Registration No.: INM000010411

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.ncd2018@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 23(3) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, JMFL will be involved only in marketing of the Issue.*

Trust Investment Advisors Private Limited

109/110, Balarama, Bandra Kurla Complex
Bandra (E)
Mumbai – 400051
CIN: U67190MH2006PTC162464
Tel: (+91 22) 40845000
Fax: (+91 22) 40845007
Email: project.paris@trustgroup.in
Investor Grievance Email: customercare@trustgroup.in
Website: www.trustgroup.in
Contact Person: Mr. Hani Jalan
Compliance Officer: Mr. Ankur Jain
SEBI Registration No.: INM000011120

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: (+91 22) 6631 1776 / 4080 7080
Email: itsl@idbitrustee.com
Investor Grievance Email: response@idbitrustee.com
Website: www.idbitrustee.com
Contact Person: Mr. Dinesh Ladwa
Compliance Officer: Mr. Jatin Bhat
SEBI Registration No.: IND000000460

IDBI Trusteeship Services Limited has, pursuant to regulation 4(4) of SEBI Debt Regulations, by its letter dated January 24, 2020 given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in this Tranche III 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 this Tranche III Issue shall vest in and shall be exercised by the appointed Debenture Trustee for this Tranche III Issue without having it referred to the Debenture Holders. All investors under this Tranche III Issue are deemed to have irrevocably given their authority and consent to the Debenture Trustee so appointed by our Company for this Tranche III 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, please refer to the section titled “*Issue Related Information*” on page 86 of this Tranche III Prospectus.

Registrar to the Issue**KFin Technologies Private Limited**

(Formerly known as Karvy Fintech Private Limited)

Selenium Tower B,
Plot 31-32,
Gachibowli Financial District
Nanakramguda
Hyderabad 500 032, Telangana
CIN: U72400TG2017PTC117649
Tel: (+91 40) 6716 2222
Fax: (+91 40) 2343 1551
Email: jmfpl.ncd3@kfintech.com
Investor Grievance Email: einward.ris@kfintech.com
Website: www.kfintech.com
Contact Person: Mr. Murali Krishna

Compliance Officer: Mr. Rakesh Santhalia
SEBI Registration No.: INR000000221

KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited) has by its letter dated January 1, 2019 and February 6, 2020 given its consent for its appointment as Registrar to the Issue and for its name to be included in this Tranche III 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 the Company Secretary & Compliance Officer in case of any pre-Issue or post-Issue related problems, such as non receipt of Allotment Advice, demat credit, refunds or transfers, etc. All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, Application Form number, address of the Applicant, number of NCDs applied for, amount paid on application, Depository Participant ("**DP**") and the collection centre of the relevant members of the Designated Intermediaries appointed in relation to the Issue ("**Syndicate**") 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 Designated Intermediary and the relevant Designated Branch of the SCSB in the event of an Application submitted by an Applicant at any of the Syndicate ASBA Centres, giving full details such as name, address of Applicant, Application Form number, number of NCDs applied for and amount blocked on Application.

All grievances arising out of Applications for the NCDs made through the Online Stock Exchanges Mechanism or through Designated Intermediaries of the Stock Exchanges may be addressed directly to the relevant Stock Exchange.

Statutory Auditors

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

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

Sunshine Tower, Level 19
Senapati Bapat Marg
Elphinstone Road
Mumbai 400 013
Telephone: (+91 22) 6143 7333
Fax: (+91 22) 6143 7300
Website: www.kkc.in
E-mail: hasmukh@kkc.in

The Board, on April 30, 2018, appointed M/s. Khimji Kunverji & Co. LLP, Chartered Accountants, Mumbai *(formerly known as M/s. Khimji Kunverji & Co.)* as the statutory auditors of our Company for a period of five financial years. This was confirmed by the shareholders of our Company on July 17, 2018. Prior to this, Deloitte Haskins & Sells, LLP, Chartered Accountants were the statutory auditors of the Company. Other than this, there has been no other change of a statutory auditor of our Company in the last three financial years.

Credit Rating Agencies

ICRA Limited

1105, Kailash Building,
11th Floor, 26 Kasturba Gandhi Marg,
New Delhi - 110001
Telephone: (+91 11) 2335 7940 / 45
Fax: NA
Email: shivakumar@icraindia.com
Contact Person: Mr. L. Shivakumar
Website: www.icra.in
SEBI Registration Number: IN/CRA/008/2015
CIN: L74999DL1991PLC042749

**ICRA Limited received a notice from SEBI on December 18, 2018, for conduct of adjudication proceedings in relation to credit ratings assigned to Infrastructure Leasing & Financial Services Limited and one of its subsidiaries, IL&FS Financial Services Limited, under the SEBI (Procedure for Holding Enquiry and Imposing Penalties by Adjudication Officer) Rules, 1995. These proceedings are under Chapter VI-A of the SEBI Act, 1992, which deals with potential imposition of monetary penalty. Further, SEBI vide its adjudication order dated December 26, 2019, has imposed a penalty of ₹25 lakh under Section 15HB of the SEBI Act.*

CRISIL Limited

CRISIL House, Central Avenue
Hiranandani Business Park, Powai
Mumbai-400 076
Telephone: (+91 22) 3342 3000
Fax: (+91 22) 3342 3050
Email: crisilratingdesk@crisil.com
Contact Person: Mr. Krishnan Sitaraman
Website: www.crisil.com
SEBI Registration Number: IN/CRA/001/1999
CIN: L67120MH1987PLC042363

Credit Rating and Rationale

The NCDs proposed to be issued under this Issue have been rated [ICRA]AA(Stable) by ICRA for an amount of upto ₹ 2,000 crores vide its letter dated January 9, 2019 and further revalidated by letters dated July 24, 2019, January 14, 2020 and February 4, 2020 and have been rated "CRISIL AA/STABLE" by CRISIL for an amount upto ₹ 2,000 crores vide its letter dated January 3, 2019 and further revalidated by its letters dated July 30, 2019 and January 21, 2020. The rating of the NCDs by ICRA and CRISIL indicates 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 refer to pages 284 to 313 of this Tranche III Prospectus for rating letter and rationale for the above rating.

Disclaimer clause of ICRA

"ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its Group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents."

Disclaimer clause of CRISIL

"CRISIL Limited (CRISIL) has taken due care and caution in preparing the Material based on the information provided by its client and / or obtained by CRISIL from sources which it considers reliable (Information). A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation buy, sell, or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. The Rating is not a recommendation to invest / disinvest in any entity covered in the Material and no part of the Material should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters / distributors of the Material. Without limiting the generality of the foregoing, nothing in the Material is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and / or registration to carry out its

business activities in this regard. JM Financial Products Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Material or part thereof outside India. Current rating status and CRISIL Ratings rating criteria are available without charge to the public on the CRISIL web site, www.crisil.com. For the latest rating information on any instrument of any company rated by CRISIL, please contact Customer Service Helpdesk at 1800-267-1301."

Legal Advisor to the Issue

AZB & Partners

AZB House, Peninsula Corporate Park
Ganpatrao Kadam Marg,
Lower Parel
Mumbai 400 013
Tel: (+91 22) 6639 6880
Fax: (+91 22) 6639 6888

Bankers to our Company

Syndicate Bank

Large Corporate Branch,
3rd Floor, 10, Homji Street, Fort
Mumbai 400 023
Contact Person: Mr. Birendra Kumar Singh
Tel: (+91 22) 2266 2787

The Federal Bank Limited

Treasury Department,
C-8, 1st Floor, Laxmi Towers,
Bandra Kurla Complex,
Mumbai 400 051
Contact Person: Mr. Ritesh Tulasidas Bhusari
Tel: (+91 22) 2656 6668

Bank of Baroda

Corporate Financial Services Branch,
10/12, Mumbai Samachar Marg,
3rd Floor, Fort,
Mumbai 400 001
Contact Person: Mr. Vikram Bajaj
Tel: (+91 22) 4340 7304

IDBI Bank Limited

224-A, Mittal Court,
'A' Wing,
Nariman Point,
Mumbai 400 021
Contact Person: Mr. Salim Saudagar
Tel: (+91 22) 6658 8201

HDFC Bank Limited

2nd Floor, Zenith House,
K.K. Road, Arya Nagar,
Opposite Race Course, Mahalakshmi,
Mumbai-400 034.
Contact Person: Mr. Xerxes Davar
Tel: (+91 22) 39760546

IDFC First Bank Limited

Naman Chambers, C-32,
G-Block, Bandra Kurla Complex,
Mumbai - 400 051
Contact Person: Mr. Abdullah Mehtab
Tel: (+91 22) 71325654

ICICI Bank Limited

Capital Markets Division,
1st Floor, 122, Mistry Bhavan Dinshaw Wachha Road,
Backbay Reclamation, Churchgate,
Mumbai 400 020
Contact Person: Branch Manager
Tel: (+91-22) 6681 8990

Bajaj Finance Limited

The Capital, 16th Floor, B-Wing,
Opposite ICICI Bank,
BKC Bandra East,
Mumbai 400 051
Contact Person: Ms. Deepti Shetty
Tel: (+91 22) 3950 0517

Canara Bank

Specialised Mid Corporate Branch,
Canara Bank Building, 8th Floor,
BKC, Bandra East,
Mumbai 400 051
Contact Person: Mr. K Balakrishna
Tel: (+91 22) 2653 5731

Bank of India

Andheri Large Corporate Branch,
M.D.I. Building, First Floor,
28, S.V. Road, Andheri (West)
Mumbai 400 058
Contact Person: Mr. T.V. Kalidas
Tel: (+91 22) 2671 2936

State Bank of India

Commercial Branch,
Horniman Circle, Fort
Mumbai 400 001
Contact Person: Mr. Amit Verma
DGM & RM (AMT-1)
Tel: (+91 22) 2266 2205

Public Issue Account Bank and Refund Bank

ICICI Bank Limited

Address: Capital Market Division, 1st Floor, 122, Mistry Bhavan,
Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai
– 400020

Tel No: (+91 22) 66818911/23/24

Fax: (+91 22) 22611138

E-mail: kmr.saurabh@icicibank.com

Website: www.icicibank.com

Contact Person: Mr. Saurabh Kumar

SEBI Registration Number: INBI000000004

Lead Brokers to the Issue			
Trust Securities Services Private Limited Address: 1101, Naman Centre, 'G' Block, C – 31, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 CIN: U65929MH2016PTC287266 Contact Person: Ms. Avani Dalal Tel No: (+ 91 22) 4084 5000 Fax: (+ 91 22) 4084 5066 E-mail: avani.dalal@trustgroup.in , mbd.trust@trustgroup.in Investor grievance E-mail id: grievances@trustgroup.in Website: www.trustgroup.in SEBI Registration No.: INZ000158031		Trust Financial Consultancy Services Private Limited Address: 1101, Naman Centre, 'G' Block, C – 31, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 CIN: U67120MH2002PTC135942 Contact Person: Mr. Pranav Inamdar Tel No: (+ 91 22) 4084 5000 Fax: (+ 91 22) 4084 5066 E-mail: pranav.inamdar@trustgroup.in , mbd.trust@trustgroup.in Investor grievance E-mail id: grievances@trustgroup.in Website: www.trustgroup.in SEBI Registration No.: INZ000238639	
ICICI Securities Limited Address: ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai 400 020 CIN: L67120MH1995PLC086241 Contact Person: Mr. Rajat Rawal Tel No: (+ 91 22) 2277 7626 Fax: Nil E-mail: rajat.rawal@icicisecurities.com Investor grievance E-mail id: customer@icicisecurities.com Website: www.icicisecurities.com SEBI Registration No.: INZ000183631		Integrated Enterprises (India) Private Limited Address: A -123, 12 th floor, Mittal Tower, Nariman Point, Mumbai – 400021 CIN: U65993TN1987PTC014964 Contact Person: Mr. V. Krishnan Tel No: (+ 91 22) 4066 1800 Fax: Nil E-mail: krishnan@integratedindia.in Investor grievance E-mail id: sriram@integratedindia.in Website: www.integratedindia.in SEBI Registration No.: INZ000095737	
Edelweiss Securities Limited Address: Edelweiss House, off CST road, Kalina, Mumbai – 400 098 CIN: U67110AP1993PLC052266 Contact Person: Mr. Amit Dalvi / Mr. Prakash Boricha Tel No: (+ 91 22) 4063 5411, (+ 91 22) 4063 5599 Fax: Nil E-mail: amit.dalvi@edelweissfin.com / Prakash.boricha@edelweissfin.com Investor grievance E-mail id: helpdesk@edelweiss.in Website: www.edelweissfin.in / www.edelweissfin.com SEBI Registration No.: INZ000166136		Kotak Securities Limited Address: 4 th Floor, 12BKC, G Block, Bandra Kurla Complex, Bandra (east), Mumbai – 400 051 CIN: U99999MH1994PLC134051 Contact Person: Mr. Umesh Gupta Tel No: (+ 91 22) 6218 5470 Fax: (+ 91 22) 6713 2430 E-mail: umesh.gupta@kotak.com Investor grievance E-mail id: ipo.redressal@kotak.com Website: www.kotak.com SEBI Registration No.: INZ000200137	
SMC Global Securities Limited Address: 17, Netaji Subhash Marg Daryaganj, Delhi - 110002 CIN: L74899DL1994PLC063609 Contact Person: Mr. Mahesh Gupta and Mr. Neeraj Khanna Tel No: (+ 91 11) 66623300 / (+91) 9818620470 / (+91) 9810059041 Fax: (+ 91 11) 3012 6061 E-mail: mkg@smcindiaonline.com , neerajkhanna@smcindiaonline.com Investor grievance E-mail id: neerajkhanna@smcindiaonline.com Website: www.smctradeonline.com SEBI Registration No.: INZ000199438		RR Equity Brokers Private Limited Address: 412-422, Indraprakash Building, 21, Barakhamba Road, New Delhi-110001 CIN: U67120HR2004PTC042634 Contact Person: Mr. Jeetesh Kumar Tel No: (+ 91 11) 23354802 Fax: (+ 91 11) 23320671 E-mail: ipo@rrfcl.com Investor grievance E-mail id: investors@rrfcl.com Website: www.rrfinance.com SEBI Registration No.: INZ000270435	
Axis Capital Limited Address: Axis House, Level 1, C- 2, Wadia International Centre, P.B. Marg, Worli, Mumbai - 400025 CIN: U51900MH2005PLC157853 Contact Person: Mr. Ajay Sheth / Mr. Vinayak Ketkar Tel No: (+ 91 22) 4325 3110 Fax: (+ 91 22) 4325 3000 E-mail: ajay.sheth@axiscap.in / vinayak.ketkar@axiscap.in Investor grievance E-mail id: vinayak.ketkar@axiscap.in Website: www.axiscapital.co.in SEBI Registration No.: INM000012029		A.K. Stockmart Private Limited Address: 30-39, Free Press House, 3 rd floor, Free Press Journal Marg, 215, Nariman Point, Mumbai – 400 021 CIN: U67120MH2006PTC158932 Contact Person: Mr. Ankit Gupta / Mr. Ranjit Dutta Tel No: (+ 91 22) 6754 6500 Fax: (+ 91 22) 6754 4666 E-mail: ankit@akgroup.co.in / ranjit.dutta@akgroup.co.in Investor grievance E-mail id: investorgrievance@akgroup.co.in Website: www.akgroup.co.in SEBI Registration No.: INZ000240830	
HDFC Securities Limited Address: I Think Techno Campus, Building B, 'Alpha', 8 th floor, Opposite Crompton Greaves, near Kanjurmarg Station, Kanjurmarg (east), Mumbai – 400 042 CIN: U67120MH2000PLC152193 Contact Person: Mr. Dipesh Kale/ Mr. Dattatray Anpat Tel No: (+ 91 22) 30753400 Fax: (+ 91 22) 3075 3435		IIFL Securities Limited Address: 6 th and 7 th Floor, Akruti Centre Point, Central road, MIDC, Andheri (east), Mumbai - 400093 CIN: U99999MH1996PLC132983 Contact Person: Mr. Prasad Umarale Tel No: (+ 91 22) 3929 4000 / (+ 91 22) 4103 5000 Fax: (+ 91 22) 2580 6654 E-mail: cs@iifl.com	

E-mail: DipeshA.kale@hdfc.com /

Dattatray.anpat@hdfcsec.com

Investor grievance E-mail id: customercare@hdfcsec.com

Website: www.hdfcsec.com

SEBI Registration No.: INZ000186937

Investor grievance E-mail id: customergrievances@iifl.com

Website: www.indiaonline.com

SEBI Registration No.: INZ000164132

JM Financial Services Limited

Address: 2,3 & 4, Kamanwala Chambers, Ground floor, Sir

PM road, Fort, Mumbai – 400 001

CIN: U67120MH1998PLC115415

Contact Person: Mr. Surajit Misra / Mr. Deepak Vaidya /

Mr. T N Kumar / Mr. Sona Varghese

Tel No: (+ 91 22) 6136 3400

Fax: Nil

E-mail: surajit.misra@jmfl.com / deepak.vaidya@jmfl.com /

tn.kumar@jmfl.com / sona.verghese@jmfl.com

Investor grievance E-mail id: ig.distribution@jmfl.com

Website: www.jmfinancialservices.in

SEBI Registration No.: INZ000195834

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 Debt Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue. If our Company does not receive the minimum subscription of 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 Applicants within 6 Working Days from the Issue Closing Date provided wherein, the Application Amount has been transferred to the Public Issue Account from the respective ASBA Account(s), such Application Amounts shall be refunded within 6 Working Days from the Refund Account to the relevant ASBA Accounts(s) of the Applicants. 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 Debt Application 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.

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 SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and 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

The Tranche III Issue is not underwritten.

Arrangers to the Issue

There are no arrangers to the Tranche III Issue.

Utilisation of Issue proceeds

For details on utilisation of Issue proceeds, please refer to the chapter titled "*Objects of the Tranche III Issue*" on page 75 of this Tranche III Prospectus.

Issue Programme

TRANCHE III ISSUE OPENS ON	FEBRUARY 13, 2020
TRANCHE III ISSUE CLOSES ON	MARCH 9, 2020

This Tranche III Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m., during the period indicated above, except that this Tranche III 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 an early closure or extension of the Tranche III Issue, our Company shall ensure that notice of the same is provided to the prospective investors in all those newspapers in which an advertisement for opening of this Tranche III Issue has been given on or before such earlier or initial date of Tranche III Issue closure. Applications Forms for this Tranche III 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 Tranche III Issue Period. On the Tranche III 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.

Due to limitation of time available for uploading the Applications on the electronic platform of the Stock Exchange on the Tranche III Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Tranche III Issue Closing Date and, no later than 3:00 p.m. (Indian Standard Time) on the Tranche III Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Tranche III 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 this Tranche III Issue. Application Forms will only be accepted on Working Days during the Tranche III 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 circular dated October 29, 2013, the allotment in this Tranche III 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, the allotments should be made to the applicants on proportionate basis.

MATERIAL DEVELOPMENTS

There are no recent material developments in relation to our Company as disclosed in the sections titled “**Risk Factors**”, “**Capital Structure**”, “**About the Issuer and Industry Overview**”, “**Our Business**”, “**History and Main Objects**”, “**Our Management**”, “**Disclosures on Existing Financial Indebtedness**”, “**Financial Information**”, “**Pending Proceedings and Statutory Defaults**”, “**Regulations and Policies**”, “**Material Developments**” and “**Summary of Key Provisions of Articles of Association**” since the date of filing of the Shelf Prospectus except as disclosed below.

I. RISK FACTORS

1. The risk factor 3 beginning on page 13 of the Shelf Prospectus is replaced by the following risk factor in entirety:

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 the Company

As on December 31, 2019, real estate segment comprised 26.9% (excluding impact of IND AS adjustments) of our total loan book. 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 the 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.

2. The risk factor 5 beginning on page 13 of the Shelf Prospectus is replaced by the following risk factor in entirety:

Our business is tied to the ‘JM Financial’ brand name and goodwill and we may be unable to protect our brand names and other intellectual property which are critical to our business. Any adverse impact on the brand name ‘JM Financial’ 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’ brand name and goodwill and associated logo, which is registered as trademark in the name of J M Financial and Investment Consultancy Services Private Limited (“JM FICS”), our promoter group company, and is currently being used by us pursuant to a letter of consent dated November 15, 2016 issued by JM FICS to us. Further, we have recently launched a tagline for our

HUMAN RESOURCES
Pragmatic | Professional | Progressive

human resources department which is neither registered nor have we made any application to the Trademarks Registry for its registration.

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 brand 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 brand. 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’ brand name 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 brand could materially and adversely affect our business financial condition and results of operations. Further, we depend on the brand recognition, and failure to maintain and enhance awareness of the brand would adversely affect our ability to retain and expand our customer base.

3. The following information should be read with Risk Factor 9, *'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'* beginning on page 16 of the Shelf Prospectus:

Our total revenue stood at ₹ 949.4 crores in fiscal 2019 and ₹ 654.6 crores for the nine month period ended December 31, 2019 under IND AS.

4. The following information should be read with Risk Factor 10, *'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'* beginning on page 16 of the Shelf Prospectus:

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 Tranche III Prospectus.

5. The following information should be read with Risk Factor 13, *'Non-compliance with RBI 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'* beginning on page 18 of the Shelf Prospectus:

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 an housing finance company, such as our Subsidiary. Such provisions are in force as on the date of this Tranche III Prospectus.

6. The following information should be read with Risk Factor 14, *'We may face asset-liability mismatches that could adversely affect our cash flows, financial condition and results of operations'* beginning on page 18 of the Shelf Prospectus:

As on December 31, 2019, we had long term borrowings amounting to ₹ 3,362.7 crores and short term borrowings amounting to ₹ 687.8 crores (under IND AS).

7. The following information should be read with Risk Factor 15, *'Our business requires substantial funds, and any disruption in funding sources would have a material adverse effect on our liquidity and financial condition'* beginning on page 18 of the Shelf Prospectus:

Our finance costs stood at ₹ 522.0 crores and ₹ 349.5 crores in Fiscal 2019 and for the nine month period ended December 31, 2019 under IND AS respectively.

8. The following information should be read with Risk Factor 16, *'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'* beginning on page 19 of the Shelf Prospectus:

We derive a significant portion of our revenue from interest income, which represented 89.9% and 83.5% of our total revenues in Fiscal 2019 and for the nine month period ended December 31, 2019, respectively. As of March 31, 2019 and nine month period ended December 31, 2019, our gross NPA ratios were 0.1% and 0.2% respectively, while our net NPA ratios were 0.1% and 0.1% respectively.

9. The following information should be read with Risk Factor 19, *'We may not be able to recover our secured loans 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'* beginning on page 20 of the Shelf Prospectus:

As on December 31, 2019, we had given secured loans amounting to ₹ 3,987.6 crores and unsecured loans amounting to ₹ 149.6 crores (excluding impact of IND AS adjustments viz interest accrued, expected credit loss and effective interest rate aggregating to ₹ (7.1) crores).

10. The following information should be read with Risk Factor 24, *'Our Company operates in various segments such as FID (structured financing), FID (real estate financing), capital market financing and SME 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' beginning on page 22 of the Shelf Prospectus:

Our Company operates in four business segments viz. FID (structured financing), FID (real estate financing), capital market financing and SME financing. As on December 31, 2019, exposure to each of this segment was 40.8%, 26.9%, 20.7% and 11.5% respectively.

11. The following information should be read with Risk Factor 35, *'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'* beginning on page 27 of the Shelf Prospectus:

As at December 31, 2019, CRAR was 29.3%, of which Tier 1 capital was 28.3%.

12. The following information should be read with Risk Factor 40, *'Our substantial indebtedness and the conditions imposed by our financing and other agreements could adversely affect our ability to conduct our business and operations'* beginning on page 29 of the Shelf Prospectus:

As of December 31, 2019, we had total outstanding debt of ₹ 4,050.6 crores (as per IND AS) and our debt to equity ratio was 2.4 times.

13. The following information should be read with Risk Factor 42, *'We may experience negative cash flows in the future'* beginning on page 30 of the Shelf Prospectus:

Particulars	March 31, 2019
	(₹ in crores)
Net cash flow from/ (used in) operating activities	1,664.3
Net cash flow from/ (used in) investing activities	(432.4)
Net cash flow from/ (used in) financing activities	(1,285.3)
Net increase/ (decrease) in cash and cash equivalent	(53.4)

14. The following information should be read with Risk Factor 43, *'We have certain contingent liabilities that could adversely affect our financial condition'* beginning on page 30 of the Shelf Prospectus:

Our contingent liabilities were at ₹ 5.7 crores and capital commitments were ₹ 0.01 crores as of March 31, 2019. These comprised the following:

Particulars	As of March 31, 2019
	(₹ crores)
Contingent liabilities	5.7
Estimated amount of contracts remaining to be executed on capital account and not provided for.	0.01

15. The following information should be read with Risk Factor 44, *'Our Subsidiary has incurred losses in the past'* beginning on page 30 of the Shelf Prospectus:

Our Subsidiary has incurred loss in the financial year ending March 31, 2019 amounting to ₹ 6.6 crores. However, our Subsidiary has reported profit for the nine month period ended December 31, 2019 amounting to ₹ 5.6 crores.

16. The risk factor 69 beginning on page 38 of the Shelf Prospectus is replaced by the following risk factor in entirety:

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 Tranche III 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 Rule 16 of the SEBI Debt 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 Tranche III 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.

17. ***Security provided for the Issue may not be enforceable if the security provided for the Issue is classified as 'Assets' under the IT Act and will be void as against any claim in respect of any tax or any other sum payable by our Company.***

We have certain proceedings pending under the IT Act before the Income Tax Appellate Tribunal. Under section 281 of the IT Act and circular bearing number 04/2011 dated July 19, 2011, our Company has obtained prior consent of the assessing officer to create the security provided for the Issue to the extent classified as assets under section 281 of the IT Act, during the pendency of such proceedings. We have made an application to the relevant assessing officer seeking renewal of such consent on January 14, 2020 and February 7, 2020 and have received acknowledgment in relation to the same. In the event that such consent is revoked, the security provided for the Issue to the extent classified as 'Assets' under section 281 of the IT Act will be void as against any claim in respect of any tax or any other sum payable by our Company, including as a result of the completion of these proceedings.

18. The risk factor 53 beginning on page 33 of the Shelf Prospectus is replaced by the following risk factor in entirety:

This Tranche III Prospectus includes certain unaudited financial information, which has been subjected to limited review, in relation to our Company and our Subsidiary.

This Tranche III Prospectus includes Unaudited Financial Results in relation to our Company and JMFHL Special Purpose Unaudited Interim Financial Information in relation to our Subsidiary for the nine month period ended December 31, 2019 in respect of which our Statutory Auditors and the JMFHL Auditors have issued the limited review report and special purpose unaudited condensed interim financial statement report each dated January 15, 2020. As the limited review financial information prepared by our Company and special purpose unaudited condensed interim financial statements prepared by our Subsidiary have not been subjected to an audit 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, any reliance by prospective investors on such limited review financial information for the nine month period ended December 31, 2019 should, accordingly, be limited.

19. The risk factor 63 beginning on page 37 of the Shelf Prospectus is replaced by the following risk factor in entirety:

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

The annual rate of inflation was at 0.58% (provisional) for the month of November 2019 (over November 2018) as compared to 0.16% (provisional) for the previous month and 4.47% during the corresponding month

of previous year. (Source: *Index Numbers of Wholesale Price in India, Review for the month of November 2019, published 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.

20. The following information should be read with Risk Factor 72, ‘*Any downgrading in credit rating of our NCDs may adversely affect the value of NCDs and thus our ability to raise further debts*’ beginning on page 39 of the Shelf Prospectus:

The NCDs for an amount of up to ₹ 2,000 crores proposed to be issued under the issue have been rated “CRISIL AA/ Stable” by CRISIL *vide* its letter dated January 3, 2019 and further revalidated by letters dated January 21, 2020 and “[ICRA]AA(Stable)” by ICRA *vide* its letter dated January 9, 2019 and further revalidated by letters dated January 14, 2020 and February 4, 2020. 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.

II. OUR BUSINESS

1. The following information should be read with ‘*Competitive Strengths – Robust track record of growth and profitability*’ beginning on page 93 of the Shelf Prospectus:

Our loan book stood at ₹ 5,226.6 crores as of March 31, 2019 (excluding impact of IND AS adjustments viz. interest accrued, expected credit loss and effective interest rate aggregating to ₹ (6.0) crores) and ₹ 4,137.2 crores as of December 31, 2019 (excluding impact of IND AS adjustments viz interest accrued, expected credit loss and effective interest rate aggregating to ₹ (7.10) crores).

We recorded total revenue / income of ₹ 949.4 crores and ₹ 654.6 crores for Fiscal 2019 and for the nine month period ended December 31, 2019, respectively. We recorded profit before tax of ₹ 315.8 crores and ₹ 198.8 crores for Fiscal 2019 and for the nine month ended December 31, 2019. We recorded profit after tax of ₹ 204.3 crores and ₹ 138.7 crores for Fiscal 2019 and for the nine month ended December 31, 2019, respectively. Our ROE stood at 13.5% and 11.4% for the Fiscal 2019 and for the nine month period ended December 31, 2019 (on an annualized basis), respectively. Our ROA stood at 3.1% and 3.1% for Fiscal 2019 and for the nine month period ended December 31, 2019 (on an annualized basis), respectively.

2. The following information should be read with ‘*Robust lending book profile reflected in growth, asset quality and returns*’ beginning on page 93 of the Shelf Prospectus:

Our aggregate loan book stood at ₹ 5,226.6 crores (excluding impact of IND AS adjustments viz. interest accrued, expected credit loss and effective interest rate aggregating to ₹ (6.0) crores) as of March 31, 2019 and ₹ 4,137.2 crores (excluding impact of INDAS adjustments viz interest accrued, expected credit loss and effective interest rate aggregating to ₹ (7.1) crores), as of December 31, 2019.

Gross NPAs and Net NPAs were ₹ 3.7 crores and ₹ 8.3 crores, ₹ 3.3 crores and ₹ 5.5 crores for Fiscal 2019 and for the nine month ended December 31, 2019, respectively. Gross NPAs were 0.1% and 0.2% of our gross loan book for Fiscal 2019 and as of December 31, 2019, while Net NPAs were 0.1% and 0.1% of our loan book as of such dates.

Our ROA and ROE was 3.1% and 3.1% and 13.5% and 11.4% for Fiscal 2019 and for the nine month period ended December 31, 2019 (on an annualized basis), respectively.

	As of March 31, 2019	As of December 31, 2019
	(₹ crores, except ratios and percentages)	
Loan Book*:		
FID (structured financing)	2,314.4	1,689.7
FID (real estate financing)	1,758.2	1,111.9

	As of March 31, 2019	As of December 31, 2019
	(₹ crores, except ratios and percentages)	
Capital market financing	772.3	857.8
SME lending	381.7	477.8
Total	5,226.6	4,137.2
Gross Non Performing Assets (GNPA)	3.7	8.3
Gross Non Performing Assets as Percentage of Loan book (%)	0.1	0.2
Net Non Performing Assets (NNPA)	3.3	5.5
Net Non Performing Assets as Percentage of Loan book (%)	0.1	0.1
Capital Adequacy ratio (%)	25.4	29.3
Tier I ratio (%)	24.9	28.3

*Loan book is excluding impact of IND AS adjustments viz. interest accrued, expected credit loss and effective interest rate aggregating to ₹ (6.0) crores for Fiscal 2019 and Rs.(7.1) crores for nine months ended December 31, 2019.

Ratios ⁽¹⁾	For the year ended March 31, 2019	For the nine months period ended December 31, 2019
Yield (%)	12.6	13.2
Cost of Borrowing (%)	9.0	9.6
Net Interest Margin (%)	4.6	4.5
Return On Assets (%)	3.1	3.1
Return On Equity (%)	13.5	11.4

(1) Calculated on an annualized basis

3. The following information should be read with 'Diversified funding sources and strong credit profile' beginning on page 95 of the Shelf Prospectus:

	As of March 31, 2019		As of December 31, 2019	
	Amount	Percentage of Grand Total	Amount	Percentage of Grand Total
	(₹ crores)	(%)	(₹ crores)	(%)
Term loans	961.2	21.2	969.6	23.9
Non-convertible debentures	2,364.2	52.4	2,392.5	59.1
Finance lease obligation	0.3	0.0	0.6	0.0
Inter corporate deposit	0.0	0.0	0.0	0.0
Total	3,325.7	73.6	3,362.7	83.0
Short Term Loans from Banks (including Working Capital demand loans)	0.0	0.0	0.0	0.0
CBLO	0.0	0.0	0.0	0.0
Cash credit & bank OD	47.4	1.0	46.3	1.1
Commercial papers	1,123.2	24.8	615.0	15.2
Inter corporate deposit	27.1	0.6	26.5	0.7
Total	1,197.7	26.4	687.8	17.0
Grand Total	4,523.4	100.0	4,050.6	100.0

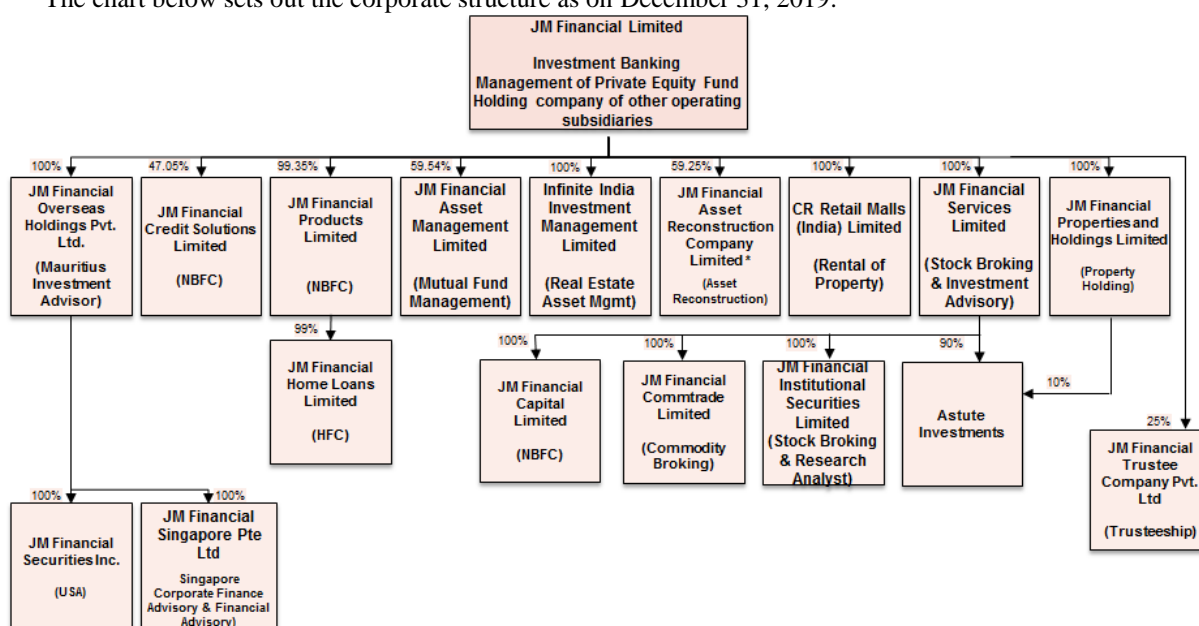
As at March 31, 2019 and December 31, 2019, our capital adequacy ratio, which was computed on the basis of the applicable RBI requirements, was 25.4% and 29.3%, respectively, as compared to the minimum capital adequacy requirement of 15.0% as stipulated by the RBI. As of December 31, 2019, our Company held ₹14.2 crores as cash and cash equivalents (₹142.4 crores as of March 31, 2019), ₹ 510.4 crores invested in liquid mutual funds (₹ 378.1 crores as of March 31, 2019) and ₹ 484.4 crores towards redemption proceeds receivable from mutual funds (Nil as of March 31, 2019). The aforesaid aggregates to a liquidity of ₹ 1,009 crores as of December 31, 2019 (₹ 520.5 crores as of March 31, 2019).

4. The following information should be read with 'Our Subsidiary' beginning on page 100 of the Shelf Prospectus:

As of March 31, 2019 and December 31, 2019, the loans of JMFHL were ₹ 201.4 crores and ₹ 269.8 crores, respectively.

5. Corporate Structure

The chart below sets out the corporate structure as on December 31, 2019:



6. Key Performance Indicators

The following tables set forth certain information relating to the financial performance and key performance indicators on a standalone basis as on March 31, 2019:

Parameters	As on March 31, 2019	As of December 31, 2019
	(₹ crores)	
Total Equity	1,560.3	1,686.1
Total Borrowing of which	4,523.4	4,050.6
i) Debt Securities	3,487.4	3,007.5
ii) Borrowings (Other than Debt Securities)	1,036.0	1,043.1
Property, Plant and Equipments and Other Intangible Assets#	8.1	89.1
Financial Assets (Other than Cash and Cash equivalents & Loan book)	687.4	1,572.5
Non Financial Assets (including Deferred Tax)	70.3	149.6
Cash and Cash equivalents	142.4	14.2
Bank balance other than cash and cash equivalents	60.1	60.1
Financial Liabilities	4,550.0	4,172.0
Loan Book	5,220.6	4,130.1
Interest Income	853.7	546.7
Finance Cost	522.0	349.5
Impairment on financial instruments	(6.8)	32.2
Total Comprehensive Income	204.4	139.0
Stage 3 Assets as a percentage of Loan Book under IND AS (%)	0.1%	0.2%
Stage 3 Assets net of stage 3 provision as a % of Loan Book	0.1%	0.1%
CRAR - Tier I Capital Ratio (%)	24.9%	28.3%
CRAR - Tier II Capital Ration (%)	0.6%	1.1%

The key performance indicators for Fiscal 2016, 2017 and 2018 as disclosed in the Shelf Prospectus have been prepared in accordance with the Indian GAAP. Please note that on account of change in applicable law, the key performance indicators for March 31, 2019 is prepared in accordance with the IND AS. Therefore, the key performance indicators pertaining to Fiscal 2019 are not comparable with the key performance indicators pertaining to Fiscal 2016, Fiscal 2017 and Fiscal 2018.

#As of December 31, 2019, property, plant and equipment includes ₹81.8 crores of lease assets (Nil as of March 31, 2019) as per IND AS.

7. The following information should be read with the information disclosed on page 103 of the Shelf Prospectus:

	As of March 31, 2019	As of December 31, 2019
	(₹ crores, except number of accounts / groups)	
Assets:		
Property, plants and equipments*	8.1	89.1
Loans	5,220.6	4,130.1
Others	892.0	1,647.2
Total Assets	6,120.7	5,866.4
Liabilities:		
Share Capital	544.5	544.5
Reserves and Surplus	1,015.8	1,141.6
Shareholders’ Funds	1,560.3	1,686.1
Borrowings	4,523.4	4,050.6
Other Liabilities	37.0	129.7
Total liabilities	6,120.7	5,866.4
Ratios:		
Gross NPA (%)	0.1	0.2
Net NPAs (%)	0.1	0.1
Tier I Ratio (%)	24.9	28.3
Capital Adequacy (%)	25.4	29.3
Debt to Equity	2.9	2.4

*Includes intangible assets of ₹1.6 crores (₹ 1.5 crores as of March 31, 2019) and lease assets (office premises of ₹ 81.8 crores), Nil as of March 31, 2019 and as of December 31, 2019

8. Capital Adequacy Ratio

	As of March 31, 2019	As of December 31, 2019
	(₹ crores, except ratios and percentages)	
Tier I Capital	1,482.5	1659.7
Tier II Capital	34.4	63.7
Total Capital	1,516.9	1,723.3
Total Risk Weighted Assets	5,961.9	5,871.8
Capital Adequacy Ratio (as a Percentage of Total Risk Weighted Assets (%))		
Tier I Capital	24.9	28.3
Tier II Capital	0.6	1.0
Total Capital	25.4	29.3

9. Human Resources

As of December 31, 2019, we had 283 employees (including 280 permanent employees and 3 temporary employees) across our business verticals.

10. Intellectual Property

We have recently registered the trademark 'Dwello' for our real estate consulting business with the Trademarks Registry, Mumbai.

11. Properties

Our registered office located at 7th Floor, Energy, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025 has been leased by us for a period of 5 years from October 1, 2017. As of December 31, 2019, we have presence in Mumbai, Pune, Delhi, Kolkata, Bengaluru, Ahmedabad, Hyderabad and Chennai most of which are contracted on a leasehold / leave and license basis.

III. HISTORY AND MAIN OBJECTS

1. The incidental or ancillary objects of our Company were altered and approved by the Board of Directors at their meeting held on July 11, 2019 and by the shareholders at the general meeting held on August 5, 2019, and the following sub clause 54 was added to our Memorandum:

54. *“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.”*

The Company has obtained a certificate of registration dated August 13, 2019 from the ROC confirming the alteration of the object clause in Memorandum.

2. Subsidiaries or associate companies

As on the date of this Tranche III Prospectus our Company has one subsidiary i.e. JM Financial Home Loans Limited and no associate company.

IV. OUR MANAGEMENT

1. Mr. E.A. Kshirsagar and Mr. Dharendra Singh were re – appointed as the independent directors of our Company for a term not exceeding three years from July 2, 2019 to July 1, 2022.
2. The other directorships of Ms. Roshini Bakshi as on the date of this Tranche III Prospectus are set forth below:

S. No.	Other Directorships
1.	Persistent Systems Limited
2.	Modern Food Enterprises Private Limited

3. The other directorships of Mr. Vishal Kampani as on the date of this Tranche III Prospectus are set forth below:

S. No.	Other Directorships
1.	JM Financial Limited
2.	JM Financial Services Limited
3.	JM Financial Capital Limited
4.	JM Financial Institutional Securities Limited
5.	JM Financial Home Loans Limited
6.	J M Financial and Investment Consultancy Services Private Limited
7.	Infinite India Investment Management Limited
8.	JM Financial Singapore Pte. Limited
9.	Capital Market Publishers India Private Limited
10.	JM Financial Credit Solutions Limited
11.	JM Financial Asset Reconstruction Company Limited

4. The other directorships of Mr. Subodh Shinkar as on the date of this Tranche III Prospectus are set forth below:

S. No.	Other Directorships
1.	JM Financial Commtrade Limited
2.	JM Financial Capital Limited

5. The other directorships of Mr. E.A. Kshirsagar as on the date of this Tranche III Prospectus are set forth below:

S. No.	Other Directorships
1.	JM Financial Limited
2.	Hawkins Cookers Limited
3.	Batliboi Limited
4.	Manipal Global Education Services Private Limited

6. The Board of Directors pursuant to the resolution dated April 26, 2019, approved the upward revision in the salary of our Managing Director, Mr. Vishal Kampani from Rs. 12,00,000 per month to Rs. 13,00,000 per month with effect from April 1, 2019. Further, Mr. Vishal Kampani was paid a remuneration of ₹ 12.65 crores (including performance linked bonus of ₹ 11 crores and other perquisites) for the financial year ended March 31, 2019.
7. The sitting fees and commission paid to the Non-executive Directors and Independent Directors as on March 31, 2019 are set out hereunder:

(in ₹ crores)		
Name of the Director	Amount of sitting fees	Amount of commission
Mr. V P Shetty	0.02	0.25
Mr. M. R. Umarji	0.03	0.07
Mr. E A Kshirsagar	0.04	0.08
Mr. Dharendra Singh	0.03	0.07
Ms. Roshini Bakshi	0.01	0.05
Mr. Atul Mehra	NIL	NIL
Mr. Subodh Shinkar	NIL	NIL

8. The shareholders pursuant to the resolution dated July 11, 2019, approved the payment of final dividend of Re. 0.20 per share aggregating to Rs. 10,89,00,000 for the financial year ended March 31, 2019.
9. The following committees of the Board of Directors were re – constituted pursuant to the resolution dated July 11, 2019 with immediate effect:

(i) *Allotment Committee*

Name of the Director	Designation in the Committee
Mr. Vishal Kampani	Member
Mr. Atul Mehra	Member
Mr. Subodh Shinkar	Member

(ii) *Asset Liability Management Committee*

Name of the Director	Designation in the Committee
Mr. Vishal Kampani	Chairman
Mr. Subodh Shinkar	Member
Mr. Nishit Shah	Member

(iii) *Sponsorship and Credit Committee*

Name of the Director	Designation in the Committee
Mr. Vishal Kampani	Chairman
Mr. Atul Mehra	Member
Mr. Subodh Shinkar	Member

(iv) *NCD Public Issue Committee*

Name of the Director	Designation in the Committee
Mr. V P Shetty	Chairman
Mr. Vishal Kampani	Member

Name of the Director	Designation in the Committee
Mr. Atul Mehra	Member
Mr. Subodh Shinkar	Member

(v) *Stakeholders' Relationship Committee*

Name of the Director	Designation in the Committee
Mr. V P Shetty	Chairman
Mr. Vishal Kampani	Member
Mr. Atul Mehra	Member

10. The IT Steering Committee of the Board of Directors was re – constituted pursuant to the resolution dated October 18, 2019 with immediate effect:

Name of the Member	Designation in the Committee
Mr. Chaitanya Wagh	Member
Mr. Sachchidanand Muchandi	Member
Mr. Nishit Shah	Member
Mr. Rupesh Samani	Member
Mr. Amit Jhalaria	Member

11. The Risk Management Committee of the Board of Directors was re – constituted pursuant to the resolution dated January 15, 2020 with effect from February 1, 2020:

Name of the Member	Designation in the Committee
Mr. Vishal Kampani	Member
Mr. V P Shetty	Member
Mr. Nishit Shah	Member
Mr. Amit Jhalaria	Member

12. The following information should be read with '*Terms and Conditions of employment of Non – executive Directors*' beginning on page 114 of the Shelf Prospectus:

Pursuant to a resolution passed at the meeting of the Board of our Company on October 18, 2019, sitting fees of ₹ 5,000 is payable to the 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, with immediate effect.

13. The terms of reference of the Audit Committee were revised pursuant to the resolution passed by the Board of Directors on April 26, 2019. The following are the terms of reference of the Audit Committee:

- a) Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- b) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor and the fixation of audit fees.
- c) Recommending the appointment of internal auditors to the Board and the fixation of their fees.
- d) Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - i. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;
 - v. Qualifications in the draft audit report.

- e) Reviewing, with the management, the financial statements before submission to the board for approval.
 - f) Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
 - g) Reviewing the internal audit report and to discuss with the internal auditors of any significant findings and follow up action.
 - h) Review compliance with the provisions of the SEBI (Prohibition of Insider Trading), Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
14. The terms of reference of the Sponsorship and Credit Committee were revised pursuant to the resolution passed by the Board on October 18, 2019. The following are the revised terms of reference of the Sponsorship and Credit Committee:
- scrutinizing loan proposals and if satisfied approving the sanction of the loan proposal;
 - scrutinizing the proposal for investment, disinvestment, subscription in shares, debentures etc. and if satisfied grant approval for the same;
 - over-viewing the Company's financial positions and fund requirements for extending the same to its clients;
 - deciding the amounts to be borrowed by issuing debentures of varied maturities;
 - reviewing the statement of overdue, stressed assets and NPAs;
 - scrutinizing the proposal of purchasing / selling loan portfolio, NPAs etc;
 - evaluating and approving the proposal of providing advisory, consultancy or syndication services and / or project related services.
15. As on the date of this Tranche III Prospectus, the directors of the Company have subscribed to secured, rated, listed, redeemable, non-convertible debentures of face value Rs. 1,000 each, details of which are set out below:
- | Sr. No | Name | Holding as on date |
|--------|--------------------|--------------------|
| 1. | Mr. V P Shetty | 6,000 |
| 2. | Mr. Vishal Kampani | 75,000 |
16. Mr. Rupesh Samani was appointed as the Company Secretary and Compliance Officer of our Company with effect from July 11, 2019 and Ms. Reena Sharda ceased to be the Company Secretary and Compliance Officer of our Company with effect from July 2, 2019.
17. The residential address of Mr. Subodh Shinkar, our Non – executive Director, was changed to Flat No. ME II – 2902, Marathon Era – II, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400013.
18. Mr. Amit Jhalaria was appointed as the Chief Risk Officer of our Company for a period of five years with effect from June 15, 2019 to June 14, 2024, in accordance with the circular no. DNBR (PD) CC. No. 099/03.10.001/2018 – 2019 dated May 16, 2019 issued by RBI.

V. OUR PROMOTER

Shareholding Pattern of our Promoter as on December 31, 2019:

Summary Statement of holding of specified securities

Category (I)	Category of shareholder (II)	No of shareholders (III)\$	No of fully paid-up equity shares held (IV)	No of 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) (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 dematerialized 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	0	0	52,20,08,258	62.06	52,20,08,258	0	52,20,08,258	62.06	0	0	0	0	0	0	52,20,08,258
(B)	Public	54,044	31,91,60,644	0	0	31,91,60,644	37.94	31,91,60,644	0	31,91,60,644	37.94	0	0	0	0	0	0	31,67,44,002
(C)	Non Promoter- Non Public	0																
	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total	54,056	84,11,68,902	0	0	84,11,68,902	100.00	84,11,68,902	0	84,11,68,902	100.00	0	0	0	0	0	0	83,87,52,260

\$ 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 December 31, 2019 based on the beneficiary position with the 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.

Statement of holding of Promoter and Promoter Group

Category & Name of the shareholders (I)	PAN (II)	No 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 no. of shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR,	Number of Voting Rights held in each class of securities (IX)		No of shares Underlying Outstanding convertible securities	Shareholding, as a % assuming full conversion of convertible securities	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			No.	As a %	No. (a)	As a %	

					(V)			1957) As a % of (A+B+C2) (VIII)	Class eg: X	Class eg: Y	Total	Total Voting Rights	securities (Including Warrants) (X)	(as percentage of diluted share capital) (XI)=(VII) + (X) as a % of (A+B+C2)	(a)	of total shares held (b)		of total shares held (b)	
(1)	Indian																		
(a)	Individuals/H.U.F	-	5	18,07,01,250	0	0	18,07,01,250	21.48	18,07,01,250	0	18,07,01,250	21.48	0	21.48	0	0	0	0	18,07,01,250
1	Nimesh Kampani ∞	AAHPK2701P	1	12,45,00,000	0	0	12,45,00,000	14.80	12,45,00,000	0	12,45,00,000	14.80	0	14.80	0	0	0	0	12,45,00,000
2	Aruna Kampani#	AAPPK2879N	1	3,54,51,250	0	0	3,54,51,250	4.21	3,54,51,250	0	3,54,51,250	4.21	0	4.21	0	0	0	0	3,54,51,250
3	Amishi Akash Gambhir#^	ANLPK3297K	1	80,00,000	0	0	80,00,000	0.95	80,00,000	0	80,00,000	0.95	0	0.95	0	0	0	0	80,00,000
4	Vishal Kampani#	AABPK5329F	1	1,15,00,000	0	0	1,15,00,000	1.37	1,15,00,000	0	1,15,00,000	1.37	0	1.37	0	0	0	0	1,15,00,000
5	Nimesh Kampani HUF	AAAHN3025Q	1	12,50,000	0	0	12,50,000	0.15	12,50,000	0	12,50,000	0.15	0	0.15	0	0	0	0	12,50,000
(b)	Cental/State Government(s)	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Financial Institutions/Banks	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	Any Other (Specify)	-	7	34,13,07,008	0	0	34,13,07,008	40.58	34,13,07,008	0	34,13,07,008	40.58	0	40.58	0	0	0	0	34,13,07,008
	a) Bodies Corporate																		
1	J M Financial and Investment Consultancy Services Private Limited	AAACJ1237H	1	21,65,34,100	0	0	21,65,34,100	25.74	21,65,34,100	0	21,65,34,100	25.74	0	25.74	0	0	0	0	21,65,34,100
2	J. M. Assets Management Private Limited	AAACJ1238J	1	10,30,42,908	0	0	10,30,42,908	12.25	10,30,42,908	0	10,30,42,908	12.25	0	12.25	0	0	0	0	10,30,42,908
3	JSB Securities Limited	AAACJ1402A	1	65,05,000	0	0	65,05,000	0.77	65,05,000	0	65,05,000	0.77	0	0.77	0	0	0	0	65,05,000
4	SNK Investments Private Limited	AAECS8123R	1	1,17,60,000	0	0	1,17,60,000	1.40	1,17,60,000	0	1,17,60,000	1.40	0	1.40	0	0	0	0	1,17,60,000
5	Persepolis Investment Company Private Limited	AAACP2510P	1	16,50,000	0	0	16,50,000	0.20	16,50,000	0	16,50,000	0.20	0	0.20	0	0	0	0	16,50,000
6	Kampani Consultants Limited	AAACK4250F	1	6,85,000	0	0	6,85,000	0.08	6,85,000	0	6,85,000	0.08	0	0.08	0	0	0	0	6,85,000
7	JM Financial Trustee Company Private Limited	AAACJ2579E	1	11,30,000	0	0	11,30,000	0.13	11,30,000	0	11,30,000	0.13	0	0.13	0	0	0	0	11,30,000
	Sub- Total (A)(1)	-	12	52,20,08,258	0	0	52,20,08,258	62.06	52,20,08,258	0	52,20,08,258	62.06	0	62.06	0	0	0	0	52,20,08,258
	Foreign	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(2)	Individuals (Non-Resident Individuals/ Foreign Individuals)	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(a)	Government	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b)	Institutions	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Foreign Portfolio Investor	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	Any Other (Specify)	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(e)	Sub- Total (A)(2)	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

	Category & Name of the shareholders (I)	PAN (II)	No 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 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								
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	-	12	52,20,08,258	0	0	52,20,08,258	62.06	52,20,08,258	0	52,20,08,258	62.06	0	62.06	0	0	0	0	52,20,08,258

Relative of a person who is in control of the company

∞ Person who is in control of the Company

@ As of December 31, 2019 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 21.48% directly and 40.58% indirectly, with the above individuals, through various body corporate(s)

Statement of holding of public shareholding

	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 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	-	7	3,03,83,888	0	0	3,03,83,888	3.61	3,03,83,888	0	3,03,83,888	3.61	0	3.61	0	0	0	0	3,03,83,888
	Reliance Capital Trustee Co. Limited - A/c Nippon India ETF Dividend Opportunities	AAATR 0090B	1	1,06,86,418	0	0	1,06,86,418	1.27	10686418	0	1,06,86,418	1.27	0	1.27	0	0	0	0	1,06,86,418
(b)	Venture Capital Funds	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

	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								
(c)	Alternate Investment Funds	-	2	8,73,277	0	0	8,73,277	0.10	8,73,277	0	8,73,277	0.10	0	0.10	0	0	0	0	8,73,277
(d)	Foreign Venture Capital Investors	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(e)	Foreign Portfolio Investors	-	124	17,41,37,285	0	0	17,41,37,285	20.70	17,41,37,285	0	17,41,37,285	20.70	0	20.70	0	0	0	0	17,41,37,285
	Fidelity Investment Trust Fidelity Series Emerging	AAATF2631A	1	1,07,54,998	0	0	1,07,54,998	1.28	1,07,54,998	0	1,07,54,998	1.28	0	1.28	0	0	0	0	1,07,54,998
	The Wellington Trust Company National Association	AAATW1456C	1	1,37,07,769	0	0	1,37,07,769	1.63	1,37,07,769	0	1,37,07,769	1.63	0	1.63	0	0	0	0	1,37,07,769
	Valiant Mauritius Partners Limited	AACCV8506B	1	1,25,53,218	0	0	1,25,53,218	1.49	1,25,53,218	0	1,25,53,218	1.49	0	1.49	0	0	0	0	1,25,53,218
	Valiant Mauritius Partners Offshore Limited	AACCV8509Q	1	2,20,17,954	0	0	2,20,17,954	2.62	2,20,17,954	0	2,20,17,954	2.62	0	2.62	0	0	0	0	2,20,17,954
	Baron Emerging Markets Fund	AAECB4051F	1	2,23,13,426	0	0	2,23,13,426	2.65	2,23,13,426	0	2,23,13,426	2.65	0	2.65	0	0	0	0	2,23,13,426
	TIMF Holdings	AAFCT0480M	1	1,42,88,022	0	0	1,42,88,022	1.70	1,42,88,022	0	1,42,88,022	1.70	0	1.70	0	0	0	0	1,42,88,022
	SAIF India VI FII Holdings Limited	AAZCS6367E	1	1,51,21,775	0	0	1,51,21,775	1.80	1,51,21,775	0	1,51,21,775	1.80	0	1.80	0	0	0	0	1,51,21,775
(f)	Financial Institutions/Banks	-	1	2,75,535	0	0	2,75,535	0.03	2,75,535	0	2,75,535	0.03	0	0.03	0	0	0	0	2,75,535
(g)	Insurance Companies	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(h)	Provident Funds/Pension Funds	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Sub- Total (B)(1)	-	134	20,56,69,985	0	0	20,56,69,985	24.45	20,56,69,985	0	20,56,69,985	24.45	0	24.45	0	0	0	0	20,56,69,985
(2)	Central Government/State Government(s)/President of India	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Sub- Total (B)(2)	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(3)	Non- Institutions	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(a)	Individuals - i.Individual shareholders holding nominal share capital up to Rs.2 lakh.	-	52,123	4,67,85,411	0	0	4,67,85,411	5.56	4,67,85,411	0	4,67,85,411	5.56	0	5.56	0	0	0	0	4,44,02,269

	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+C 2) (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								
	ii.Individual shareholders holding nominal share capital in excess of Rs.2 lakh.	-	43	3,89,82,485	0	0	3,89,82,485	4.63	3,89,82,485	0	3,89,82,485	4.63	0	4.63	0	0	0	0	3,89,82,485
(b)	NBFCs registered with RBI	-	4	7,128	0	0	7,128	0.00	7,128	0	7,128	0	0	0.00	0	0	0	0	7,128
(c)	Employee Trust	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	Overseas Depositories (holding DRs) (balancing figure)	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(e)	Any Other (Specify)	-	1,740	2,77,15,635	0	0	2,77,15,635	3.29	2,77,15,635	0	2,77,15,635	3.29	0	3.29	0	0	0	0	2,76,82,135
i)	Bodies Corporate	-	511	1,13,83,038	0	0	1,13,83,038	1.35	1,13,83,038	0	1,13,83,038	1.35	0	1.35	0	0	0	0	1,13,59,538
ii)	Clearing Members	-	171	5,51,770	0	0	5,51,770	0.07	5,51,770	0	5,51,770	0.07	0	0.07	0	0	0	0	5,51,770
iii)	Non Resident Indians (NRI)	-	1	1,16,46,939	0	0	1,16,46,939	1.38	1,16,46,939	0	1,16,46,939	1.38	0	1.38	0	0	0	0	11,646,939
	Vikram Shankar Pandit	BMBPP6041G	1	1,16,46,939	0	0	1,16,46,939	1.38	1,16,46,939	0	1,16,46,939	1.38	0	1.38	0	0	0	0	11,646,939
iv)	Non Resident Indian Non Repatriable	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
v)	Trust	-	7	39,400	0	0	39,400	0.00	39,400	0	39,400	0.00	0	0.00					39,400
vi)	IEPF	-	1	13,69,976	0	0	13,69,976	0.16	13,69,976	0	13,69,976	0.16	0	0.16	0	0	0	0	13,69,976
vii)	Foreign Nationals	-	2	443	0	0	443	0.00	443	0	443	0.00	0	0.00	0	0	0	0	443
	Any Other (specify)	-	1	4,79,028	0	0	4,79,028	0.06	4,79,028	0	4,79,028	0.06	0	0.06	0	0	0	0	4,79,028
	Royal Sundaram General Insurance Co. Limited	-	1	4,79,028	0	0	4,79,028	0.06	4,79,028	0	4,79,028	0.06	0	0.06	0	0	0	0	4,79,028
	Sub- Total (B)(3)	-	53,910	11,34,90,659	0	0	11,34,90,659	13.49	11,34,90,659	0	11,34,90,659	13.49	0	13.49	0	0	0	0	11,10,74,017
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	-	54,044	31,91,60,644	0	0	31,91,60,644	37.94	31,91,60,644	0	31,91,60,644	37.94	0	37.94	0	0	0	0	31,67,44,002

\$ 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 December 31, 2019 based on the beneficiary position with the Depositories.

Statement of holding of Non – promoter and 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 as eg : Y	Total								
(1)	Custodian/DR Holder	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
(a)	Name of DR Holder (If available)	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
(2)	Employee Benefit Trust (Under SEBI (Share based Employee Benefit) Regulations, 2014)	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Total Non-Promoter - Non Public Shareholding (C)=(C)(1)+(C)(2)	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Total (A + B + C2)	-	54,056	84,11,68,902	0	0	100.00	84,11,68,902	0	84,11,68,902	100.00	0	100.00	0	0	0	83,87,52,260	
	Total (A + B + C)	-	54,056	84,11,68,902	0	0	100.00	84,11,68,902	0	84,11,68,902	100.00	0	100.00	0	0	0	83,87,52,260	

\$ 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 December 31, 2019 based on the beneficiary position with the Depositories.

VI. CAPITAL STRUCTURE

Details of share capital

The share capital of our Company as of December 31, 2019

	Amount in ₹
A	Authorised share capital
	1,10,00,00,000 Equity Shares of ₹ 10.0 each
	10,00,00,000 Preference Shares of ₹ 10.0 each
	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
C	Securities Premium Reserve
	38,22,52,000.0

This Tranche III Issue will not result in any change of the paid up capital and securities premium reserve of our Company.

Changes in the authorised share capital of our Company as of December 31, 2019

Details of increase in authorised share capital since incorporation are set forth as below:

S.No.	Particulars of increase	Date of Shareholders' meeting	AGM/EGM
1.	Increase in authorised share capital from ₹ 50,000.0 to ₹ 1,00,00,000.0 divided into 9,97,000.0 Equity Shares of ₹ 10.0 each and 300 Equity Shares of ₹ 100.0 each	September 1, 1986	EGM
2.	Increase in authorised share capital from ₹ 1,00,00,000.0 to ₹ 1,00,01,000.0 divided into 10,00,000.0 Equity Shares of ₹ 10.0 each and 10 Preference Shares of ₹ 100.0 each	February 6, 1992	EGM
3.	Increase in authorised share capital from ₹ 1,00,01,000.0 to ₹ 10,00,00,000.0 divided into 60,00,000.0 Equity Shares of ₹ 10.0 each and 40,00,000 Preference Shares of ₹ 10.0 each	March 29, 2006	EGM
4.	Increase in authorised share capital from ₹ 10,00,00,000.0 to ₹ 30,00,00,000.0 divided into 1,75,00,000.0 Equity Shares of ₹ 10.0 each and 1,25,00,000 Preference Shares of ₹ 10.0 each	February 9, 2007	EGM
5.	Increase in authorised share capital from ₹ 30,00,00,000.0 to ₹ 50,00,00,000.0 divided into 4,95,00,000.0 Equity Shares of ₹ 10.0 each and 5,00,000 Preference Shares of ₹ 10.0 each	October 29, 2007	EGM
6.	Increase in authorised share capital from ₹ 50,00,00,000.0 to ₹ 1,200,00,00,000.0 divided into 110,00,00,000.0 Equity Shares of ₹ 10.0 each and 10,00,00,000 Preference Shares of ₹ 10.0 each	December 13, 2007	EGM

Notes to capital structure

Share capital history of our Company

Equity Share capital history of our Company as of December 31, 2019

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Nature of consideration	Reasons for allotment	Cumulative no. of Equity Shares	Cumulative paid-up share capital (₹)	Cumulative share premium (₹)
Upon incorporation	20	10.0	10.0	Cash	Allotment to subscribers(1)	20	200.0	-
March 30, 1992	9,99,980	10.0	10.0	Cash	Rights Issue (2)	10,00,000	1,00,00,000.0	-
March 31, 2006	50,00,000	10.0	100.0	Cash	Further issue of equity shares (3)	60,00,000	6,00,00,000.0	45,00,00,000.0
October 29, 2007	1,15,00,000	10.0	-	-	Conversion of preference shares to equity shares(4)	1,75,00,000	17,50,00,000.0	-
October 29, 2007	1,60,00,000	10.0	125.0	Cash	Rights Issue (5)	3,35,00,000	33,50,00,000.0	2,29,00,00,000.0
November 7, 2007	1,60,00,000	10.0	125.0	Cash	Rights Issue(6)	4,95,00,000	49,50,00,000.0	4,13,00,00,000.0
December 14, 2007	49,50,00,000	10.0	-	-	Allotment of Bonus Shares(7)	54,45,00,000	5,44,50,00,000.0	4,13,00,00,000.0

1. Allotment of Equity Shares to Mr. Nimesh Kampani (10) and Mr. S. Anantharam (10)
2. Allotment of Equity Shares on right basis to J M Financial and Investment Consultancy Services Private Limited (9,99,980)
3. Allotment of Equity Shares to JMFL.(50,00,000)

4. Conversion of Preference Shares held by JMFL to Equity Shares (1,15,00,000).
5. Allotment of Equity Shares on right basis to JMFL. (1,60,00,000)
6. Allotment of Equity Shares on right basis to JMFL. (1,60,00,000)
7. Allotment of Bonus Shares to JMFL. (49,50,00,000)

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

Preference Share capital history of our Company as of December 31, 2019

Date of allotment	No. of Preference Shares	Face value (₹)	Issue price (₹)	Nature of consideration	Reasons for allotment	Cumulative no. of Preference Shares	Cumulative paid-up share capital (₹)	Cumulative share premium (₹)
February 6, 1992	10	100.0	100.0	Cash	Further issue of preference shares (1)	10	1,000.0	-
February 6, 2002	(10)	100.0	-	-	Redemption of preference shares (2)	-	-	-
March 31, 2006	40,00,000	10.0	100.0	Cash	Further issue of preference shares (3)	40,00,000	4,00,00,000.0	36,00,00,000.0
February 1, 2007	25,00,000	10.0	100.0	Cash	Further issue of preference shares (4)	65,00,000	6,50,00,000.0	58,50,00,000.0
February 13, 2007	50,00,000	10.0	100.0	Cash	Further issue of preference shares (5)	1,15,00,000	11,50,00,000.0	1,03,50,00,000.0
October 29, 2007	(1,15,00,000)	10.0	-	-	Conversion of preference shares to equity shares(6)	-	-	-

1. Allotment of Preference Shares to Mr. Nimesh Kampani jointly with Ms. Aruna Kampani (10)
2. Redemption of Preference Shares (10)
3. Allotment of 9% Optionally Convertible Non-cumulative Redeemable Preference Shares to JMFL (40,00,000)
4. Allotment of 9% Optionally Convertible Non-cumulative Redeemable Preference Shares to JMFL (25,00,000)
5. Allotment of 9% Optionally Convertible Non-cumulative Redeemable Preference Shares to JMFL (50,00,000)
6. Conversion of 9% Optionally Convertible Non-cumulative Redeemable Preference Shares held by JMFL to equity shares (1,15,00,000)

Share holding pattern of our Company as of December 31, 2019

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 Shares pledged or otherwise encumbered		Category
						No. (a)	As a % of total Shares held(b)	
A	Shareholding pattern of the Promoter and Promoter Group							
1	Indian							
(a)	Individuals / Hindu Undivided Family	0	0	0	0.0000	0	0.0000	0
(b)	Central Government / State Government(s)	0	0	0	0.0000	0	0.0000	0
(c)	Bodies Corporate	6*	54,09,68,650	54,09,68,650	99.35	0	0.0000	54,09,68,650
(c)	Financial Institutions / Banks	0	0	0	0.0000	0	0.0000	0
(d)	Any Other (Specify)	0	0	0	0.0000	0	0.0000	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 Shares pledged or otherwise encumbered		Category
						No. (a)	As a % of total Shares held(b)	
	Sub Total (A)(1)	6	54,09,68,650	54,09,68,650	99.35	0	0.0000	54,09,68,650
2	Foreign							
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.0000	0	0.0000	0
(b)	Government	0	0	0	0.0000	0	0.0000	0
(c)	Institutions	0	0	0	0.0000	0	0.0000	0
(d)	Foreign Portfolio Investor	0	0	0	0.0000	0	0.0000	0
(e)	Any Other (Specify)	0	0	0	0.0000	0	0.0000	0
	Sub Total (A)(2)	0	0	0	0.0000	0	0.0000	0
	Total Shareholding Of Promoter And Promoter Group (A)= (A)(1)+(A)(2)	6	54,09,68,650	54,09,68,650	99.35	0	0.0000	54,09,68,650
B	Public shareholder							
1	Institutions							
(a)	Mutual Fund	0	0	0	0.0000	0	0.0000	0
(b)	Venture Capital Funds	0	0	0	0.0000	0	0.0000	0
(c)	Alternate Investment Funds	0	0	0	0.0000	0	0.0000	0
(d)	Foreign Venture Capital Investors	0	0	0	0.0000	0	0.0000	0
(e)	Foreign Portfolio Investor	0	0	0	0.0000	0	0.0000	0
(f)	Financial Institutions / Banks	0	0	0	0.0000	0	0.0000	0
(g)	Insurance Companies	0	0	0	0.0000	0	0.0000	0
(h)	Provident Funds/ Pension Funds	0	0	0	0.0000	0	0.0000	0
(i)	Any Other (Specify)	0	0	0	0.0000	0	0.0000	0
	JM Financial Group Employees' Welfare Trust	1	35,31,350	35,31,350	0.65	0	0.0000	35,31,350
	Sub Total (B)(1)	1	35,31,350	35,31,350	0.65	0	0.0000	35,31,350
2	Central Government/ State Government(s)/ President of India							
	Central Government / State Government(s)	0	0	0	0.0000	0	0.0000	0
	Sub Total (B)(2)	0	0	0	0.0000	0	0.0000	0
3	Non-Institutions							
(a)	Individuals		0	0	0.0000	0	0.0000	0
	i. Individual shareholders holding nominal share capital up to Rs. 2 lakh.	0	0	0	0.0000	0	0.0000	0
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	0	0	0	0.0000	0	0.0000	0
(b)	NBFCs registered with RBI	0	0	0	0.0000	0	0.0000	0
(c)	Employee Trusts	0	0	0	0.0000	0	0.0000	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 Shares pledged or otherwise encumbered		Category
						No. (a)	As a % of total Shares held(b)	
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.0000	0	0.0000	0
(e)	Any Other (Specify)	0	0	0	0.0000	0	0.0000	0
	Trusts	0	0	0	0.0000	0	0.0000	0
	Foreign Nationals	0	0	0	0.0000	0	0.0000	0
	Hindu Undivided Family	0	0	0	0.0000	0	0.0000	0
	Foreign Companies	0	0	0	0.0000	0	0.0000	0
	Non Resident Indians (Non Repat)	0	0	0	0.0000	0	0.0000	0
	Non Resident Indians (Repat)	0	0	0	0.0000	0	0.0000	0
	Foreign Portfolio Investor (Individual)	0	0	0	0.0000	0	0.0000	0
	Clearing Member	0	0	0	0.0000	0	0.0000	0
	Bodies Corporate	0	0	0	0.0000	0	0.0000	0
	Sub Total (B)(3)	0	0	0	0.0000	0	0.0000	0
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)	1	35,31,350	35,31,350	0.65	0	0.0000	35,31,350
C	Total Non-Promoter- Non Public Shareholding							
1	Custodian/DR Holder	0	0	0	0.0000	0	0.0000	0
2	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.0000	0	0.0000	0
	Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)	0	0	0	0.0000	0	0.0000	0
	Total	7	54,45,00,000	54,45,00,000	100.0000	0	0.0000	54,45,00,000

*Out of 54,09,68,650 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.

Our top ten shareholders and the number of Equity Shares held by them as on December 31, 2019

S. No.	Name*	No. of Equity Shares (face value of ₹ 10 each)	No. of Equity Shares in demat form	As % of total number of shares
1.	JMFL	54,09,68,650*	54,09,68,650*	99.35
2.	JM Financial Group Employees' Welfare Trust	35,31,350	35,31,350	0.65
	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 debenture holders as of January 31, 2020

S. No.	Name of holder	Address of holder*	Aggregate amount (in ₹ crores)
1.	ICICI Prudential Mutual Fund	HDFC Bank Limited, Custody Services, Lodha-I Think Techno Campus, Office Floor8, Kanjurmarg (East), Mumbai - 400 042.	558.3
2.	Aditya Birla Sunlife Mutual Fund	Citibank N.A. Custody Services FIFC-11th Floor, G Block, Plot C-54 and C-55, Bandra Kurla Complex, Bandra (East). Mumbai - 400 098.	300.0
3.	Bank of Baroda	DGM Bank of Baroda, Specialised Integrated Treasury Branch BST, 4th and 5th Floor, C-34, G-Block, Bandra Kurla Complex, Bandra (East) Mumbai - 400 051.	150.0
4.	UTI Mutual Fund	UTI Mutual Fund, UTI Asset Management Company Ltd, Dept. of Fund Accounts. UTI Tower, GN Block, Bandra Kurla Complex, Bandra (East), Mumbai -400 051.	110.7
5.	L & T Mutual Fund	Citibank N.A. Custody Services FIFC-11th Floor, G Block, Plot C-54 and C-55, Bandra Kurla Complex, Bandra (East). Mumbai - 400 098.	108.0
6.	Kotak Mahindra Mutual Fund	Deutsche Bank AG, DB House, Hazarimal Somani Marg, PO Box No. 1142, Fort, Mumbai-400 001	65.0
7.	Bajaj Holdings and Investment Limited	Bajaj Auto Ltd Complex , Mumbai Pune Road, Akurdi , Pune -411 035.	50.0
8.	Jindal Steel and Power Limited Employees P F Trust	JINDAL CENTRE, 12 , BHIKAJI CAMA PLACE, NEW DELHI - 110066	50.0
9.	Britannia Industries Limited	5/1 A Hungerford Street , Kolkata - 700 017	50.0
10.	HDFC Mutual Fund	HDFC Bank Limited, Custody Services, Lodha-I Think Techno Campus, Office Floor8, Kanjurmarg (East), Mumbai - 400 042.	45.0

**The name and address 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 prior to this Tranche III Issue is 2.4 based on a total outstanding debt of ₹ 4,050.6 crores and shareholder funds amounting to ₹ 1,686.1 crores as on December 31, 2019. The debt equity ratio post this Tranche III Issue, (assuming subscription of NCDs aggregating to ₹ 300 crores) would be 2.6 times, based on a total outstanding debt of ₹ 4,350.6 crores and shareholders funds of ₹ 1,686.1 crores as on December 31, 2019.

(in ₹ crores)

Particulars	Prior to the Tranche III Issue (as of December 31, 2019)	Post the Tranche III Issue#
Debt Securities	3,007.5	3,307.5
Borrowings (Other than debt securities)	1,043.1	1,043.1
Total Debt	4,050.6	4,350.6
Equity Share capital	544.5	544.5
Other Equity	1,141.6	1,141.6

Particulars	Prior to the Tranche III Issue (as of December 31, 2019)	Post the Tranche III Issue#
Less: Miscellaneous Expenditure (to the extent not written off or adjusted)	0.0	0.0
Total Shareholders' Funds	1,686.1	1,686.1
Debt Equity Ratio (No. of Times)[#]	2.4	2.6

[#]The debt-equity ratio post the Tranche III Issue is indicative and is on account of assumed inflow of ₹ 300 crores from the Tranche III Issue and does not include contingent and off-balance sheet liabilities. The actual debt-equity ratio post the Tranche III Issue would depend upon the actual position of debt and equity on the date of allotment. Out of the total Shelf Limit of ₹ 2,000 crores, our Company has already allotted 38,69,760 debentures of ₹ 1,000 each aggregating to ₹ 387.0 crores on May 21, 2019 and 12,81,597 debentures aggregating to ₹ 128.2 crores on September 11, 2019.

For details on the total outstanding debt of our Company, please refer to the section titled “*Disclosures on Existing Financial Indebtedness*” beginning on page 47 of this Tranche III Prospectus.

Except 8,500 Equity Shares which were transferred from JM Financial Group Employee' Welfare Trust to JMFL, no other securities including shares of our Company were either purchased or sold by the Promoter Group, Directors of our Company and their relatives within 6 months immediately preceding the date of this Tranche III Prospectus.

We confirm that no securities of any subsidiary company of our Company have been purchased or sold by the Promoter Group, Directors of our Company and their relatives within 6 months immediately preceding the date of this Tranche III Prospectus.

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 Stock Option Plan”.

VII. DISCLOSURES ON EXISTING FINANCIAL INDEBTEDNESS

The outstanding borrowings of our Company as on December 31, 2019[#], are as follows:

(In ₹ crores)

S.No.	Nature of borrowings	Amount [@]
1.	Secured borrowings*	3,239.3
2.	Unsecured borrowings**	656.7
	Total	3,896.0

[#]Total borrowing is excluding effective interest rate and NCD issue expenses impact amounting to Rs. 21.6 crores.

[@]Excluding Interest / Premium accrued but not due on borrowings amounting to Rs. 192.1 crore.

*Borrowing through non - convertible debentures considered at face value without considering premium / unamortized discount on issue of Rs. 0.8 crores.

**Borrowing through commercial papers considered at face value without considering discount of Rs. 16.7 crores.

Set forth below, is a summary of the borrowings by our Company as at December 31, 2019 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 December 31, 2019 amount to ₹ 3,239.3 crores. The details of the individual borrowings are set out below:

1. Cash Credit facilities available by our Company

(In ₹ crores)

S. No.	Bank	Date of Sanction	Amount sanctioned	Amount outstanding as on December 31, 2019	Security	Repayment	Penalty
1.	IDBI Bank Limited	January 15, 2016 and September 5, 2017 and further	100	0.0	Secured by way of a floating first par-passu charge by way of hypothecation of	On demand	Diversion of facilities to inter-corporate deposits, debentures, stocks and shares, etc and inability to

		modified by letter dated October 25, 2018			the Company's loan receivables / book debts, with an asset cover of at least 1.25 times.		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.
2.	Bank of Baroda**	March 28, 2018 and further modified by sanction letter dated July 31, 2018	100	0.0	Secured by way of a first pari-passu charge on the Company's loan receivables with an asset cover of at-least 1.25 times.	On demand	The bank will charge/levy penal interest at 2% p.a. on the entire outstanding above the rate applicable if there is non-compliance of terms and conditions, irregularities in account, non-submission/delayed submission of book debt statement, default in payment.
		TOTAL	200	0.0			

**Existing cash credit facility converted into term loan vide sanction letter dated September 7, 2019. The same is under further discussions with the bank.

2. Term Loans availed by our Company* @

(In ₹ crores)

S. N o.	Bank	Date of sanction	Amount sanctioned	Amount outstanding as on December 31, 2019	Security	Repayment	Pre-payment	Penalty
1.	Bank of India	June 28, 2017 and further modified by letters dated August 1, 2017 and November 12, 2018	200.0	69.9	Secured by a first pari-passu charge by way of hypothecation of loan receivables/book-debts of company. Minimum 1.25 times security cover to be maintained at all the times	Repayment in 12 quarterly equal installments of Rs. 16.67 crores, after 4 quarters of moratorium i.e. door to door tenor of 16 quarters.	N.A.	Penal interest of 2% p.a. will be levied on the overdue amount. Any default in complying with terms of sanction will attract penal interest of 1% p.a. Non-submission of stock/book debts by 20 th of the succeeding month and delay in submission of financial statements will attract penal interest 1% p.a.
2.	Canara Bank	September 28, 2017	200.0	166.7	Secured by a first pari-passu charge with other lenders under multiple banking arrangement by the way of	12 equal quarterly installment of Rs. 16.67 crores after initial moratorium	Prepayment charges of 1% will be applicable,	Delay in submitting audited financial statements will attract penal

					hypothecation of standard receivables of the company arising out of the loan and on such other Current assets as may be identified by the company from time to time with asset cover of 1.25 times.	period of 18 months from the date of 1 st disbursement. Interest to be paid as and when due at monthly rests.	including in case of takeover of the term loan by any other bank or financial institution.	interest at 2% p.a. on outstanding liability. Non payment of interest / installment on the due date will attract penal interest of 2% on the overdue interest / installment.
3.	Syndicate Bank	November 30, 2017 and further modified by sanction letter dated December 26, 2017.	100.0	80.1	Secured by a floating pari-passu charge by way of hypothecation of loan receivables / book debts from existing and future customers of the Company which is eligible for bank financing as per the RBI stipulation with a security cover of 1.25 times.	10 equal quarterly installments commencing after the completion of moratorium period i.e. from 21 st month from the date of disbursement.	Applicable prepayment charges will be incurred based on the certificate of a chartered accountant obtained to this effect.	Penal interest will be charged at 0.50% due to non submission of Audited Financials within 7 months from the close of financial year.
4.	State Bank of India	March 10, 2017	200.0	155.4	Secured by a first pari-passu charge with Other lenders under multiple banking arrangement on the entire receivable of the company with minimum asset coverage ratio of 1.33 times.	A total of 18 instalments which was to be paid as follows: (a) 17 instalments of Rs.11.11 crores to be paid within the period September 2019 – January 2021 (b) 1 installment of Rs.11.13 crores to be paid in February 2021.	Prepayment premium of 1% will be applicable including in case of the term loans by any other Bank / Financial institutions	Non payment of Interest / installment on the due date will attract penal interest of 1% on the overdue interest / installment. Upto two occasions of default and there after on the entire outstanding non submission of audited financials within 9 months will attract penalty of Rs.10,000 per month.
5.	The Federal Bank Limited	March 23, 2018	50.0	41.7	Secured by a floating pari-passu charge by way of hypothecation of receivables of the Company arising out of loan disbursed for corporate funding	6 quarterly equal installments after a moratorium period of 18 months.	Prepayment charges will be waived on every anniversary i.e. on 12 th and	2% p.a. in case of any delay in servicing of interest/principal. 1% p.a in case of non submission

					and LAP with asset cover of 1.10 times.		24 th month from the date of drawdown wherein the Company can prepay the loan amount after providing 30 days' notice. Other instances prepayment will be levied at the rate of 2% p.a.	of Audited Financials within 7 months from the close of the financial year
6.	Bank of Baroda	March 23, 2018 and further modified by sanction letter dated July 31, 2018	100.0	71.4	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' notice/intimation to the bank. In all other cases applicable charges will be levied.	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-submission/delayed submission of book debt statement, default in payment.
7.	ICICI Bank Limited	November 8, 2018 and further modified by sanction letter dated December 10, 2018	150.0	150.0	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 Rs. 10 crores or in multiples of Rs. 10 crores) or entire outstanding facility upon 15 business days' prior notice to the bank and subject to	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

							prepayment premium of 1.00%. If the payment is done within 1 year, Pre-payment of 2.00% on principle amount.	disbursement.
8.	Bajaj Finance Limited	December 5, 2018	50.0	50.0	Secured by a First pari-passu charge on the specific pool of receivables of the Company, not offered to bank for their credit facilities to be utilized to borrowing from non-bank lenders, by way of hypothecation on the loan installments receivables, with a minimum asset cover of 1.15 times of the principal amount outstanding at any point of time during the currency of the loan.	18 months door to door including 12 months of principal repayment standstill period from date of first disbursement. Repayment in 2 equal quarterly installments, beginning after expiry of the principal repayment standstill period.	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 will be without any prepayment premium /charges with a prior 30-day notice.	2% over and above the interest rate, applicable on principle outstanding and the defaulted amount and for breach of covenants (including financial covenants)/conditions/representations and warranties or any other provision under the sanction letter, from the due date of payment until the date of actual payment. Penalty of 1% p.a will be charged for delay submission of Receivable statement within 15 days at each quarter
9.	HDFC Bank Limited	March 18, 2019	250.0	110.3	Secured by pari passu charge by way of hypothecation on company's receivables, both present and future. 20% haircut on eligible receivables (not to include receivables which are used for purposes disallowed by the RBI, related party advances, investments) which are not overdue and will not include any unsecured loans. Receivables will be	Upon expiry of 24 months. Equal quarterly instalments from the date of first disbursement	N.A.	Penal interest applicable for all overdues/delays of any money payable at the rate of 1% per annum up to 30 days and 2% per annum beyond 30 days.

					based on principal outstanding only and should not include future interest.			
10.	IDFC First Bank Limited	April 30, 2019	75.0	75.0	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/prin cipal 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 disbursemen t till perfection of security or cure of any breach relating to security to the satisfaction of the bank.
TOTAL			1,375	970.5				

*Borrowing through term loans are excluding effective interest rate impact amounting to Rs. 2.3 crores.
@ Excluding interest accrued but not due amounting to Rs. 1.5 crores.

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) our Company entering into any arrangement or composition with our Company's creditors or committing any act the consequence of which may lead to the Company being ordered to be wound up.
- (d) Any process being issued against our Company for execution of a decree and/or for attachment before judgment resulting in any of the property belonging to and/or under the control of our Company being attached.
- (e) Any order being made or a resolution being passed for the winding up of our Company.
- (f) A receiver being appointed of the entire properties or any part thereof belonging to or under the control of our Company.
- (g) 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.
- (h) 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.
- (i) 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 either repay the said advance or to carry out the said proposal.
- (j) 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.
- (k) 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 30 days.
- (l) If any representation or warranty made by our Company is incorrect.
- (m) 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.
- (n) Our Company becomes insolvent.
- (o) Non-submission of any information which could be defined as "Information Undertakings" with grace period of 15 days.
- (p) Diversion of funds, if funds utilized for any activity not eligible for bank finance to NBFCs as per RBI guidelines.
- (q) Non compliance with RBI norms.
- (r) Downgrade in credit rating from existing rating.
- (s) 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.
- (t) Control of our Company's voting share capital or Board of Directors significantly changes as a result of a takeover, or merger of, or transfer of shares in or issue or sale of shares by the Borrower without prior intimation to the Bank.
- (u) It becomes impossible or unlawful for the lender to make, maintain or fund the facility as contemplated or any of the conditions stated by our Company ceases to be valid, legal and binding and enforceable.
- (v) 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, rated, listed, secured, 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 ₹ 1,706.8 crores is cumulatively outstanding as on December 31, 2019, the details of which are set forth below: *@

Debenture Series	Tenor period of maturity	Coupon (in %)	Date of Allotment	Amounts outstanding as on December 31, 2019 (₹ in crores)	Redemption Date/Schedule
Tranche AN	1170 days	Zero Coupon	January 23, 2017	4.6	April 7, 2020
Tranche AM – Option I	1216 days	Zero Coupon	January 12, 2017	63.0	May 12, 2020
Tranche AM – Option II	1208 days	Zero Coupon	January 12, 2017	1.8	May 4, 2020
Tranche AP – Option III	1220 days	Zero Coupon	February 27, 2017	5.7	July 1, 2020
Tranche AR – Option II	1141 days	Zero Coupon	March 22, 2017	2.0	May 6, 2020
Tranche AT – Option V	1082 days	Zero Coupon	May 26, 2017	20.0	May 12, 2020
Tranche AT – Option VI (Market Linked Debentures)	1222 days	Minimum – 8.95% p.a. (annualised return calculated on XIRR basis), maximum 9.00% p.a. (annualised return calculated on XIRR basis). However, in extreme situation no coupon amount will be paid.	May 26, 2017	50.0	September 29, 2020
Tranche AX – Option I	1140 days	Zero Coupon	July 20, 2017	14.7	September 2, 2020
Tranche AX – Option II	1077 days	Zero Coupon	July 20, 2017	11.3	July 1, 2020
Tranche AZ	1096 days	8.90% p.a.	July 28, 2017	150.0	July 28, 2020
Tranche BA	1031 days	Zero Coupon	September 4, 2017	10.5	July 1, 2020
Tranche BB	1096 days	8.80% p.a.	September 28, 2017	120.0	September 28, 2020
Tranche BC	1094 days	8.81% p.a.	November 15, 2017	260.0	November 13, 2020
Tranche BD	1256 days	Zero Coupon	November 21, 2017	50.0	April 30, 2021
Tranche BF - Option I	1215 days	Zero Coupon	December 8, 2017	15.0	April 6, 2021
Tranche BG (Market Linked Debentures)	1096 days	Minimum – 8.55% p.a. (annualised return calculated on XIRR basis), maximum 8.60% p.a. (annualised return calculated on XIRR basis). However, in extreme situation no coupon amount will be paid.	December 14, 2017	10.0	December 14, 2020
Tranche BI - Option I	1180 days	Zero Coupon	January 12, 2018	9.6	April 6, 2021
Tranche BJ (Market Linked Debentures)	1048 days	Minimum – 8.55% p.a. (annualised return calculated on XIRR basis), maximum 8.60% p.a. (annualised return calculated on XIRR basis). However, in extreme situation no	January 31, 2018	2.5	December 14, 2020

Debenture Series	Tenor period of maturity	Coupon (in %)	Date of Allotment	Amounts outstanding as on December 31, 2019 (₹ in crores)	Redemption Date/Schedule
		coupon amount will be paid.			
Tranche BK-Option I	1171 days	9.3387% p.a.	February 7, 2018	100.0	April 23, 2021
Tranche BK-Option II	1178 days	Zero Coupon	February 7, 2018	49.8	April 30, 2021
Tranche BK-Option III (Market Linked Debentures)	1041 days	Minimum – 8.55% p.a. (annualised return calculated on XIRR basis) on face value, maximum 8.60% p.a. (annualised return calculated on XIRR basis) on face value. However, in extreme situation no coupon amount will be paid.	February 7, 2018	4.9	December 14, 2020
Tranche BL-Option I	1164 days	9.3387% p.a.	February 14, 2018	99.8	April 23, 2021
Tranche BL-Option II	1171 days	Zero Coupon	February 14, 2018	49.7	April 30, 2021
Tranche BM - Option I	1162 days	Zero Coupon	February 23, 2018	8.4	April 30, 2021
Tranche BM - Option II	1155 days	9.3387% p.a.	February 23, 2018	10.0	April 23, 2021
Tranche BN	1143 days	Zero Coupon	March 14, 2018	9.0	April 30, 2021
Tranche BO - Option I	1111 days	Zero Coupon	March 22, 2018	5.0	April 6, 2021
Tranche BP - Option I	1105 days	Zero Coupon	March 28, 2018	25.0	April 6, 2021
Tranche BP - Option II	1129 days	Zero Coupon	March 28, 2018	7.0	April 30, 2021
Tranche BR - 2018 (XII)	550 days	9.4241% p.a.	August 24, 2018	50.0	February 25, 2020
Tranche BS - 2018 (XIII)	543 days	9.4241% p.a.	August 31, 2018	25.0	February 25, 2020
Tranche BT - 2018 (XIV) – Option I	1392 days	Floating rate at 220 bps over average of last three auction cutoff 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
Tranche BT - 2018 (XIV) – Option II (Market Linked Debentures)	540 days	Minimum – 0.00% p.a. (annualised return calculated on XIRR basis) on face value, Maximum – 9.20% p.a. (annualised return calculated on XIRR basis) on face value. However, in extreme situation no coupon amount will be paid.	September 6, 2018	15.0	February 28, 2020
Tranche BU - 2018 (XV) – Option I	1062 days	Zero Coupon	September 14, 2018	16.5	August 11, 2021
Tranche BU - 2018 (XV) – Option II	1095 days	Zero Coupon	September 14, 2018	30.0	September 13, 2021
Tranche BU - 2018	1298 days	Zero Coupon	September 14, 2018	65.0	April 4, 2022

Debenture Series	Tenor period of maturity	Coupon (in %)	Date of Allotment	Amounts outstanding as on December 31, 2019 (₹ in crores)	Redemption Date/Schedule
(XV) – Option III					
Tranche BV - 2018 (XVI)	1463 days	Zero Coupon	September 27, 2018	45.0	September 29, 2022
Tranche BW - 2018 (XVII) (Market Linked Debentures)	511 days	Minimum – 0.00% p.a., Maximum – 9.20% p.a. (annualised return calculated on XIRR basis) on face value. However, in extreme situation no coupon amount will be paid.	October 5, 2018	10.0	February 28, 2020
Tranche BX - 2018 (XVIII)	1068 days	Zero Coupon	October 11, 2018	10.0	September 13, 2021
Tranche BY – 2018 (XIX) (Market Linked Debentures)	547 days	Minimum – 9.95% p.a. (annualised return calculated on XIRR basis) Maximum – 10.00% p.a. (annualised return calculated on XIRR basis) However, in extreme situation no coupon amount will be paid	January 3, 2019	10.0	July 3, 2020
Tranche BZ – 2019 (XX) (Market Linked Debentures)	533 days	Minimum – 9.95% p.a. (annualised return calculated on XIRR basis) Maximum – 10.00% p.a. (annualised return calculated on XIRR basis) However, in extreme situation no coupon amount will be paid.	January 17, 2019	11.0	July 3, 2020
Tranche CA – 2019 (XXI)	1096 days	10.00% p. a.	October 18, 2019	50.0	October 18, 2022
Tranche CB – 2019 (XXII)	731 days	Minimum – 9.45% p.a. (annualized return calculated on XIRR basis) Maximum – 9.50% p.a. (annualized return calculated on XIRR basis) However, in extreme situation no coupon amount will be paid.	November 22, 2019	50.0	November 22, 2021
			Total	1,706.8	

* 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 Limited and/or “CARE AA/Stable” by CARE Ratings Limited and are fully secured by assets, moveable and immovable.

@ Does not include interest / premium accrued but not due amounting to Rs. 164.7 crores. Borrowing through non – convertible debentures shown at face value without considering premium / unamortized discount on issue of Rs. 0.8 crore. Total borrowing is excluding effective interest rate impact amounting to Rs. 8.9 crores.

- (b) Our Company has made a public issue of secured, rated, listed and redeemable non-convertible debentures of face value of ₹ 1,000 each under eleven series of which ₹ 515.1 crores is cumulatively outstanding as on December 31, 2019, the details of which are set forth below:*

Debenture Series	Tenor period of maturity	Coupon (in %)	Date of Allotment	Amounts outstanding as on December 31, 2019 (₹ in crores)	Redemption Date/Schedule
Public Issue - TR I -	731 days	9.90% p.a.	May 21, 2019	44.3	May 21, 2021

Debenture Series	Tenor period of maturity	Coupon (in %)	Date of Allotment	Amounts outstanding as on December 31, 2019 (₹ in crores)	Redemption Date/Schedule
24 months - Annual - Series - I					
Public Issue - TR I - 24 months - Cumulative - Series - II	731 days	NA	May 21, 2019	9.5	May 21, 2021
Public Issue - TR I - 36 months - Annual - Series - III	1096 days	10.20% p.a.	May 21, 2019	138.2	May 21, 2022
Public Issue - TR I - 36 months - Cumulative - Series - IV	1096 days	NA	May 21, 2019	27.9	May 21, 2022
Public Issue - TR I - 60 months - Monthly - Series - V	1827 days	10.04% p.a.	May 21, 2019	66.9	May 21, 2024
Public Issue - TR I - 60 months - Annual - Series - VI	1827 days	10.50% p.a.	May 21, 2019	100.1	May 21, 2024
Public Issue - TR II - 38 months - Annual - Series - I	1157 days	10.20% p.a.	September 11, 2019	64.1	November 11, 2022
Public Issue - TR II - 38 months - Cumulative - Series - II	1157 days	NA	September 11, 2019	10.9	November 11, 2022
Public Issue - TR II - 60 months - Annual - Series - III	1827 days	10.30% p.a.	September 11, 2019	29.5	September 11, 2024
Public Issue - TR II - 60 months - Monthly - Series - IV	1827 days	9.85% p.a.	September 11, 2019	15.4	September 11, 2024
Public Issue - TR II - 84 months - Cumulative - Series - V	2557 days	NA	September 11, 2019	8.3	September 11, 2026
			Total	515.1	

*Above debentures are rated [ICRA]AA/(Stable) by ICRA Limited and CRISIL /AA Stable by CRISIL Limited and are fully secured by assets, moveable and immovable.

@ Does not include Interest / premium accrued but not due amounting to ₹24.4 crores and excluding unamortised issue expenses of ₹10.4 crores.

4. **Other Secured Borrowings**

(a) *Finance lease obtained by our Company*

Nature	Name of Lessor	Amount outstanding as of December 31, 2019 (in ₹ crores)
Finance Lease	ORIX Leasing & Financial Services India Limited	0.6

(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 December 31, 2019, the outstanding amount is ₹ 10.0 crores.
- Our Company has availed overdraft facility by creating an encumbrance over the fixed deposits maintained by our Company with HDFC Bank Limited. As on December 31, 2019, the outstanding amount is ₹ 36.3 crores.

B. **Loan from Directors and Relatives of Directors**

Other than as set out in the disclosures under paragraph 15 in the section titled "Our Management" on page 32 of this Tranche III 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 Tranche III Prospectus.

C. Commercial Papers

Our Company has issued commercial papers, which are listed on the BSE, of the face value of ₹ 5,00,000 each, aggregating to an outstanding amount of ₹ 631.7 crores as on December 31, 2019. The details of the commercial papers are set forth below.*

S. No	ISIN	Number of instruments	Amount (₹ in crores)	ISIN Maturity Date
1	INE523H14P25	1,000	50.0	07-Jan-20
2	INE523H14P33	4,000	200.0	30-Jan-20
3	INE523H14Q24	500	25.0	13-Mar-20
4	INE523H14Q65	700	35.0	15-Apr-20
5	INE523H14R49	334	16.7	24-Jul-20
6	INE523H14R80	2,200	110.0	27-Jul-20
7	INE523H14R98	2,200	110.0	31-Jul-20
8	INE523H14S89	700	35.0	11-Mar-20
9	INE523H14T13	1,000	50.0	04-Mar-20
Total			631.7	

*Borrowing through commercial papers shown at face value without considering discount of Rs. 16.7 crores.

D. Details of any inter-corporate loans, deposits and other borrowings

Our Company's inter-corporate loans, deposits and other borrowings as on December 31, 2019 amount to ₹ 25.0 crores. The details of the individual borrowings are set out below:

S. No	Name of Lender	Date of drawdown	Amount sanctioned	Total outstanding* as on December 31, 2019 (in ₹ crores)	Date of maturity
1.	Reliance Industrial Investments and Holdings Limited	April 17, 2019	25.0	25.0	April 16, 2020
	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 Rs. 1.5 crores.

E. Servicing behaviour on existing debt securities, payment of due interest on due dates on financing facilities or securities

In the past 5 years preceding the date of this Tranche III Prospectus, there has been no delay and /or defaults in servicing of debt/interest or in payment of principal or interest on any financing facilities or term loan or debt security including corporate guarantee issued by our Company in the past.

F. The amount of corporate guarantee issued by the Issuer along with the name of the Counter party on behalf of whom it has been issued

Our Company has not issued any corporate guarantee.

G. Details of any 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 December 31, 2019

Our Company has Nil 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 December 31, 2019.

H. Details of rest of borrowings if any, including hybrid debt instruments such as foreign currency convertible bonds, preference shares or optionally convertible debentures as on December 31, 2019

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 December 31, 2019.

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. to provide the lender, information about any material and adverse change in liquidity, financial position, etc.;
2. to create security or encumbrance on the assets charged to the lender, in favour of any other bank, financial institution, company, firm, individual except as permitted and except in the ordinary course of business;
3. to enter into any arrangement regarding any amalgamation, demerger, merger or corporate reconstruction;
4. to create any charge, lien or encumbrance over its undertaking or any part thereof in favour of any financial institution, bank, company, firm or persons, except in the ordinary course of business, till the lender's stipulated asset cover is maintained;
5. to enter into any contractual obligation of a long-term nature or affecting the lender financially to a significant extent except in the ordinary course of business;

Further, under certain financial arrangements entered into by our Company, our Company is not permitted to do or allow anything that may prejudice the security while the borrower remains indebted or liable to the lender in any manner. Further, under certain arrangements, our Company is not permitted to resort to outside borrowings without the prior written consent in case there is an event of default or if the external rating of our Company slips below AA, whichever triggers first.

Our Company is also not permitted to do or allow anything that may prejudice the security under certain financial arrangements, while the borrower remains indebted or liable to such lender in any manner. Further, the Company is not permitted to resort to outside borrowings without the prior written consent in case there is an event of default or if the external rating of the Company slips below AA, whichever triggers first.

VIII. PENDING PROCEEDINGS AND STATUTORY DEFAULTS

1. Litigations involving the Company

(a) Tax cases

- (i) The disclosures under paragraph 1(a)(ii) on page 184 of the Shelf Prospectus shall be deleted and replaced in their entirety with the following:

For the assessment year 2012-2013, the assessing officer made a disallowance of Rs. 9,29,56,537 under Section 14A of the IT Act. An appeal was filed before the CIT (A) on May 5, 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 revenue department ("**ITAT Order**"). JMFPL has filed a Miscellaneous Application before the ITAT for certain assertions made in the ITAT Order, on May 15, 2019. The Miscellaneous Application has been heard before the ITAT Members on July 19, 2019 and the ITAT has passed an order dated October 14, 2019 in favour of the Company. Simultaneously, JMFPL has also filed an appeal before the Bombay High Court on July 19, 2019 against the ITAT Order dated December 31, 2018 and the matter is currently pending.

- (ii) For the assessment year 2017-2018, the assessing officer made a disallowance of INR 93,25,853 under Section 14A and INR 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 and the matter is currently pending.

(b) **Litigations by the Company**

The Company has initiated certain criminal litigations under Section 138 of the Negotiable Instruments Act, 1881 for recovery of INR 28,189,588 from certain persons.

2. **Litigation involving the Promoter - JMFL**

- (i) The disclosures under paragraph 2(a) on page 185 of the Shelf Prospectus shall be deleted and replaced in their entirety with the following:

For the assessment year 1998-1999, the Additional Commissioner of Income Tax, Special Range 22, Mumbai, passed an order dated March 28, 2001 under Section 143(3) of the IT Act. The order directed the issuance of a notice of demand against JMFL and noted that the speculated loss of INR 1,30,48,062 is allowed to be carried forward and set off against speculation income. The order also directed that penalty proceedings be initiated against JMFL under Section 271(1)(c) for furnishing inaccurate particulars of income and concealment of income. JMFL filed an appeal against the order on April 26, 2001 with the CIT (A) – 14, Mumbai, which was partly allowed. JMFL has further filed an appeal before the Income Tax Appellate Tribunal, Mumbai against a penalty of INR 18,08,459 imposed on it by the CIT (A) – 9, Mumbai under Section 271(1)(c) of the IT Act for the assessment year 1998-1999. JMFL also sought that in the event the penalty amount was not deleted in its entirety, the penalty with respect to disallowance of sub-brokerage of INR 2,74,069 deleted by the tribunal and the penalty with respect to disallowance of sub-brokerage of INR 21,52,226 set aside by the tribunal, be deleted. The ITAT has passed an order on October 4, 2019 deleting the said levy of penalty. JMFL has written to the Assessing Officer for passing an order giving effect to the ITAT order and the same is awaited.

- (ii) The disclosures under paragraph 2(b) on page 185 of the Shelf Prospectus shall be deleted and replaced in their entirety with the following:

For the assessment year 2002-2003, JMFL received an assessment order dated February 28, 2005 under Section 143(3) of the IT Act, whereby the total income of JMFL was computed to be INR 12,75,284. The order directed that JMFL be issued a notice of demand and a penalty notice for INR 6,10,427 was issued. JMFL lodged an appeal with the CIT (A) - 15, Mumbai which was dismissed. JMFL filed a further appeal with the ITAT, whereby the ITAT set aside the order of the CIT (A) - 15, Mumbai and restored the matter back to him for fresh decision after necessary examination. The ITAT also held that no expenditure either in the form of interest or administrative expenditure can be allowed as deduction and these matters were also sent back to the CIT (A), Mumbai for reconsideration. The CIT (A) - 8, Mumbai partly allowed the appeal of JMFL allowing a sum of INR 8,93,245 as against the sum allowed by the assessing officer of INR 47,250. On March 24, 2014, an order was passed by the Deputy Commissioner of Income Tax, 4(3), Mumbai imposing a minimum penalty of INR 35,11,162 under Section 271(1)(c). This penalty was upheld by the CIT (A) - 9, Mumbai on January 20, 2016. JMFL has passed an appeal before the ITAT against the said penalty levy. The ITAT has passed an order on October 4, 2019 deleting the said levy of penalty. JMFL has written to the Assessing Officer for passing an order giving effect to the ITAT order and the same is awaited.

- (iii) The disclosures under paragraph 2(c) on page 185 of the Shelf Prospectus shall be deleted and replaced in their entirety with the following:

For the assessment year 2008-2009, JMFL received a notice of demand dated December 6, 2010 under Section 156 of the IT Act stating that a sum of INR 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 INR 17,71,36,61,381 was to be treated as profit of business which was taxable. The income of JMFL was also enhanced by INR 12,66,87,500. A sum of INR 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 INR 91,47,505 and INR 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 INR 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 INR 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 INR 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 INR 22,83,63,049 incurred in connection with the transfer of the 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 matter has been heard by the ITAT on July 10, 2019 and on November 29, 2019 and the order is awaited.

- (iv) The disclosures under paragraph 2(e) on page 186 of the Shelf Prospectus shall be deleted and replaced in their entirety with the following:

For the assessment year 2010-2011, the Assistant Commissioner of Income Tax, 4(3), Mumbai by way of an order dated March 22, 2013 disallowed an amount of INR 42,48,067 towards lease rentals on vehicles and added this back to the total income of JMFL. Additionally, an amount of INR 7,15,49,747 was also disallowed and added back to the total income under Section 14A of the IT Act read with Rule 8D of the IT Rules. JMFL filed an appeal with the CIT (A) – 9, Mumbai who by way of an order dated January 28, 2016 dismissed the appeal. JMFL filed a further appeal to the ITAT. The ITAT has passed an order on October 4, 2019 deleting the said disallowances. JMFL has written to the Assessing Officer for passing an order giving effect to the ITAT order and the same is awaited.

- (v) The disclosures under paragraph 2(f) on page 186 of the Shelf Prospectus shall be deleted and replaced in their entirety with the following:

For the assessment year 2011-2012, the Additional Commissioner of Income Tax, 4(3), Mumbai by way of an order dated March 4, 2014 initiated penalty proceedings against JMFL under Section 271(1)(c) of the IT Act and disallowed an amount of INR 16,22,108 towards lease rentals on vehicles. The order also disallowed an amount of INR 7,20,67,959 under Section 14A of the IT Act along with INR 84,00,000 towards advertisement expenditure and did not allow a set off brought forward losses amounting to INR 58,17,675. JMFL filed an appeal with the CIT (A) – 9, Mumbai which was dismissed. Subsequently JMFL filed an appeal with the ITAT. The ITAT

has passed an order on October 4, 2019 deleting the said disallowances. JMFL has written to the Assessing Officer for passing an order giving effect to the ITAT order and the same is awaited.

- (vi) The disclosures under paragraph 2(g) on page 186 of the Shelf Prospectus shall be deleted and replaced in their entirety with the following:

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 INR 7,07,60,044 under Section 14A of the IT Act read with Rule 8D of the IT Rules. Further, an amount of INR 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. JMFL has written to the Assessing Officer for passing the order giving effect to the CIT(A) Order and the same is awaited. Further, JMFL 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 hearings are yet to commence.

- (vii) The disclosures under paragraph 2(h) on page 186 of the Shelf Prospectus shall be deleted and replaced in their entirety with the following:

For the assessment year 2013-2014, the Deputy Commissioner of Income Tax, 4(3)(1), Mumbai by way of an order dated January 6, 2016 disallowed an amount of INR 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 INR 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. JMFL has written to the Assessing Officer for passing the order giving effect to the CIT(A) Order and the same is awaited. Further, JMFL 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 hearings are yet to commence.

- (viii) The disclosures under paragraph 2(i) on page 187 of the Shelf Prospectus shall be deleted and replaced in their entirety with the following:

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 INR 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 INR 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. JMFL has written to the Assessing Officer for passing the order giving effect to the CIT(A) Order and the same is awaited. Further, JMFL 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 hearings are yet to commence.

- (ix) The disclosures under paragraph 2(j) on page 187 of the Shelf Prospectus shall be deleted and replaced in their entirety with the following:

For the assessment year 2015-2016, the Assistant Commissioner of Income Tax, 4(3)(1), Mumbai by way of an order dated December 7, 2017 disallowed an amount of INR 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 INR 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. JMFL has written to the Assessing Officer for passing the order giving effect to the CIT(A) Order and the same is awaited. Further, JMFL 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 hearings are yet to commence.

- (x) 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 INR 9,76,74,570 under Section 14A of the IT Act read with Rule 8D of the IT Rules; (ii) an amount of INR 52,71,000 towards rent on premises; (iii) Addition of securities premium of INR 10,51,79,000 received on issue of shares under ESOPs. JMFL has filed an appeal against the aforesaid assessment order before the CIT (A) – 9, Mumbai on January 28, 2020.
- (xi) The disclosures under paragraph 2(k) on page 187 of the Shelf Prospectus shall be deleted and replaced in their entirety with the following:

The Deputy Commissioner of Service Tax, Mumbai by way of an order dated May 18, 2017 held that JMFL had availed irregular CENVAT credit and imposed a penalty of INR 16,45,957 under Rule 15(3) of the CENVAT Credit Rules, 2004 read with Section 78 of Chapter V of the Finance Act, 1994. The order also held that JMFL had failed to file the returns correctly as prescribed under Section 70 of Chapter V of the Finance Act, 1994. Further, the order held that the amount of penalty would be reduced by 25% if the reduced penalty along with interest and tax demanded therein was paid within 30 days of the order. JMFL has filed an appeal with the Commissioner of Central Excise (Appeals) on July 21, 2017. The said order of the Deputy Commissioner of Service Tax, Mumbai was upheld by the Commissioner of Central Excise (Appeals) on June 10, 2019. JMFL has filed an application under the Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019 on November 28, 2019. JMFL has paid the amount of INR 6,09,004 as full and final settlement of this dispute and the final communication from the Tax Department is awaited.

3. **Litigations involving the Group Companies**

- (a) The disclosures in relation to JM Financial Asset Reconstruction Company Limited shall be deleted in their entirety.
- (b) *JM Financial Investment Managers Limited ("JMFIML") (now merged with JMFL)*

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 INR 9,97,785 under Section 14A of the IT Act read with Rule 8D of the IT Rules; (ii) an amount of INR 4,78,705 towards lease rent on vehicles; (iii) an amount of INR 27,26,166 towards rent on premises. JMFIML has filed an appeal against the aforesaid assessment order before the CIT (A) – 9, Mumbai on January 28, 2020.

- (c) *JM Financial Properties and Holdings Limited ("JMFPHL")*

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 INR 75,14,358 under section 14A and initiated penalty proceedings under Section 270(A) 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.

- (d) *JM Financial Institutional Securities Limited ("JMFISL") (now merged with JMFL)*

- (i) The disclosures under paragraph 3(d)(vii) on page 189 of the Shelf Prospectus shall be deleted in their entirety.
- (ii) The disclosures under paragraph 3(d)(viii) on page 189 of the Shelf Prospectus shall be deleted in their entirety.

- (iii) 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 INR 1,89,95,500 under Section 14A of the IT Act read with Rule 8D of the IT Rules; (ii) an amount of INR 46,63,439 towards lease rent on vehicles; (iii) an amount of INR 4,07,40,540 towards rent on premises; and (iv) an amount of INR 6,45,70,041 towards support service fees. JMFISL has filed an appeal against the aforesaid assessment order before the CIT (A) – 9, Mumbai on January 28, 2020.

- (iv) The disclosures under paragraph 3(d)(xi) on page 190 of the Shelf Prospectus shall be deleted and replaced in their entirety with the following:

The Service Tax Commissionerate - 3, Mumbai by way of an order dated August 29, 2016 denied the CENVAT credit of INR 5,58,179 availed by JMFISL and confirmed that a demand of INR 5,58,179 be recovered from JMFISL under Rule 14 of the CENVAT Credit Rules, 2004 read with proviso to Section 73(1) of the Finance Act, 1994. The order also imposed interest of INR 5,58,179 under Rule 14 of the CENVAT Credit Rules, 2004 read with Section 75 of the Finance Act, 1994, a penalty of INR 55,818 under Section 76 of the Finance Act, 1994, an amount of INR 10,000 under Section 77 of the Finance Act, 1994 and a penalty of INR 5,58,179 under Rule 15(3) and Rule 15(4) of the CENVAT Credit Rules, 2004 read with Section 78 of the Finance Act, 1994. JMFISL filed an appeal with the Hon'ble Commissioner (Appeals-I), Service Tax against this order. The Commissioner of Central GST and Central Excise, Thane has by way of order dated February 7, 2018 rejected the appeal of JMFISL. Against this JMFISL filed an appeal with the Customs, Excise & Service Tax Appellate Tribunal. The Tribunal by way of order dated August 28, 2018 remanded the matter to the original adjudicating authority. JMFISL has filed an application under the Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019 on December 23, 2019. JMFISL is under the process of paying the amount of INR 2,00,871 as full and final settlement of this dispute.

- (v) The disclosures under paragraph 3(d)(xii) on page 190 of the Shelf Prospectus shall be deleted and replaced in their entirety with the following:

The Office of the Assistant Commissioner of Service Tax, Division – I, Mumbai passed an order dated January 11, 2013 demanding service tax amounting to INR 80,203 under Section 73(1) of Chapter V of the Finance Act, 1994 read with Rule 14 of the CENVAT Credit Rules, 2004. The order also imposed interest amounting to INR 80,203; a daily penalty of INR 100 or 1% of the demand amount till the date of actual payment of the demand amount and a fixed penalty of INR 10,000. JMFISL filed an appeal against this order with the Office of the Commissioner of Service Tax (Appeals) – I, Mumbai which appeal was rejected in full by way of an order dated March 27, 2017. JMFISL has filed a further appeal to the Customs, Central Excise and Service Tax Appellate Tribunal on July 17, 2017. The hearings are yet to commence. JMFISL has filed an application under the Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019 on December 23, 2019. JMFISL is under the process of paying the amount of INR 15,961 as full and final settlement of this dispute.

- (vi) The disclosures under paragraph 3(d)(xiii) on page 190 of the Shelf Prospectus shall be deleted and replaced in their entirety with the following:

The Service Tax Commissionerate III, Mumbai by way of an order dated September 30, 2016 denied the CENVAT credit of INR 2,65,472 availed by JMFISL and confirmed that this amount should be recovered from them under Rule 14 of the CENVAT Credit Rules, 2004 read with proviso to Section 73(1) of the Finance Act, 1994. The order dropped the demand of INR 58,402 in respect of CENVAT credit taken on insurance payment made towards broker indemnity policy and office furniture and fixtures, plant and machinery, computers and laptops. The order also imposed interest of INR 2,65,472, a penalty of INR 36,547. JMFISL has filed an appeal against this order with the Commissioner of Central Excise (Appeals) under Section 85 of the Finance Act, 1994. The Commissioner of Central GST and Central Excise, Thane has

by way of order dated February 7, 2018 rejected the appeal of JMFISL. Against this JMFISL filed an appeal with the Customs, Excise & Service Tax Appellate Tribunal. The Tribunal by way of order dated August 19, 2019 remanded the matter to the original adjudicating authority. JMFISL has filed an application under the Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019 on December 23, 2019. JMFISL is under the process of paying the amount of INR 95,509 as full and final settlement of this dispute.

- (vii) The disclosures under paragraph 3(d)(xiv) on page 190 of the Shelf Prospectus shall be deleted and replaced in their entirety with the following:

The Service Tax Commissionerate III, Mumbai by way of an order dated August 29, 2016 confirmed the amount of service tax of INR 32,92,649 and ordered recovery of the same from JMFISL under proviso to Section 73(1) of the Finance Act, 1994. The order dropped the amount of service tax of INR 1,89,206 which was marked as inadvertently made under incorrect calculation. An interest amount of INR 39,92,649 and a penalty of INR 32,92,649 and another penalty of INR 3,92,268 were imposed under the Finance Act, 1994 and the investment advisory service provided by JMFISL was ordered to be classified under management or business consultancy services under Section 65(105)(r) of the Finance Act, 1994. JMFISL filed an appeal with the Hon'ble Commissioner (Appeals-I), Service Tax against this order. The Commissioner of Central GST and Central Excise rejected the appeal of JMFISL. Against this JMFISL filed an Appeal with the Customs, Excise & Service Tax Appellate Tribunal. The Tribunal hearings are yet to commence. JMFISL has filed an application under the Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019 on December 23, 2019. JMFISL is under the process of paying the amount of INR 6,58,395 as full and final settlement of this dispute.

- (viii) The disclosures under paragraph 3(d)(xv) on page 191 of the Shelf Prospectus shall be deleted and replaced in their entirety with the following:

The Principal Commissioner of CGST & CEX, Mumbai Central by way of an order dated February 6, 2019 confirmed demand of service tax of INR 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 INR 4,49,96,494 under section 78 of the Finance Act, 1994. The said service tax demand is confirmed on brokerage income of Rs.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 and the matter is currently pending.

(e) *JM Financial Services Limited ("JMFSL")*

- (i) The details of proceedings mentioned under paragraph 3(e) (i), (ii) and (iii) on page 191 of the Shelf Prospectus shall be deleted in their entirety.
- (ii) The details of proceedings mentioned under paragraph 3(e)(iv) on page 192 of the Shelf Prospectus shall be deleted in their entirety.
- (iii) The disclosures under paragraph 3(e)(v) on page 192 of the Shelf Prospectus shall be deleted and replaced in their entirety with the following:

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 4, 2014, held that an amount of INR 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 INR 20,59,81,293 and added back to the income of JMFSL. The order also noted that an amount of INR 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 INR 58,08,13,038 pertaining to delivery based share transactions. The ITAT has remanded the matters of disallowance of INR 33,60,506 claimed as lease rentals on vehicles and disallowance of INR 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 Rs.1,60,59,494/-. JMFSL is in the process of filing an appeal before the CIT(A)-9, Mumbai.

- (iv) The disclosures under paragraph 3(e)(vi) on page 192 of the Shelf Prospectus shall be deleted and replaced in their entirety with the following:

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 INR 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 INR 27,66,866 claimed as lease rentals on vehicles was disallowed and added back. Additionally, an amount of INR 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 and simultaneously IT Department has also filed appeal with the ITAT. The hearings before the ITAT are scheduled on March 30, 2020.

- (v) The disclosures under paragraph 3(e)(vii) on page 193 of the Shelf Prospectus shall be deleted and replaced in their entirety with the following:

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 INR 22,58,791 claimed as lease rental on vehicles to the total income. The order also added an amount of INR 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. Both appeals before ITAT are scheduled on April 02, 2020.

- (vi) The details of proceedings mentioned under paragraph 3(e)(viii) and (ix) on page 193 of the Shelf Prospectus shall be deleted in their entirety.

- (vii) 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 INR 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 INR 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. JMFSL has filed an appeal before the ITAT on July 4, 2019 and the matter is currently pending.

- (viii) The details of proceedings mentioned under paragraph 3(e)(x) on page 193 of the Shelf Prospectus shall be deleted and replaced in their entirety with the following:

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 INR 21,42,587 claimed as lease rentals on vehicles, disallowed an amount of INR 12,09,518 under Section 14A of the IT Act and disallowed an amount of INR 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 next of hearing is awaited.

- (ix) The disclosures under paragraph 3(e)(xi) on page 193 of the Shelf Prospectus shall be deleted and replaced in their entirety with the following:

For the assessment year 2012-2013, the Deputy Commissioner of Income Tax (TDS) – 2(1) by way of an order dated March 7, 2014 held that an amount of INR 94,74,058 was payable as default on account of borrowing cost on SLB transactions for assessment year 2012-2013. The order also held that an amount of INR 4,66,183 was payable on account of repair and maintenance expenses, an amount of INR 2,76,361 was payable on account of bank guarantee charges and an amount of INR 71,140 was payable on account of interest component of lease expenses. The total amount payable under this order was pegged at INR 1,02,87,742. The Office of the CIT (A) , Mumbai by way of an order dated February 26, 2016 partially allowed the appeal filed by JMFSL. JMFSL has filed an appeal with the ITAT. The ITAT has passed an order on May 23, 2018 directing that if at the time of paying borrowing fees to NSCCL or even prior to it, the assessee was unaware of the identity and other details of the lenders, then it cannot be fastened with the liability of deduction of tax at source (TDS), since, the provisions for TDS become unworkable and the assessee cannot be compelled to perform an impossible act. The order giving effect to the ITAT order is awaited.

- (x) 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 INR 22,12,277 claimed as lease rentals on vehicles, disallowed rent expenses of INR 204,69,141, disallowed INR 3,51,41,610 u/s.40(a)(ia) and disallowed an amount of INR 1,26,60,000 under Section 14A of the IT Act. JMFSL is in process of filing appeal before the CIT (A) - 9, Mumbai.

- (xi) The details of proceedings mentioned under paragraph 3(e)(xiv) on page 194 of the Shelf Prospectus shall be deleted in their entirety.

- (xii) The disclosures under paragraph 3(e)(xv) on page 194 of the Shelf Prospectus shall be deleted and replaced in their entirety with the following:

Kamlesh Jain filed an arbitration application during January 2009 before the NSE, which had been rejected. Subsequent to this, Kamlesh Jain 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. Kamlesh 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 dematerialised account maintained with JMFSL. JMFSL has informed the police of the process of functioning of dematerialised accounts and has shared various documents with them for their investigation. Kamlesh Jain then filed a protest petition which was dismissed by the court and against this dismissal order Kamlesh 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.

- (xiii) The details of proceedings mentioned under paragraph 3(e)(xvii) on page 195 of the Shelf Prospectus shall be deleted in their entirety.

- (xiv) The disclosures under paragraph 3(e)(xviii) on page 195 of the Shelf Prospectus shall be deleted and replaced in their entirety with the following:

Ajay Mehta 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. The matter is currently pending

- (xv) The details of proceedings mentioned under paragraph 3(e)(xix) on page 195 of the Shelf Prospectus shall be deleted in their entirety.
- (xvi) JMFSL has filed certain criminal litigations under Section 138 of the Negotiable Instruments Act, 1881 for the recovery of INR 1,02,39,704 from certain defaulters.

(f) *JM Financial Commtrade Limited ("JMFCCL")*

- (i) The disclosures under paragraph 3(f)(ii) on page 195 of the Shelf Prospectus shall be deleted in their entirety.
- (ii) The SEBI has issued show cause notice ("SCN") dated September 11, 2019 under the applicable SEBI regulations to JMFCCL in the matter of National Spot Exchange Limited ("NSEL"). JMFCCL has duly responded to the SCN. Based on the recommendation made by the Designated Authority ("DA"), the-SEBI has alleged that JMFCCL has been closely associated with NSEL and as a broker thereof, participated in, and facilitated transactions on the NSEL platform. SEBI has stated in the SCN to show cause as that why action in relation to the fit and proper person criteria shall not be taken, as recommended by the DA. The lawyers/counsel retained by JMFCCL along with the JMFCCL's representatives appeared before the Whole Time Member of the SEBI on December 17, 2019 and have made their verbal submissions and also filed a response denying the allegations in the SCN. As required, JMFCCL has also furnished further written submissions to SEBI on January 13, 2020.

(g) *JM Financial Capital Limited*

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 INR 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. The matter is currently pending.

(h) *JM Financial and Investment Consultancy Services Private Limited ("JMFICS")*

- (i) For the assessment year 2012-2013, the assessing officer made an additional disallowance of Rs. 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 JMFICS 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 date of hearing before the ITAT is awaited.
- (ii) For the assessment year 2013-2014, the assessing officer made an additional disallowance of Rs. 50,45,253/- under Section 14A of the IT Act. An appeal was filed before the CIT(A) on May 24, 2016 against the said assessment order. The CIT(A) has decided the appeal partially in favour of JMFICS vide order dated March 25, 2019. JMFICS has filed an appeal in the ITAT on June 18, 2019. The matter is currently pending.
- (iii) For the assessment year 2014-2015, the assessing officer made an additional disallowance of Rs. 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.

- (iv) For the assessment year 2015-2016, the assessing officer made an additional disallowance of Rs. 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.
 - (v) For the assessment year 2016-2017, the assessing officer made an additional disallowance of Rs. 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.
 - (vi) For the assessment year 2017-2018, the assessing officer has passed an order dated December 7, 2019 of an additional disallowance of Rs. 38,78,480 against JMFICS under Section 14A of the IT Act. Further, a demand notice dated December 7, 2019 has been issued against JMFICS for an amount of Rs. 16,87,937. An appeal has been filed by JMFICS before the CIT(A) on January 3, 2020 against the said assessment order. The date of hearing before the CIT(A) is awaited.
- (i) *JM Financial Credit Solutions Limited ("JMFCL")*
- (i) JMFCL has filed certain criminal litigations under Section 138 of the Negotiable Instruments Act, 1881 for the recovery of INR 15,30,09,902 from certain defaulters.
 - (ii) Mr. K.N. Eshwara and Mr. K.N. Madhusudan had in August 2018 filed an application before the National Company Law Tribunal, Bengaluru bench under Section 241 and Section 242 of the Companies Act, 2013 alleging oppression and mismanagement of the affairs of a company named M/s Reality Constructions (Bangalore) Private Limited against the directors and shareholders of such company. The applicants have, *inter alia*, alleged that the directors had encumbered property situated in survey number 57/1, Hebbal Village, Kasaba, Bangalore North Taluk owned by the company to secure financial assistance obtained by the company from JMFCL. The applicants have alleged that such loan has been availed and the property has been encumbered in favour of JMFCL with an intention to defraud the company and have prayed for, *inter alia*, a declaration from the National Company Law Tribunal, Bengaluru bench that JMFCL has no secured interest on such property. The proceedings are currently pending before the National Company Law Tribunal, Bengaluru bench.
- (j) *JM Financial Asset Management Limited ("JMAML")*

Mahesh Agarwal filed a first information report FIR No. 178/2011 dated August 4, 2011 against Umesh Somai, JM Financial Mutual Fund, the board of directors of JMAML and JM Financial Trustee Company Limited before the Jhalupura 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 (being JMAML) in investing INR 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 INR 24,818 as on April 1, 2011. The Jhalupura Police Station, Jaipur issued a notice dated September 7, 2011 which was replied by JMAML on enclosing necessary documents requested by the police authorities. JMAML also conducted meetings with the police officials on November 8, 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. As on date, no charges have been framed against, and no summons have been received by JMAML in this matter.

THE ISSUE

The following are the terms of the Tranche III Issue. This should be read in conjunction with, and is qualified in its entirety by, more detailed information in the chapter titled "*General Terms of the Issue*" beginning on page 86 of this Tranche III Prospectus.

Common Terms of Secured NCDs*

Issuer	JM Financial Products Limited.
Lead Managers	A. K. Capital Services Limited, JM Financial Limited** and Trust Investment Advisors Private Limited.
Debenture Trustee	IDBI Trusteeship Services Limited.
Issue	Public issue by our Company of Secured NCDs and/or Unsecured NCDs, for an amount aggregating up to ₹ 2,000 crores (" Shelf Limit ") pursuant to the Shelf Prospectus. The Unsecured, NCDs will be in the nature of Subordinated Debt and will be eligible for Tier II Capital.
Tranche III Issue	This Tranche III Issue is for Secured NCDs with a Base Issue size of an amount up to ₹ 100 crores, with an option to retain oversubscription up to ₹ 200 crores, aggregating up to ₹ 300 crores which is within the Shelf Limit.
Registrar to the Issue	KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited).
Type and nature of instrument	Secured NCDs of face value of ₹ 1,000 each.
Base Issue	₹ 100 crores
Option to retain Oversubscription Amount	Upto ₹ 200 crores.
Face Value (in ₹ / NCD)	1,000/-
Issue Price (in ₹ / NCD)	1,000/-
Minimum application and in multiples of Seniority	₹ 10,000 (10 NCD) collectively across all the Series and in multiples of ₹ 1,000 (1 NCD) after the minimum application amount across all the Series.
	Senior (to clarify, the claims of the Secured NCD Holders shall be superior to the claims of any unsecured creditors, subject to applicable statutory and/or regulatory requirements). The Secured NCDs would constitute secured obligations of ours and shall rank pari passu inter se, and with all existing encumbrances and future financial indebtedness of the Company and subject to any obligations under applicable statutory and/or regulatory requirements, shall also, with regard to the amount invested, be secured by way of first ranking pari passu charge in favour of the Debenture Trustee on present and/or future receivables/assets of our Company, excluding therefrom such portion of the receivables secured or to be secured for the purposes of maintaining 'security cover' (by whatever name called) in connection with all other indebtedness of the Company, whether by way of loan or debentures or otherwise, under the terms of such other indebtedness which are / will not be offered to other lenders for their credit facilities; and/or first ranking pari passu charge on the Company's identified immovable property.
Mode of Issue Listing	Public Issue. BSE BSE shall be the Designated Stock Exchange for the Issue. The Secured NCDs shall be listed within 6 (six) Working Days from the Tranche III Issue Closing Date.
Mode of Allotment and Trading	Compulsorily in dematerialised form.
Mode of settlement	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 92 of this Tranche III Prospectus.
Market / Trading Lot	One NCD.
Depositories	NSDL and CDSL.
Security and asset cover	The Secured NCDs would constitute secured obligations of ours and shall rank pari passu inter se, and with all existing encumbrances and future financial indebtedness of the Company and subject to any obligations under applicable statutory and/or regulatory requirements, shall also, with regard to the amount invested, be secured by way of first ranking pari passu charge in favour of the Debenture Trustee on present and/or future receivables/assets of our Company, excluding therefrom such portion of the receivables secured or to be secured for the purposes of maintaining 'security cover' (by whatever name called) in connection with all other indebtedness of the Company, whether by way of loan or debentures or otherwise, under the terms of such other indebtedness which are / will not be offered to other lenders for their credit facilities;

Who can apply/ Eligible Investors Credit Ratings	and/or first ranking pari passu charge on the Company's identified immovable property. Security for the purpose of this Issue will be created in accordance with the terms of the Debenture Trust Deed to ensure 100% security cover of the amount outstanding in respect of Secured NCDs, including interest thereon, at any time. For further details please refer to the section titled " <i>Issue Structure</i> " beginning on page 92 of this Tranche III Prospectus.																							
	Please refer to the section titled " <i>Issue Procedure</i> " beginning on page 109 of this Tranche III Prospectus.																							
	<table><tr><th>Rating agency</th><th>Instrument</th><th>Rating symbol</th><th>Date of credit rating letter</th><th>Amount rated (in crores)</th><th>Rating definition</th></tr><tr><td>ICRA</td><td>Non-convertible debentures</td><td>[ICRA]AA</td><td>January 9, 2019 and further revalidated by letters dated July 24, 2019, January 14, 2020 and February 4, 2020</td><td>₹ 2,000 crores</td><td>Stable</td></tr><tr><td>CRISIL</td><td>Non-convertible debentures</td><td>CRISIL AA</td><td>January 3, 2019 and further revalidated by letters dated July 30, 2019 and January 21, 2020</td><td>₹ 2,000 crores</td><td>Stable</td></tr></table>						Rating agency	Instrument	Rating symbol	Date of credit rating letter	Amount rated (in crores)	Rating definition	ICRA	Non-convertible debentures	[ICRA]AA	January 9, 2019 and further revalidated by letters dated July 24, 2019, January 14, 2020 and February 4, 2020	₹ 2,000 crores	Stable	CRISIL	Non-convertible debentures	CRISIL AA	January 3, 2019 and further revalidated by letters dated July 30, 2019 and January 21, 2020	₹ 2,000 crores	Stable
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Please refer to pages 284 to 313 of this Tranche III Prospectus for rating letter and rationale for the above ratings. Please refer to the disclaimer clause of ICRA and CRISIL under the chapter " <i>General Information</i> " on page 14 of this Tranche III Prospectus.																								
Pay-in date Application money Record Date	Application Date. The entire Application Amount is payable on Application.																							
	The entire application amount is payable on submitting the Application.																							
Issue Schedule***	The Record Date for payment of interest in connection with the Secured NCDs or repayment of principal in connection therewith shall be 15 days prior to the date of payment of interest, is due and payable, and/or the Redemption Date and/or such other date as may be determined by the Board of Directors/NCD Public Issue Committee from time to time in accordance with the applicable law. In case of redemption of Secured NCDs, the trading in the Secured 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 the 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 Circular bearing no. CIR/IMD/DF-1/122/2016 dated November 11, 2016.																							
	The Issue shall be open from February 13, 2020 to March 9, 2020 with an option to close earlier and/or extend upto a period as may be determined by the NCD Public Issue Committee of the Board.																							
Objects of the Issue	Please refer to the section titled " <i>Objects of the Tranche III Issue</i> " on page 75 of this Tranche III Prospectus.																							
Details of the utilisation of Issue proceeds	Please refer to the section titled " <i>Objects of the Tranche III Issue</i> " on page 75 of this Tranche III Prospectus.																							
Coupon rate, coupon payment date and redemption premium/discount	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 92 of this Tranche III Prospectus.																							
Step up/ Step down interest rates	N.A.																							
Interest type	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 92 of this Tranche III Prospectus.																							
Interest reset process	N.A.																							
Tenor	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 92 of this Tranche III Prospectus.																							
Coupon payment frequency	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 92 of this Tranche III Prospectus.																							
Redemption date	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 92 of this Tranche III Prospectus.																							

Redemption Amount	Prospectus. Please refer to the section titled “ <i>Issue Structure</i> ” beginning on page 92 of this Tranche III Prospectus.
Day count convention	Actual/Actual
Working Days convention / Effect of holidays on payment	Working Day(s) shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, as per the SEBI Circular CIR/DDHS/P/121/2018 dated August 16, 2018, except with reference to Tranche III Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India. Furthermore, for the purpose of post issue period, i.e. period beginning from Tranche III Issue Closing Date to listing of the NCDs, Working Days shall mean all trading days of Stock Exchange excluding Sundays and bank holidays in Mumbai. During the tenor of the NCDs, interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai. Interest shall be computed on an actual/actual basis i.e. on the principal outstanding on the Secured NCDs as per the SEBI Circular bearing no. CIR/IMD/DF-1/122/2016 dated November 11, 2016. If the Interest Payment Date falls on a day other than a Working Day, the interest payment shall be made by the Company on the immediately succeeding Working Day and calculation of such interest payment shall be as per original schedule as if such Interest Payment Date were a Working Day. The interest payments shall be made only on the day when the money market is functioning in Mumbai. 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. If Redemption Date (also being the last Interest Payment Date) falls on a day that is not a Working Day, the Redemption Amount shall be paid by the Company on the immediately preceding Working Day along with interest accrued on the Secured NCDs until but excluding the date of such payment. The redemption payments shall be made only on the day when the money market is functioning in Mumbai.
Tranche III Issue Opening Date	February 13, 2020
Tranche III Issue Closing Date	March 9, 2020
Default interest rate	Our Company shall pay interest in connection with any delay in allotment, refunds, listing, 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.
Put Date / Price / notification time	N.A.
Call Date / Price / Notification Time / Deemed Date of Allotment	N.A. The date on which the Allotment Committee of the Board approves the Allotment of the Secured NCDs for the Tranche III 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 Secured NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the Secured NCDs including interest on Secured NCDs shall be available to the Debenture holders from the Deemed Date of Allotment.
Transaction documents	Issue Agreement dated January 24, 2019 between our Company and the Lead Managers, and further amended by amendment agreements dated July 30, 2019 and February 7, 2020, the Registrar Agreement dated January 24, 2019 with the Registrar to the Issue, the Public Issue Account Agreement dated February 7, 2020 executed with the Public Issue Account Bank, the Refund Bank, the Lead Managers and the Registrar to the Issue, the Lead Broker Agreement dated February 7, 2020 executed with the Lead Brokers and Lead Managers, the Debenture Trustee Agreement dated January 24, 2019 executed between our Company and the Debenture Trustee and the Debenture Trust Deed dated May 20, 2019 executed 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 and subsequent to the Issue	Other than the conditions specified in the SEBI Debt Regulations, there are no conditions precedent and subsequent to disbursement. For further details, please refer to “ <i>Objects of the Tranche III Issue – Utilisation of Issue Proceeds</i> ” on page 77 of this Tranche III Prospectus.
Events of default	Please refer to the section titled “ <i>Issue Structure</i> ” on page 92 of this Tranche III Prospectus.
Cross Default	Please refer to the section titled “ <i>Issue Structure</i> ” on page 92 of this Tranche III Prospectus.
Roles and responsibilities of the Debenture Trustee	Please refer to the section titled “ <i>Terms of the Issue – Trustees for the Secured NCD Holders</i> ” on page 107 of this Tranche III Prospectus.

Governing law and jurisdiction

This Tranche III 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 Section 8 (1) of the Depositories Act, the Company, at the request of the Applicants who wish to hold the Secured NCDs post allotment in physical form, will fulfill such request through the process of rematerialisation, if the Secured NCDs were originally issued in dematerialised form.*

***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 23(3) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, JMFL will be involved only in marketing of the Issue.*

****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 of the Board. In the event of an early closure or extension of the Tranche III Issue, our Company shall ensure that notice of the same is provided to the prospective investors in all those newspapers in which an advertisement for opening of this Tranche III Issue has been given on or before such earlier or initial date of Tranche III Issue closure. 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 Tranche III 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.*

Please refer to page 318 of this Tranche III Prospectus for details pertaining to the cash flows of the Company in accordance with the SEBI circulars bearing numbers CIR/IMD/DF/18/2013 dated October 29, 2013 and CIR/IMD/DF-1/122/2016 dated November 11, 2016.

Please see pages 111, 109 and 125 of this Tranche III Prospectus under sections “Issue Procedure – How to apply”, “Issue Procedure – Who can apply” and “Issue Procedure – Basis of allotment”, respectively for details of category wise eligibility and allotment in the Tranche III Issue.

The specific terms of each instrument are set out below:

Terms and conditions in connection with Secured NCDs **** Series	I	II	III	IV	V	VI	VII	VIII	IX	X
Frequency of Interest Payment	Annual	Cumulative	Annual	Cumulative	Monthly	Annual	Cumulative	Monthly	Annual	Monthly
Who can apply	All category of investors can subscribe to all Series of NCDs									
Minimum Application	₹ 10,000 (10 NCDs)									
In multiples of thereafter	₹ 1,000 (1 NCD)									
Face Value of Secured NCDs (₹ / NCD)	₹ 1,000									
Issue Price (₹ / NCD)	₹ 1,000									
Tenor from Deemed Date of Allotment	24 months	24 months	40 months	40 months	40 months	60 months	60 months	60 months	120 months	120 months
Coupon Rate (% per annum)	9.50%	N.A.	9.70%	N.A.	9.29%	9.90%	N.A.	9.48%	10.00%	9.57%
Effective Yield (Per annum)	9.50%	9.50%	9.73%	9.70%	9.70%	9.90%	9.90%	9.90%	9.99%	10.00%
Mode of Interest Payment	Through various options available									
Redemption Amount (₹ / NCD) ****	₹ 1,000.00	₹ 1,199.02	₹ 1,000.00	₹ 1,361.28	₹ 1,000.00	₹ 1,000.00	₹ 1,603.20	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00
Maturity Date (From Deemed Date of Allotment)	24 months	24 months	40 months	40 months	40 months	60 months	60 months	60 months	120 months	120 months
Nature of indebtedness	Secured rated listed non-convertible debentures									
Put	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Call (anytime after the months to expire from the Deemed Date of Allotment)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

**** Our Company shall allocate and allot Series VI Secured NCDs wherein the Applicants have not indicated their choice of the relevant Secured NCD Series. If the Deemed Date of Allotment undergoes a change, the coupon payment dates, Redemption Dates, Redemption Amounts and other cash flow workings shall be changed accordingly.

OBJECTS OF THE TRANCHE III ISSUE

Our Company proposes to utilise the funds which are being raised through the Tranche III Issue, after deducting the Tranche III Issue related expenses to the extent payable by our Company ("**Net Proceeds**"), towards funding the following objects (collectively, referred to herein as the "**Objects**"):

Issue proceeds

This Tranche III Issue is for the issue of Secured NCDs with a base issue size of ₹ 100 crores and option to retain oversubscription upto ₹ 200 crores, aggregating up to ₹ 300 crores which is within the Shelf Limit ("**Tranche III Issue**"). This Tranche III Issue is being made pursuant to the terms and conditions of this Tranche III Prospectus, which should be read together with the Shelf Prospectus dated April 11, 2019 filed with the Registrar of Companies, Maharashtra, the Designated Stock Exchange and the Securities and Exchange Board of India ("**SEBI**") under the provisions of SEBI Debt Regulations, the Companies Act, 2013 and rules made thereunder as amended to the extent notified.

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

Particulars	Estimated amount (in ₹ crores)
Gross proceeds of the Tranche III Issue*	300.0
Less: - Tranche III Issue related expenses**	11.7
Net Proceeds	288.3

*Assuming this Tranche III Issue is fully subscribed and our Company retains oversubscription.

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

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

S. No.	Objects of the Tranche III 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/or principal of borrowings of the Company [#]	At least 75%
2.	General Corporate Purposes*	Maximum of up to 25%
	Total	100%

[#]Our Company shall not utilize the proceeds of the Tranche III Issue towards payment of prepayment penalty, if any.

*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 Tranche III Issue, in compliance with the SEBI Debt Regulations.

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 the Tranche III Issue.

Issue Related Expenses

The expenses for the Tranche III Issue include, inter alia, lead management fees and selling commission to the lead managers, lead-brokers, fees payable to debenture trustees, the Registrar to the Issue, SCSBs' commission/fees, printing and distribution expenses, legal fees, advertisement expenses and listing fees. The Tranche III Issue expenses and listing fees will be paid by our Company.

The estimated breakdown of the total expenses for the Tranche III Issue is as follows*:

Activity	Expenses (in ₹ crores)
Fees to intermediaries (Lead Management Fee, brokerage, rating agency, registrar, legal advisors, Debenture Trustees etc.)	9.6
Advertising and Marketing Expenses	1.8
Printing and Stationery	0.3
Total	11.7

*Assuming this Tranche III Issue is fully subscribed and our Company retains oversubscription.

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

Our Company shall pay processing fees to the SCSBs for Application forms procured by the Designated Intermediaries and submitted to the SCSBs for blocking the Application Amount of the applicant, at the rate of ₹15 per Application Form procured (plus other applicable taxes). However, it is clarified that in case of Application Forms procured directly by the SCSBs, the relevant SCSBs shall not be entitled to any ASBA Processing Fee.

Purpose for which there is a requirement of funds

As stated in this section.

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 Debt Regulations. The Audit Committee of our Company shall monitor the utilisation of the proceeds of the Tranche III Issue. Our Company will disclose in the Company's financial statements for the relevant financial year commencing from Financial Year 2019-2020, the utilisation of the proceeds of the Tranche III Issue under a separate head along with details, if any, in relation to all such proceeds of the Tranche III Issue that have not been utilised thereby also indicating investments, if any, of such unutilised proceeds of the Tranche III Issue.

Interim use of proceeds

The management of the 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, the Company intends to temporarily invest funds in income bearing liquid instruments including money market mutual funds, deposits with banks or deploy the funds in income bearing securities as may be approved by the Board / Committee of Board of the Company, 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

In accordance with the SEBI Debt Regulations, our Company will not utilise the proceeds of the Issue for providing loans to or acquisition of shares of any person who is a part of the same group as our Company or who is under the same management as our Company.

The Tranche III 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 Tranche III Issue will be paid by us as consideration to our Promoter, our Directors, Key Managerial Personnel, or companies promoted by our Promoter except in ordinary course of business.

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

Further the Company undertakes that the Tranche III Issue proceeds from Secured 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.

The Company confirms that it will not use the proceeds of the Tranche III Issue for the purchase of any business or in the purchase of any interest in any business whereby the Company shall become entitled to the capital or profit or losses or both in such business exceeding 50% thereof, the acquisition of any immovable property or acquisition of securities of any other body corporate.

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 Tranche III 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 Tranche III Issue except to the extent of fees required to be paid to JMFL in their capacity as a Lead Manager.

Utilisation of Issue Proceeds

- a) All monies received pursuant to the Tranche III Issue of Secured NCDs to public shall be transferred to a separate bank account other than the bank account of the Company, as required under sub-section (3) of Section 40 of the Companies Act, 2013;
- b) Details of all monies utilised out of Tranche III Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies had been utilised;
- c) Details of all unutilised monies out of Tranche III Issue of Secured NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the form in which such unutilised monies have been invested;
- d) We shall utilize the Tranche III Issue proceeds only upon receipt of the minimum subscription, creation of security and receipt of listing and trading approval from Stock Exchange;
- e) The Tranche III 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; and
- f) Details of all utilized and unutilized monies out of the monies collected in the previous issue made by way of public offer shall be disclosed and continued 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.

STATEMENT OF 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 Sir,

Sub: PROPOSED PUBLIC ISSUE BY JM FINANCIAL PRODUCTS LIMITED (“COMPANY”) OF SECURED, REDEEMABLE, NON CONVERTIBLE DEBENTURES OF FACE VALUE OF RS. 1,000 EACH AND UNSECURED, REDEEMABLE, NON CONVERTIBLE DEBENTURES OF FACE VALUE OF RS. 1,000 EACH AGGREGATING UPTO RS. 2,000 CRORE (“NCDS”) THROUGH ONE OR MORE TRANCHES (“ISSUE”).

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 (No.2) Act, 2019 and the Taxation Laws (Amendment) Act, 2019 and as applicable for inclusion in the 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 Debt Securities) Regulations, 2008, 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 filed 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.

In the statement of tax benefits attached we have not considered the changes proposed by the Finance Bill, 2020 which was presented on February 01, 2020.

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)

Hasmukh B. Dedhia
Partner (F-33494)
UDIN: 20033494AAAABU3485

Mumbai: February 10, 2020

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.
2. As per section 2(29A) 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")] of capital gains calculated without indexation of the cost of acquisition. 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. 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.
5. Income tax is deductible at source 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 a recognized stock exchange in India in accordance with the Securities Contracts (Regulation) Act 1956 and the rules made thereunder.
6. 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.
7. In case of every Individual, being a resident in India, who is of the age sixty years or more but less than eighty years at any time during the previous year rate of income tax is nil (where total income does not exceed Rs.3,00,000), 5% of amount by which total income exceeds Rs. 3,00,000 (where total income is more than Rs. 3,00,000 but does not exceed Rs. 5,00,000), 20% of the amount by which the total income exceeds Rs.5,00,000 (where total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000) and 30% of the amount by which the total income exceeds Rs. 10,00,000. Plus Surcharge, if any, and Health and Education Cess @4% on the aggregate of Income Tax and Surcharge.
8. In case of every Individual, being a resident in India, who is of the age eighty years or more at any time during the previous year rate of income tax is nil (where total income does not exceed Rs.5,00,000), 20% of the amount by which the total income exceeds Rs.5,00,000 (where total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000) and 30% of the amount by which the total income exceeds Rs. 10,00,000. Plus Surcharge, if any, and Health and Education Cess @ 4% on the aggregate of Income Tax and Surcharge.
9. In the case of Resident Indian, surcharge at the rate of 10% of such tax liability (if net income exceeds Rs. 50,00,000 and does not exceed Rs. 1,00,00,000), 15% of such tax liability (if net income exceeds Rs. 1,00,00,000 and does not exceed Rs. 2,00,00,000), 25% of such tax liability (if net income exceeds Rs. 2,00,00,000 and does not exceed Rs. 5,00,00,000) and 37% of such tax liability (if net income exceeds Rs. 5,00,00,000). However, the enhanced surcharge does not apply to capital gain on sale of listed equity shares or units of equity oriented fund or business trust liable to securities transaction tax. In such cases where the net income exceeds Rs.2,00,00,000 the surcharge shall be payable at the rate of 15% on such capital gains from sale of listed equity shares or units of equity oriented fund or business trust liable to securities transaction tax.
10. In the case of every domestic Indian company where total turnover or gross receipts does not exceed Rs.400 crore in FY 2017-18, tax shall be payable at the rate of 25%. In case of other domestic Indian companies, tax shall be payable at the rate of 30%. Surcharge shall be payable at the rate of 12% if the total income exceeds Rs.10 crore; 7% if the total income exceeds Rs.1 crore but does not exceed Rs.10 crore and no surcharge if the total income does not exceed Rs.1 crore. In addition to this, cess at the rate of 4% shall be payable on the income-tax plus surcharge.
11. According to the Taxation Laws (Amendment) Act, 2019, domestic Indian companies have an option to pay tax at concessional rates as specified in sections 115BAA and 115BAB.

Any domestic company has an option to pay income-tax at the rate of 22% subject to condition that they will not avail any prescribed exemption/incentive/losses. Surcharge shall be payable at the rate of 10% and Cess shall be payable at the rate of 4% on the income-tax plus surcharge. The effective tax rate for these companies shall be 25.17% inclusive of surcharge & cess. Also, such companies shall not be required to pay Minimum Alternate Tax.

Any new domestic company incorporated on or after 1st October 2019 making fresh investment in manufacturing, has an option to pay income-tax at the rate of 15%. This benefit is available to companies which do not avail any prescribed exemption/incentive/losses and commences their production on or before 31st March, 2023. Surcharge shall be payable at the rate of 10% and Cess shall be payable at the rate of 4% on the income-tax plus surcharge. The effective tax rate for these companies shall be 17.16% inclusive of surcharge &

cess. Also, such companies shall not be required to pay Minimum Alternate Tax.

A company which does not opt for the concessional tax regime and avails the tax exemption/incentive shall continue to pay tax at the pre-amended rate. However, these companies can opt for the concessional tax regime after expiry of their tax holiday/exemption period. After the exercise of the option they shall be liable to pay tax at the rate of 22% (subject to fulfillment of prescribed conditions) and option once exercised cannot be subsequently withdrawn. Further, in order to provide relief to companies which continue to avail exemptions/incentives, the rate of Minimum Alternate Tax has been reduced from existing 18.5% to 15%.

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.
- f. 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,
 - i) Long term capital gains on transfer of listed debentures would be subject to tax at the rate of 10% computed without indexation.
 - ii) 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
 - iii) 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.

2. Under Section 195 of the I.T. Act, the applicable rate of tax deduction at source is 20% on investment income and 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.
3. 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.
4. The income tax deducted shall be increased by surcharge as under:
 - a. In the case of non-resident Indian, surcharge at the rate of 10% of such tax liability (if net income exceeds Rs. 50,00,000 and does not exceed Rs. 1,00,00,000), 15% of such tax liability (if net income exceeds Rs. 1,00,00,000 and does not exceed Rs. 2,00,00,000), 25% of such tax liability (if net income exceeds Rs. 2,00,00,000 and does not exceed Rs. 5,00,00,000) and 37% of such tax liability (if net income exceeds Rs. 5,00,00,000). However, the enhanced surcharge does not apply to capital gain on sale of listed equity shares or units of equity oriented fund or business trust liable to securities transaction tax. In such cases where the net income exceeds Rs.2,00,00,000 the surcharge shall be payable at the rate of 15% on such capital gains from sale of listed equity shares or units of equity oriented fund or business trust liable to securities transaction tax.
 - b. In the case of Foreign companies, surcharge is applicable at the rate of 2% of such tax liability where the income or the aggregate of such income paid or likely to be paid and subject to deduction exceeds Rs. 1,00,00,000 but does not exceed Rs. 10,00,00,000. Surcharge at the rate of 5% of such income tax where the income or the aggregate of such income paid or likely to be paid and subject to the deduction exceeds Rs. 10,00,00,000.
 - c. Cess is to be applied at 4% on aggregate of base tax and surcharge.
5. 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.
6. 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. Section 194LD in the I. T. Act provides for lower rate of 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 till July 1, 2020 provided such rate does not exceed the rate as may be notified by the Government.

5. 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.

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

1. 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 condition that the debenture holder does not own more than one residential house at the time of such transfer. If the residential house in which the investment has been made is transferred within a period of three years from the date of its purchase or construction, the amount of capital gains tax claimed earlier would become chargeable to tax as long term capital gains in the year in which such residential house is transferred. Similarly, if the debenture holder purchases within a period of two years or constructs within a period of three years after the date of transfer of capital asset, another residential house (other than the new residential house referred above), then the original exemption will be taxed as capital gains in the year in which the additional residential house is acquired.

VI. 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. 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.
3. 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). 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 (2) above in such a case.
4. Where a wrong PAN is provided, it will be regarded as non-furnishing of PAN and para (2) above will apply apart from penal consequences.

VII. 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.

NOTES:

- The statement of tax benefits enumerated above is as per the Income-tax Act, 1961, as amended by Finance Act (No. 2), 2019 and the Taxation Laws (Amendment) Act, 2019.
- Surcharge is levied on individuals, HUF, association of persons, body of individuals and artificial juridical person as per para I(9) and para II(4) above.
- 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 as per para I(10) or I(11) above.
- Surcharge is levied on every company other than domestic company as per para II(4) above.
- 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 V: ISSUE RELATED INFORMATION

GENERAL TERMS OF THE ISSUE

Authority for the Tranche III Issue

At the meetings of the Board of Directors of our Company, held on October 24, 2018 and July 11, 2019, and at the meeting of the shareholders of our Company, held on October 25, 2018, the Board of Directors approved the issuance to the public of Secured NCDs of face value of ₹ 1,000 each and Unsecured NCDs of face value of ₹ 1,000 each, aggregating up to ₹ 2,000 crores ("**Shelf Limit**") to the public, hereinafter called the "**Issue**". The Unsecured NCDs shall be in the nature of Subordinated Debt and shall be eligible for inclusion as Tier II Capital.

The NCDs will be issued in one or more tranches up to the Shelf Limit, on terms and conditions as set out in the relevant tranche prospectus(s) 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 crores under Section 180(1)(c) of the Companies Act, 2013 duly approved by the shareholders' of our Company *vide* their resolution dated October 25, 2018.

Further, the NCD Public Issue Committee of the Board of Directors has approved the Draft Shelf Prospectus by way of resolution dated February 1, 2019 and the Shelf Prospectus and Tranche I Prospectus dated April 11, 2019 by way of resolution dated April 11, 2019 and the Tranche II Prospectus by way of resolution dated July 31, 2019. Further, the NCD Public Issue Committee of the Board of Directors approved this Tranche III Prospectus dated February 10, 2020 by way of resolution dated February 10, 2020.

Principal terms and conditions of this Tranche III Issue

The Secured NCDs being offered as part of this Tranche III Issue are subject to the provisions of the SEBI Debt Regulations, the relevant provisions of the Companies Act, 2013 and regulations framed by the RBI, as on the date of this Tranche III Prospectus, our Memorandum and Articles of Association, the terms of this Tranche III Prospectus, the Shelf 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 GoI/ 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 Secured NCDs.

Ranking of the Secured NCDs

The Secured NCDs would constitute secured obligations of ours and shall rank *pari passu* inter se, and with all existing encumbrances and future financial indebtedness of the Company and subject to any obligations under applicable statutory and/or regulatory requirements, shall also, with regard to the amount invested, be secured by way of first ranking *pari passu* charge in favour of the Debenture Trustee on present and/or future receivables/assets of our Company, excluding therefrom such portion of the receivables secured or to be secured for the purposes of maintaining 'security cover' (by whatever name called) in connection with all other indebtedness of the Company, whether by way of loan or debentures or otherwise, under the terms of such other indebtedness which are / will not be offered to other lenders for their credit facilities; and/or first ranking *pari passu* charge on the Company's identified immovable property. Security for the purpose of this Issue has been created in accordance with the terms of the Debenture Trust Deed dated May 20, 2019 to ensure 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 existing creditors for proceeding with this Issue and the Company has obtained such permissions / consents as on the date of this Tranche III Prospectus.

Investment in relation to maturing debentures

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 Debt 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 Tranche III 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.

Face Value

The face value of each of the Secured NCDs shall be ₹ 1,000.

Secured NCD Holder not a shareholder

The Secured 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 LODR 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. The opinion of the Debenture Trustee as to whether such resolution is affecting the right attached to the Secured NCDs is final and binding on Secured NCD holders. 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 Debt Regulations, the Companies Act, 2013, our Memorandum and Articles of Association, the terms of this Tranche III Prospectus, the Shelf 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 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 the Issuer 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 at least 75% of the outstanding amount of the Secured NCDs after providing at least 21 days prior notice for such roll over and in accordance with the SEBI Debt 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 this Tranche III Prospectus, the Shelf Prospectus and the Debenture Trust Deed.

Minimum Subscription

In terms of the SEBI Debt Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue. If our Company does not receive the minimum subscription of 75% of the Base Issue, being ₹ 75 crores within the prescribed timelines under Companies Act and any rules thereto, the entire subscription amount shall be refunded to the Applicants within the timelines prescribed under Applicable Law. 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 the 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 the Debt Application 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.

Market Lot and Trading Lot

The Secured NCDs shall be allotted in dematerialised form. As per the SEBI Debt Regulations, the trading of the Secured NCDs shall be in dematerialised form only. Since trading of the Secured NCDs is in dematerialised form, the tradable lot is one Secured NCD.

Please note that the Secured NCDs shall cease to trade from the Record Date (for payment of the principal amount and the applicable interest for such Secured NCDs) prior to redemption of the Secured NCDs.

Allotment in this Tranche III Issue will be in electronic form and in multiples of one Secured NCD. For details of Allotment see the section titled "*Issue Procedure*" at page 109 of this Tranche III Prospectus.

Nomination facility to Secured NCD Holders

In accordance with Section 72 of the Companies Act, 2013 (read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, the sole Secured NCD Holder or first Secured NCD Holder, along with other joint Secured 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 Secured NCDs. A person, being a nominee, becoming entitled to the Secured NCDs by reason of the death of the Secured NCD Holder(s), shall be entitled to the same rights to which such Secured NCD Holder would be entitled if such Secured NCD Holder were the registered holder of the Secured NCD. Where the nominee is a minor, the Secured NCD Holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the Secured NCDs, in the event of the Secured NCD Holder's death during the minority of the nominee. A nomination shall stand rescinded upon sale of the Secured NCDs by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. When the Secured NCDs are held by two or more persons, the nominee shall become entitled to receive the amount only on the demise of all such Secured 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.

Secured NCD Holders are advised to provide the specimen signature of the nominee to us to expedite the transmission of the Secured NCDs to the nominee in the event of demise of the Secured 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 Secured NCD Holder(s), or where the NCDs are held by more than one person jointly, in the event of death of all the joint Secured 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 Secured NCDs; or
- (b) To transfer the Secured NCDs, as the deceased holder could have done.

Secured NCD Holders who are holding Secured NCDs in dematerialised form need not make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Secured NCD Holder will prevail. If the Secured 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 Secured 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 Secured NCDs, until the requirements of the notice have been complied with.

Succession

Where Secured NCDs are held in joint names and one of the joint Secured NCD Holder dies, the survivor(s) will be recognized as the Secured NCD Holder(s). It will be sufficient for our Company to delete the name of the deceased Secured 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 Secured NCD Holder after obtaining evidence such as probate of a will for the purpose of proving his title to the Secured NCDs. In the event of demise of the sole or first holder of the Secured NCDs, our Company will recognise the executors or administrator of the deceased Secured NCD Holders, or the holder of the succession certificate or other legal representative as having title to the Secured 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 Secured NCD Holders who are holding Secured NCDs in dematerialised form, third person is not required to approach the Company to register his name as successor of the deceased Secured NCD Holder. He shall approach the respective Depository Participant of the Secured 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.

Jurisdiction

Exclusive jurisdiction for the purpose of this Tranche III Issue is with the competent courts of jurisdiction in Mumbai, India.

Application in the Issue

Secured NCDs being issued through the Shelf Prospectus and this Tranche III Prospectus can be applied for, through a valid Application Form filled in by the applicant along with attachments, as applicable. Further, Applications in this Tranche III Issue shall be made through the ASBA facility only.

In terms of Regulation 4(2)(d) of the SEBI Debt 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 Secured NCDs in physical form will rematerialise the NCDs. However, any trading of the NCDs shall be compulsorily in dematerialised form only.

Period of subscription

TRANCHE III ISSUE OPENS ON	FEBRUARY 13, 2020
TRANCHE III ISSUE CLOSES ON	MARCH 9, 2020

The Tranche III Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m., during the period indicated above, except that this Tranche III 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 an early closure or extension of the Tranche III Issue, our Company shall ensure that notice of the same is provided to the prospective investors in all those newspapers in which an advertisement for opening of this Tranche III Issue has been given on or before such earlier or extended date of Tranche III Issue closure. Applications Forms for this Tranche III 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 Tranche III Issue Period. On the Tranche III Issue Closing Date, Application 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 Tranche III Issue Period. On the Tranche III 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.

Due to limitation of time available for uploading the Applications on the electronic platform of the Stock Exchange on the Tranche III Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Tranche III Issue Closing Date and, no later than 3.00 p.m. (Indian Standard Time) on the Tranche III Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Tranche III 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 this Tranche III Issue. Application Forms will only be accepted on Working Days during the Tranche III 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 circular dated October 29, 2013, 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.

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.

Procedure for rematerialisation of NCDs

Secured 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 rematerialize 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 currently no restrictions on transfers and transmission of NCDs and on their consolidation/ splitting except as may be required under applicable statutory and/or regulatory requirements including any RBI requirements and/or as provided in our Articles of Association. Please see the section titled "*Summary of the Key Provisions of the Articles of Association*" at page 217 of the Shelf Prospectus.

ISSUE STRUCTURE

The following are the terms of the Secured NCDs. This section should be read in conjunction with, and is qualified in its entirety by more detailed information in "*General Terms of the Issue*" on page 86 of this Tranche III Prospectus

The key common terms and conditions of the Secured NCDs* are as follows:

Particulars	Terms and Conditions
Minimum Application Size	₹ 10,000 (10 NCD) collectively across all the Series
Mode of allotment	Compulsorily in dematerialised form
Terms of Payment	Full amount on application
Trading Lot	One NCD
Who can apply	<p>Category I</p> <ul style="list-style-type: none"> 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 a minimum corpus of ₹ 250 million, 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; Resident Venture Capital Funds registered with SEBI; Insurance companies registered with the 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; Systemically Important Non-Banking Financial Company registered with the RBI and having a net-worth of more than ₹ 5,000 million as per the last audited financial statements 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; and Mutual funds registered with SEBI. <p>Category II</p> <ul style="list-style-type: none"> 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; Trusts including Public/private charitable/religious trusts which are authorised to invest in the NCDs; Scientific and/or industrial research organisations, which are authorised to invest in the NCDs; Partnership firms in the name of the partners; and 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 <p>Category III</p> <ul style="list-style-type: none"> High Net-worth Individual Investors ("HNIs") - Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating to above INR 1,000,000 across all Series of NCDs in the Issue <p>Category IV</p> <ul style="list-style-type: none"> Retail Individual Investors - Resident Indian individuals and Hindu

Undivided Families through the Karta applying for an amount aggregating up to and including INR 1,000,000 across all Series of NCDs in the Issue.

**In terms of Section 8 (1) of the Depositories Act, the Company, at the request of the Applicants who wish to hold the NCDs post allotment in physical form, will fulfill such request through the process of rematerialisation, if the NCDs were originally issued in dematerialised form.*

Participation by any of the above-mentioned investor classes in this Tranche III 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 Secured 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 Tranche III Issue.

For further details, please see "Issue Procedure" on page 109 of this Tranche III Prospectus.

TERMS AND CONDITIONS IN CONNECTION WITH THE SECURED NCDs*

Common Terms of Secured NCDs*

Issuer	JM Financial Products Limited.
Lead Managers	A. K. Capital Services Limited, JM Financial Limited** and Trust Investment Advisors Private Limited.
Debenture Trustee	IDBI Trusteeship Services Limited.
Issue	Public issue by our Company of Secured NCDs and/or Unsecured NCDs, for an amount aggregating up to ₹ 2,000 crores (" Shelf Limit ") pursuant to the Shelf Prospectus. The Unsecured, NCDs will be in the nature of Subordinated Debt and will be eligible for Tier II Capital.
Tranche III Issue	This Tranche III Issue is for Secured NCDs with a Base Issue size of an amount up to ₹ 100 crores, with an option to retain oversubscription up to ₹ 200 crores, aggregating up to ₹ 300 crores which is within the Shelf Limit.
Registrar to the Issue	KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited).
Type and nature of instrument	Secured NCDs of face value of ₹ 1,000 each.
Base Issue	₹ 100 crores
Option to retain Oversubscription Amount	Upto ₹ 200 crores.
Face Value (in ₹ / NCD)	1,000/-
Issue Price (in ₹ / NCD)	1,000/-
Minimum application and in multiples of Seniority	₹ 10,000 (10 NCD) collectively across all the Series and in multiples of ₹ 1,000 (1 NCD) after the minimum application amount across all the Series. Senior (to clarify, the claims of the Secured NCD Holders shall be superior to the claims of any unsecured creditors, subject to applicable statutory and/or regulatory requirements). The Secured NCDs would constitute secured obligations of ours and shall rank pari passu inter se, and with all existing encumbrances and future financial indebtedness of the Company and subject to any obligations under applicable statutory and/or regulatory requirements, shall also, with regard to the amount invested, be secured by way of first ranking pari passu charge in favour of the Debenture Trustee on present and/or future receivables/assets of our Company, excluding therefrom such portion of the receivables secured or to be secured for the purposes of maintaining 'security cover' (by whatever name called) in connection with all other indebtedness of the Company, whether by way of loan or debentures or otherwise, under the terms of such other indebtedness which are / will not be offered to other lenders for their credit facilities; and/or first ranking pari passu charge on the Company's identified immovable property.
Mode of Issue	Public Issue.
Listing	BSE BSE shall be the Designated Stock Exchange for the Issue. The Secured NCDs shall be listed within 6 (six) Working Days from the Tranche III Issue Closing Date.

Mode of Allotment and Trading	Compulsorily in dematerialised form.																							
Mode of settlement	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 92 of this Tranche III Prospectus.																							
Market / Trading Lot	One NCD.																							
Depositories	NSDL and CDSL.																							
Security and asset cover	The Secured NCDs would constitute secured obligations of ours and shall rank pari passu inter se, and with all existing encumbrances and future financial indebtedness of the Company and subject to any obligations under applicable statutory and/or regulatory requirements, shall also, with regard to the amount invested, be secured by way of first ranking pari passu charge in favour of the Debenture Trustee on present and/or future receivables/assets of our Company, excluding therefrom such portion of the receivables secured or to be secured for the purposes of maintaining ‘security cover’ (by whatever name called) in connection with all other indebtedness of the Company, whether by way of loan or debentures or otherwise, under the terms of such other indebtedness which are / will not be offered to other lenders for their credit facilities; and/or first ranking pari passu charge on the Company's identified immovable property. Security for the purpose of this Issue will be created in accordance with the terms of the Debenture Trust Deed to ensure 100% security cover of the amount outstanding in respect of Secured NCDs, including interest thereon, at any time. For further details please refer to the section titled " <i>Issue Structure</i> " beginning on page 92 of this Tranche III Prospectus.																							
Who can apply/ Eligible Investors	Please refer to the section titled " <i>Issue Procedure</i> " beginning on page 109 of this Tranche III Prospectus.																							
Credit Ratings	<table><tr><th>Rating agency</th><th>Instrument</th><th>Rating symbol</th><th>Date of credit rating letter</th><th>Amount rated (in crores)</th><th>Rating definition</th></tr><tr><td>ICRA</td><td>Non-convertible debentures</td><td>[ICRA]AA</td><td>January 9, 2019 and further revalidated by letters dated July 24, 2019, January 14, 2020 and February 4, 2020</td><td>₹ 2,000 crores</td><td>Stable</td></tr><tr><td>CRISIL</td><td>Non-convertible debentures</td><td>CRISIL AA</td><td>January 3, 2019 and further revalidated by letters dated July 30, 2019 and January 21, 2020</td><td>₹ 2,000 crores</td><td>Stable</td></tr></table>						Rating agency	Instrument	Rating symbol	Date of credit rating letter	Amount rated (in crores)	Rating definition	ICRA	Non-convertible debentures	[ICRA]AA	January 9, 2019 and further revalidated by letters dated July 24, 2019, January 14, 2020 and February 4, 2020	₹ 2,000 crores	Stable	CRISIL	Non-convertible debentures	CRISIL AA	January 3, 2019 and further revalidated by letters dated July 30, 2019 and January 21, 2020	₹ 2,000 crores	Stable
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ICRA	Non-convertible debentures	[ICRA]AA	January 9, 2019 and further revalidated by letters dated July 24, 2019, January 14, 2020 and February 4, 2020	₹ 2,000 crores	Stable																			
CRISIL	Non-convertible debentures	CRISIL AA	January 3, 2019 and further revalidated by letters dated July 30, 2019 and January 21, 2020	₹ 2,000 crores	Stable																			
Pay-in date	Please refer to pages 284 to 313 of this Tranche III Prospectus for rating letter and rationale for the above ratings. Please refer to the disclaimer clause of ICRA and CRISIL under the chapter " <i>General Information</i> " on page 14 of this Tranche III Prospectus.																							
Application money	Application Date. The entire Application Amount is payable on Application.																							
Record Date	The entire application amount is payable on submitting the Application.																							
	The Record Date for payment of interest in connection with the Secured NCDs or repayment of principal in connection therewith shall be 15 days prior to the date of payment of interest, is due and payable, and/or the Redemption Date and/or such other date as may be determined by the Board of Directors/NCD Public Issue Committee from time to time in accordance with the applicable law. In case of redemption of Secured NCDs, the trading in the Secured 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 the 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 Circular bearing no. CIR/IMD/DF-1/122/2016 dated November 11, 2016.																							
Issue Schedule***	The Issue shall be open from February 13, 2020 to March 9, 2020 with an option to close earlier and/or extend upto a period as may be determined by the NCD Public Issue Committee of the Board.																							
Objects of the Issue	Please refer to the section titled " <i>Objects of the Tranche III Issue</i> " on page 75 of this Tranche III Prospectus.																							
Details of the utilisation of Issue proceeds	Please refer to the section titled " <i>Objects of the Tranche III Issue</i> " on page 75 of this Tranche III Prospectus.																							

Coupon rate, coupon payment date and redemption premium/discount	Please refer to the section titled “ <i>Issue Structure</i> ” beginning on page 92 of this Tranche III Prospectus.
Step up/ Step down interest rates	N.A.
Interest type	Please refer to the section titled “ <i>Issue Structure</i> ” beginning on page 92 of this Tranche III Prospectus.
Interest reset process	N.A.
Tenor	Please refer to the section titled “ <i>Issue Structure</i> ” beginning on page 92 of this Tranche III Prospectus.
Coupon payment frequency	Please refer to the section titled “ <i>Issue Structure</i> ” beginning on page 92 of this Tranche III Prospectus.
Redemption date	Please refer to the section titled “ <i>Issue Structure</i> ” beginning on page 92 of this Tranche III Prospectus.
Redemption Amount	Please refer to the section titled “ <i>Issue Structure</i> ” beginning on page 92 of this Tranche III Prospectus.
Day count convention	Actual/Actual
Working Days convention / Effect of holidays on payment	<p>Working Day(s) shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, as per the SEBI Circular CIR/DDHS/P/121/2018 dated August 16, 2018, except with reference to Tranche III Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India. Furthermore, for the purpose of post issue period, i.e. period beginning from Tranche III Issue Closing Date to listing of the NCDs, Working Days shall mean all trading days of Stock Exchange excluding Sundays and bank holidays in Mumbai. During the tenor of the NCDs, interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai.</p> <p>Interest shall be computed on an actual/actual basis i.e. on the principal outstanding on the Secured NCDs as per the SEBI Circular bearing no. CIR/IMD/DF-1/122/2016 dated November 11, 2016.</p> <p>If the Interest Payment Date falls on a day other than a Working Day, the interest payment shall be made by the Company on the immediately succeeding Working Day and calculation of such interest payment shall be as per original schedule as if such Interest Payment Date were a Working Day. The interest payments shall be made only on the day when the money market is functioning in Mumbai. 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.</p> <p>If Redemption Date (also being the last Interest Payment Date) falls on a day that is not a Working Day, the Redemption Amount shall be paid by the Company on the immediately preceding Working Day along with interest accrued on the Secured NCDs until but excluding the date of such payment. The redemption payments shall be made only on the day when the money market is functioning in Mumbai.</p>
Tranche III Issue Opening Date	February 13, 2020
Tranche III Issue Closing Date	March 9, 2020
Default interest rate	Our Company shall pay interest in connection with any delay in allotment, refunds, listing, 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.
Put Date / Price / notification time	N.A.
Call Date / Price / Notification Time / Deemed Date of Allotment	N.A.
	The date on which the Allotment Committee of the Board approves the Allotment of the Secured NCDs for the Tranche III 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 Secured NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the Secured NCDs including interest on Secured NCDs shall be available to the Debenture holders from the Deemed Date of Allotment.
Transaction documents	Issue Agreement dated January 24, 2019 between our Company and the Lead Managers, and further amended by amendment agreements dated July 30, 2019 and February 7, 2020, the Registrar Agreement dated January 24, 2019 with the Registrar to the Issue, the Public Issue Account Agreement dated February 7, 2020 executed with the Public Issue Account Bank, the

	Refund Bank, the Lead Managers and the Registrar to the Issue, the Lead Broker Agreement dated February 7, 2020 executed with the Lead Brokers and Lead Managers, the Debenture Trustee Agreement dated January 24, 2019 executed between our Company and the Debenture Trustee and the Debenture Trust Deed dated May 20, 2019 executed 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 and subsequent to the Issue	Other than the conditions specified in the SEBI Debt Regulations, there are no conditions precedent and subsequent to disbursement. For further details, please refer to “ <i>Objects of the Tranche III Issue – Utilisation of Issue Proceeds</i> ” on page 77 of this Tranche III Prospectus.
Events of default	Please refer to the section titled “ <i>Issue Structure</i> ” on page 92 of this Tranche III Prospectus.
Cross Default	Please refer to the section titled “ <i>Issue Structure</i> ” on page 92 of this Tranche III Prospectus.
Roles and responsibilities of the Debenture Trustee	Please refer to the section titled “ <i>Terms of the Issue – Trustees for the Secured NCD Holders</i> ” on page 107 of this Tranche III Prospectus.
Governing law and jurisdiction	This Tranche III 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 Section 8 (1) of the Depositories Act, the Company, at the request of the Applicants who wish to hold the Secured NCDs post allotment in physical form, will fulfill such request through the process of rematerialisation, if the Secured NCDs were originally issued in dematerialised form.*

***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 23(3) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, JMFL will be involved only in marketing of the Issue.*

****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 Tranche III 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 an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors in all those newspapers in which an advertisement for opening of this Tranche III Issue has been given on or before such earlier or initial date of Tranche III Issue closure. 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 Tranche III 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.*

Please refer to page 318 for details pertaining to the cash flows of the Company in accordance with the SEBI circulars bearing numbers CIR/IMD/DF/18/2013 dated October 29, 2013 and CIR/IMD/DF-1/122/2016 dated November 11, 2016.

Nature of the Secured NCDs

We are offering Secured NCDs which shall have a fixed rate of interest. The Secured NCDs will be issued at a face value of ₹ 1,000 per NCD. Interest on the Secured NCDs shall be payable in the manner, as set out hereinafter. The terms of the Secured NCDs offered pursuant to the Tranche III Issue are as follows:

Terms and conditions in connection with Secured NCDs **** Series	I	II	III	IV	V	VI	VII	VIII	IX	X
Frequency of Interest Payment	Annual	Cumulative	Annual	Cumulative	Monthly	Annual	Cumulative	Monthly	Annual	Monthly
Who can apply	All category of investors can subscribe to all Series of NCDs									
Minimum Application	₹ 10,000 (10 NCDs)									
In multiples of thereafter	₹ 1,000 (1 NCD)									
Face Value of Secured NCDs (₹ / NCD)	₹ 1,000									
Issue Price (₹ / NCD)	₹ 1,000									
Tenor from Deemed Date of Allotment	24 months	24 months	40 months	40 months	40 months	60 months	60 months	60 months	120 months	120 months
Coupon Rate (% per annum)	9.50%	N.A.	9.70%	N.A.	9.29%	9.90%	N.A.	9.48%	10.00%	9.57%
Effective Yield (Per annum)	9.50%	9.50%	9.73%	9.70%	9.70%	9.90%	9.90%	9.90%	9.99%	10.00%
Mode of Interest Payment	Through various options available									
Redemption Amount (₹ / NCD) ****	₹ 1,000.00	₹ 1,199.02	₹ 1,000.00	₹ 1,361.28	₹ 1,000.00	₹ 1,000.00	₹ 1,603.20	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00
Maturity Date (From Deemed Date of Allotment)	24months	24 months	40 months	40 months	40 months	60 months	60 months	60 months	120 months	120 months
Nature of indebtedness	Secured rated listed non-convertible debentures									
Put	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Call (anytime after the months to expire from the Deemed Date of Allotment)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

**** Our Company shall allocate and allot Series VI Secured NCDs wherein the Applicants have not indicated their choice of the relevant Secured NCD Series. If the Deemed Date of Allotment undergoes a change, the coupon payment dates, Redemption Dates, Redemption Amounts and other cash flow workings shall be changed accordingly.

Interest and Payment of Interest

For avoidance of doubt, with respect to Series V, Series VIII and Series X NCDs where interest is to be paid on a monthly basis, relevant interest will be calculated from the first day till the last date of every month during the tenor of such Secured NCDs and paid on the first day of every subsequent month. For the first interest payment for Secured NCDs under the monthly options, interest from the Deemed Date of Allotment till the last day of the subsequent month will be clubbed and paid on the first day of the month following that subsequent month.

With respect to Series I, Series III, Series VI and Series IX where interest is to be paid on an annual basis, relevant interest will be paid on each anniversary of the Deemed Date of Allotment on the face value of the Secured NCDs. The last interest payment under annual options will be made at the time of redemption of the Secured NCDs.

A. Interest

In case of Series I Secured NCDs, interest would be paid on an annual basis at 9.50% to all categories of investors. Series I Secured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 24 months from the Deemed Date of Allotment.

In case of Series II Secured NCDs, they shall be redeemed at the end of 24 months from the Deemed Date of Allotment as mentioned below.

Category of NCD Holder	Face Value (₹ per NCD)	Redemption Amount (₹ per NCD)
All Category of Investor	1,000	1,199.02

In case of Series III Secured NCDs, interest would be paid on an annual basis at 9.70% to all categories of investors. Series III Secured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 40 months from the Deemed Date of Allotment.

In case of Series IV Secured NCDs, they shall be redeemed at the end of 40 months from the Deemed Date of Allotment as mentioned below.

Category of NCD Holder	Face Value (₹ per NCD)	Redemption Amount (₹ per NCD)
All Category of Investor	1,000	1,361.28

In case of Series V Secured NCDs, interest would be paid on a monthly basis at 9.29% to all categories of investors. Series V Secured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 40 months from the Deemed Date of Allotment.

In case of Series VI Secured NCDs, interest would be paid on an annual basis at 9.90% to all categories of investors. Series VI Secured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 60 months from the Deemed Date of Allotment.

In case of Series VII Secured NCDs, they shall be redeemed at the end of 60 months from the Deemed Date of Allotment as mentioned below.

Category of NCD Holder	Face Value (₹ per NCD)	Redemption Amount (₹ per NCD)
All Category of Investor	1,000	1,603.20

In case of Series VIII Secured NCDs, interest would be paid on a monthly basis at 9.48% to all categories of investors. Series VIII Secured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 60 months from the Deemed Date of Allotment.

In case of Series IX Secured NCDs, interest would be paid on an annual basis at 10.00% to all categories of investors. Series IX Secured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 120 months from the Deemed Date of Allotment.

In case of Series X Secured NCDs, interest would be paid on a monthly basis at 9.57% to all categories of investors. Series X Secured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 120 months from the Deemed Date of Allotment.

If the Interest Payment Date falls on a day other than a Working Day, the interest payment shall be made by the Company on the immediately succeeding Working Day and calculation of such interest payment shall be as per original schedule as if such Interest Payment Date were a Working Day. The interest payments shall be made only on the day when the money market is functioning in Mumbai. 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.

If Redemption Date (also being the last Interest Payment Date) falls on a day that is not a Working Day, the Redemption Amount shall be paid by the Company on the immediately preceding Working Day along with interest accrued on the NCDs until but excluding the date of such payment. The redemption payments shall be made only on the day when the money market is functioning in Mumbai.

Please note that in case the Secured NCDs are transferred and/or transmitted in accordance with the provisions of this Tranche III Prospectus read with the provisions of the Articles of Association of our Company, the transferee of such Secured NCDs or the deceased holder of Secured NCDs, as the case may be, shall be entitled to any interest which may have accrued on the Secured NCDs subject to such Transferee holding the Secured NCDs on the Record Date.

B. Taxation

As per clause (ix) of Section 193 of the I.T. Act, no tax is required to be withheld on any interest payable 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 Securities Contracts (Regulation) Act, 1956 (42 of 1956) 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 (individual or HUF), if such interest does not exceed ₹ 5,000 in any financial year. 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 Secured NCD Holders claiming non-deduction or lower deduction of tax at source, as the case may be, the Secured NCD Holder should furnish either (a) a declaration (in duplicate) in the prescribed form i.e. (i) Form 15H which can be given by individuals who are of the age of 60 years or more (ii) Form 15G which can be given by all applicants (other than companies, and firms), 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 quoting the name of the sole/ first Secured 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 for each financial year 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 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.

Put

There is no option to put available to Secured NCD Holders.

Call

There is no option to call available to Secured NCD Holders.

Payment of Interest

For Secured NCDs subscribed under Series I, Series III, Series VI and Series IX, the relevant interest will be paid on each anniversary of the Deemed Date of Allotment on the face value of the Secured NCD and the last interest payment under annual Series will be made at the time of redemption of the Secured NCDs. For Secured NCDs subscribed under Series V, Series VIII and Series X, interest is to be paid on a monthly basis, relevant interest will be calculated from the first day till the last date of every month during the tenor of such Secured NCDs, and paid on the first day of every subsequent month. For the first interest payment for Secured NCDs under the monthly options, interest from the Deemed Date of Allotment till the last day of the subsequent month will be clubbed and paid on the first day of the month next to that subsequent month. For Secured NCDs subscribed under Series II, Series IV and Series VII, such Secured NCDs shall be redeemed at the end of 24 months, 40 months and 60 months respectively from the Deemed Date of Allotment.

If the Interest Payment Date falls on a day other than a Working Day, the interest payment shall be made by the Company on the immediately succeeding Working Day and calculation of such interest payment shall be as per original schedule as if such Interest Payment Date were a Working Day. 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.

If Redemption Date (also being the last Interest Payment Date) falls on a day that is not a Working Day, the Redemption Amount shall be paid by the Company on the immediately preceding Working Day along with interest accrued on the NCDs until but excluding the date of such payment.

Interest shall be computed on an actual/actual basis i.e. on the principal outstanding on the NCDs as per the SEBI Circular bearing no. CIR/IMD/DF-1/122/2016 dated November 11, 2016.

Mode of payment of Interest to Secured NCD Holders

Payment of interest will be made to (i) in case of Secured NCDs in dematerialised form, the persons who for the time being appear in the register of beneficial owners of the Secured NCDs as per the Depositories as on the Record Date and (ii) in case of Secured NCDs in physical form on account of rematerialisation, 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 Secured 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 Secured 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 section titled "*Issue Structure - Manner of Payment of Interest / Refund / Redemption*" beginning at page 101 of this Tranche III Prospectus.

Maturity and Redemption

For Secured NCDs subscribed under Series I, Series II, Series III, Series IV, Series V, Series VI, Series VII, Series VIII, Series IX and Series X, the relevant interest will be paid in the manner set out in "*Issue Structure - Payment of Interest*" at page 99 of this Tranche III Prospectus. The last interest payment will be made at the time of redemption of the Secured NCD.

Series	Maturity period/Redemption (as applicable)
I	24 months from the Deemed Date of Allotment
II	24 months from the Deemed Date of Allotment
III	40 months from the Deemed Date of Allotment
IV	40 months from the Deemed Date of Allotment
V	40 months from the Deemed Date of Allotment
VI	60 months from the Deemed Date of Allotment
VII	60 months from the Deemed Date of Allotment
VIII	60 months from the Deemed Date of Allotment
IX	120 months from the Deemed Date of Allotment
X	120 months from the Deemed Date of Allotment

Series II, Series IV and Series VII Secured NCDs shall be redeemed at ₹ 1,199.02, ₹ 1,361.28 and ₹ 1,603.20 per NCD respectively for all categories of Investors at the end of 24, 40 and 60 months respectively from the

Deemed Date of Allotment.

If Redemption Date (also being the last Interest Payment Date) falls on a day that is not a Working Day, the Redemption Amount shall be paid by the Company on the immediately preceding Working Day along with interest accrued on the NCDs until but excluding the date of such payment. The redemption payments shall be made only on the day when the money market is functioning in Mumbai.

Deemed Date of Allotment

The date on which the Allotment Committee of the Board approves the Allotment of the NCDs for each Tranche III 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 (as specified for each Tranche Issue by way of the relevant Tranche Prospectus) shall be available to the Debenture holders from the Deemed Date of Allotment.

Application Size

Each application should be for a minimum of 10 Secured NCDs and multiples of 1 Secured NCD thereafter (for all Series of Secured NCDs, namely Series I, Series II, Series III, Series IV, Series V, Series VI, Series VII, Series VIII, Series IX and Series X either taken individually or collectively). The minimum application size for each application for Secured NCDs would be ₹ 10,000 and in multiples of ₹ 1,000 thereafter.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of Secured NCDs that can be held by them under applicable statutory and or regulatory provisions.

Terms of Payment

The entire issue price per NCD, as specified in the Tranche III Prospectus, is blocked in the ASBA Account on application itself. 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 of this Tranche III Prospectus.

Manner of Payment of Interest / Refund / Redemption*

The manner of payment of interest / refund / redemption in connection with the Secured NCDs is set out below*:

For Secured NCDs held in electronic form

The bank details will be obtained from the Depositories for payment of interest / refund / redemption as the case may be. Applicants who have applied for or are holding the Secured NCDs in electronic form, are advised to immediately update their bank account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in credit of interest / refund / redemption amounts to the Applicant at the Applicant's sole risk, and neither the Lead Managers our Company nor the Registrar to the Issue shall have any responsibility and undertake any liability for the same. 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 be refunded to the Applicants.

For Secured NCDs held in physical form on account of rematerialization

The bank details will be obtained from the Registrar to the Issue for payment of interest / redemption as the case may be. Please see the procedure for “*Procedure for Rematerialisation of NCDs*” starting at page 90 of this Tranche III Prospectus.

**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 ₹1,603.20, then the amount shall be rounded off to ₹1,603.*

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 Banker. Interest / redemption Amount would be credited directly to the bank accounts of the Investors, if held with the same bank as the Company.

2. NACH

National Automated Clearing House which is a consolidated system of ECS. Payment of interest / refund / redemption 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. The payment of interest / refund / redemption through NACH is 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 interest / refund / redemption 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 refunds 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 refund 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 / refund / 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 Magnetic Ink Character Recognition ("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 interest / refund / redemption amounts, 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 amounts 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 amounts / 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 Secured NCDs, for any delay in receiving credit of interest / redemption so long as our Company has initiated the process of such request in time.

Printing of Bank Particulars on Interest Warrants

As a matter of precaution against possible fraudulent encashment of 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 warrants. In relation to Secured NCDs applied and held in dematerialized form, these particulars would be taken directly from the depositories. In case of Secured NCDs held in physical form either on account of rematerialisation or transfer, the Secured 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 warrants will be dispatched to the postal address of the Secured NCD Holders as available in the records of our Company either through speed post or registered post.

Bank account particulars will be printed on the warrants which can then be deposited only in the account specified.

Loan against Secured NCDs

As per the RBI circular dated June 27, 2013, the Company, being an NBFC, is not permitted to extend loans against the security of its debentures issued by way of private placement or public issues. However, if the RBI subsequently permits the extension of loans by NBFCs against the security of its debentures issued by way of private placement or public issues, the Company may consider granting loans against the security of such Secured NCDs, subject to terms and conditions as may be decided by the Company at the relevant time, in compliance with applicable law.

Buy Back of Secured NCDs

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.

Form and Denomination

In case of Secured NCDs held in physical form on account of rematerialisation, a single certificate will be issued to the Secured NCD Holder for the aggregate amount of the Secured NCDs held ("**Consolidated Certificate**"). The Applicant can also request for the issue of Secured NCD certificates in denomination of one NCD ("**Market Lot**"). In case of Secured NCDs held under different Series, by a Secured NCD Holder, separate Consolidated Certificates will be issued to the Secured NCD Holder for the aggregate amount of the Secured NCDs held under each Series.

It is however distinctly to be understood that the Secured NCDs pursuant to this Tranche III Issue shall be traded only in demat form.

In respect of Consolidated Certificates, we will, only upon receipt of a request from the Secured NCD Holder, split such Consolidated Certificates into smaller denominations subject to the minimum of Market Lot. No fees would be charged for splitting of NCD certificates in Market Lots, but stamp duty payable, if any, would be borne by the Secured NCD Holder. The request for splitting should be accompanied by the original NCD certificate which would then be treated as cancelled by us.

Procedure for Redemption by Secured NCD holders

The procedure for redemption is set out below:

Secured NCDs held in physical form on account of rematerialisation:

No action would ordinarily be required on the part of the Secured NCD Holder at the time of redemption and the redemption proceeds would be paid to those Secured NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of Redemption. The payment on redemption of the Secured NCDs will be made by way of cheque/pay order/ electronic modes. 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. Secured 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 Secured NCDs without the requirement of surrendering of the Secured NCD certificates by the holder(s) thereof. In case we decide to do so, the holders of Secured NCDs need not submit the NCD certificates to us and the redemption proceeds would be paid to those Secured 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 Secured NCDs. In such case, the NCD certificates would be deemed to have been cancelled. Also see the para “*Payment on Redemption*” given below.

Secured NCDs held in electronic form:

No action is required on the part of Secured NCD holder(s) at the time of redemption of Secured NCDs.

Payment on Redemption

The manner of payment of redemption is set out below*.

Secured NCDs held in physical form on account of rematerialization

The payment on redemption of the Secured 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). Despatch of cheques/ pay orders, etc. in respect of such payment will be made on the redemption date or 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 Secured 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 seven 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 Secured 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 Secured 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 Secured NCDs.

Secured NCDs held in electronic form

On the redemption date, redemption proceeds would be paid by cheque/ pay order/ electronic mode to those Secured 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 Secured 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 Secured NCDs. It may be noted that in the entire process mentioned above, no action is required on the part of Secured NCD Holders.

Our liability to Secured NCD Holders towards his/their rights including for payment/ redemption in all events shall end when we dispatch the redemption amounts to the Secured NCD Holders.

Business day convention shall apply to such Redemption Date. In case there is a delay in payment of redemption proceeds on such Redemption Date our Company shall be liable to pay interest at the rate of 15% per annum for the period of delay, if any.

* 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 ₹ 1,603.20, then the amount shall be rounded off to ₹ 1,603.

Right to reissue Secured NCD(s)

Subject to the provisions of the the Companies Act, 2013, where we have fully redeemed or repurchased any Secured NCDs, we shall have and shall be deemed always to have had the right to keep such Secured 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 Secured NCDs either by reselling or re-issuing the same Secured NCDs or by issuing other Secured NCDs in their place. The aforementioned right includes the right to reissue original Secured NCDs, subject to applicable regulations.

Transfer/Transmission of Secured NCD(s)

For Secured NCDs held in physical form on account of rematerialization

The Secured NCDs shall be transferred or transmitted freely in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI LODR Regulations as on the date of this Tranche III Prospectus and all other applicable laws including FEMA and the rules and regulations thereunder. The provisions relating to transfer and transmission and other related matters in respect of our shares contained in the Articles, the Companies Act, 2013 and the SEBI LODR Regulations applicable as on the date of this Tranche III Prospectus, and all applicable laws including FEMA and the rules and regulations thereunder, shall apply, *mutatis mutandis* (to the extent applicable to debentures) to the Secured NCDs as well. In respect of the Secured NCDs held in physical form, a common form of transfer shall be used for the same. The Secured NCDs held in dematerialised form shall be transferred subject to and in accordance with the rules/ procedures as prescribed by NSDL/CDSL and the relevant Depository Participants of the transferor and the transferee and any other applicable laws and rules notified in respect thereof. The transferees should ensure that the transfer formalities are completed at 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 or the records as maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferors and not with the Issuer or Registrar.

For Secured NCDs held in electronic form

The normal procedure followed for transfer of securities held in dematerialised form shall be followed for transfer of the Secured 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 Secured NCDs and thereby convert his dematerialised holding into physical holding. Thereafter these Secured NCDs can be transferred in the manner as stated above for transfer of Secured NCDs held in physical form.

In case the recipient of the Secured NCDs in physical form wants to hold the Secured NCDs in dematerialized form, he can choose to dematerialize the securities through his DP.

Any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialized form only.

Title

In case of:

- Secured NCDs held in the dematerialised form, the person for the time being appearing in the register of beneficial owners maintained by the Depository; and
- the Secured NCDs held in physical form, pursuant to rematerialisation, the person for the time being appearing in the register of Secured 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 Secured NCDs and no person will be liable for so treating the Secured NCD holder.

No transfer of title of a Secured NCD will be valid unless and until entered on the register of Secured NCD holders or the register of beneficial owners maintained by the Depository 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 Secured 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 Secured NCDs will need to be settled with the seller of the Secured 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 provisions of the Companies Act, 2013 shall apply, mutatis mutandis (to the extent applicable) to the Secured NCD(s) as well.

Common form of transfer

The Issuer undertakes that there shall be a common form of transfer for the Secured 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.

Joint-holders

Where two or more persons are holders of any Secured 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.

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 Secured 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 Secured 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 Secured NCD Holders from time to time.

Issue of Duplicate Secured NCD Certificate(s) issued in physical form

If Secured NCD certificate(s), pursuant to rematerialisation if any, is/ are mutilated or defaced or the cages for recording transfers of Secured NCDs are fully utilised, the same may be replaced by us against the surrender of such certificate(s). Provided, where the Secured 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 Secured 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 Secured NCD certificates shall be issued. Upon issuance of a duplicate Secured NCD certificate, the original Secured NCD certificate shall stand cancelled.

Security

The Secured NCDs would constitute secured obligations of ours and shall rank pari passu inter se, and with all existing encumbrances and future financial indebtedness of the Company and subject to any obligations under applicable statutory and/or regulatory requirements, shall also, with regard to the amount invested, be secured by way of first ranking pari passu charge in favour of the Debenture Trustee on present and/or future receivables/assets of our Company, excluding therefrom such portion of the receivables secured or to be secured for the purposes of maintaining 'security cover' (by whatever name called) in connection with all other indebtedness of the Company, whether by way of loan or debentures or otherwise, under the terms of such other indebtedness which are / will not be offered to other lenders for their credit facilities; and/or first ranking pari passu charge on the Company's identified immovable property. Security for the purpose of this Issue is created in accordance with the terms of the Debenture Trust Deed to ensure 100% security cover of the amount outstanding in respect of Secured NCDs, including interest due thereon, at any time.

Our Company has entered into an agreement with the Debenture Trustee, ('**Debenture Trustee Agreement**'), the terms of which govern the appointment of the Debenture Trustee and the issue of the Secured NCDs. Our Company will utilize the funds only after the stipulated security has been created and upon receipt of listing and trading approval from the Stock Exchange.

Under the terms of the Debenture Trust Deed, our Company will covenant with the Debenture Trustee that it will pay the Secured NCD Holders the principal amount on the Secured NCDs on the relevant redemption date and also that it

will pay the interest due on Secured NCDs on the rate specified in this Tranche III Prospectus and in the Debenture Trust Deed.

The Debenture Trust Deed also provides that our Company in consultation with the Debenture Trustee may withdraw any portion of the security and replace with another asset of the same or a higher value.

Trustees for the Secured NCD holders

We have appointed IDBI Trusteeship Services Limited to act as the Debenture Trustees for the Secured NCD Holders. The Debenture Trustee and the Company have executed the Debenture Trust Deed, *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and us. The Secured 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 Secured NCDs as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the Secured NCD Holders. Any payment made by us to the Debenture Trustee on behalf of the Secured NCD Holders shall discharge us pro tanto to the Secured NCD Holders.

The Debenture Trustee will protect the interest of the Secured 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 of the outstanding amount of the Secured NCDs or with the sanction of a special resolution, passed at a meeting of the Secured NCD Holders, give notice to our Company specifying that the Secured NCDs and/or any particular series of Secured 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 indicative and a complete list of events of default and its consequences are specified in the Debenture Trust Deed:

- (i) default is committed in payment of the principal amount of the Secured NCDs on the due date(s); and
- (ii) default is committed in payment of any interest on the Secured NCDs on the due date(s).

Lien

As per the RBI circular dated June 27, 2013, the Company is not permitted to extend loans against the security of its debentures issued by way of private placement or public issues. The Company shall have the right of set-off and lien, present as well as future on the moneys due and payable to the Secured NCD Holders or deposits held in the account of the Secured NCD Holders, whether in single name or joint name, to the extent of all outstanding dues by the Secured NCD Holders to the Company, subject to applicable law.

Lien on pledge of Secured NCDs

The Company may, at its discretion note a lien on pledge of Secured NCDs if such pledge of Secured NCD is accepted by any third party bank/institution or any other person for any loan provided to the Secured NCD Holder against pledge of such Secured 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 raise term loans or raise further funds subject to applicable consents, approvals or permissions that may be required under any statutory / regulatory / contractual requirement, from time to time from any persons, banks, financial institutions or bodies corporate or any other agency without the prior written consent of the Debenture Trustee for the creation of such charge or encumbrance, provided the stipulated security cover is maintained. Further, our Company shall provide the Debenture Trustee a written intimation of the proposal to avail such future borrowing at least 3 (three) Working Days prior to the date on which such future borrowing is availed.

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. CIR/IMD/DF/18/2013 October 29, 2013 and SEBI Circular No. CIR/IMD/DF-1/122/2016 dated November 11, 2016 is disclosed in page 318.

ISSUE PROCEDURE

This section applies to all Applicants. Please note that all Applicants are required to 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. An amount equivalent to the full Application Amount will be blocked by the SCSBs in the relevant ASBA Accounts.

Applicants should note that they may submit their 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 Secured NCDs that can be held by them under applicable law or as specified in this Tranche III Prospectus.

Please note that this section has been prepared based on the circular no. CIR/IMD/DF-1/20/2012 dated July 27, 2012 issued by SEBI as modified by circular (No. CIR/IMD/DF/18/2013) dated October 29, 2013 (“Debt Application Circular”) issued by SEBI and circular no. CIR/DDHS/P/121/2018 dated August 16, 2018 issued by SEBI (“Debt ASBA Circular”). 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, including the systems and infrastructure required in relation to Applications made through the Direct Online Application Mechanism and the online payment gateways to be offered by Stock Exchanges and accordingly is subject to any further clarifications, notification, modification, direction, instructions and/or correspondence that may be issued by the Stock Exchanges and/or SEBI. 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 Exchange and the Stock Exchange has confirmed that the necessary infrastructure and facilities for the same have not been implemented by the Stock Exchange. Hence, the Direct Online Application facility will not be available for this Tranche III Issue.

PLEASE NOTE THAT ALL DESIGNATED INTERMEDIARIES WHO WISH TO COLLECT AND UPLOAD APPLICATION IN THIS TRANCHE III ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGES WILL NEED TO APPROACH THE RESPECTIVE STOCK EXCHANGE(S) AND FOLLOW THE REQUISITE PROCEDURES AS MAY BE PRESCRIBED BY THE RELEVANT STOCK EXCHANGE. THE FOLLOWING SECTION MAY CONSEQUENTLY UNDERGO CHANGE BETWEEN THE DATES OF THIS TRANCHE III PROSPECTUS, THE TRANCHE III ISSUE OPENING DATE AND THE TRANCHE III ISSUE CLOSING DATE.

THE MEMBERS OF THE SYNDICATE AND THE 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 EXCHANGE SHALL BE RESPONSIBLE FOR ADDRESSING INVESTOR GRIEVANCES ARISING FROM APPLICATIONS THROUGH TRADING DESIGNATED INTERMEDIARIES REGISTERED WITH SUCH STOCK EXCHANGE.

Please note that for the purposes of this section, the term “Working Day” shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Tranche III Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India. Furthermore, for the purpose of post issue period, i.e. period beginning from Tranche III Issue Closing Date to listing of the Secured NCDs, Working Days shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai or a public holiday in India.

Who can apply?

The following categories of persons are eligible to apply in the Tranche III Issue.

Category I

- 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 a minimum corpus of ₹ 250 million, 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;
- Resident Venture Capital Funds registered with SEBI;
- Insurance companies registered with the 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;
- Systemically Important Non-Banking Financial Company registered with the RBI and having a net-worth of more than ₹ 5,000 million as per the last audited financial statements
- 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; and
- Mutual funds registered with SEBI.

Category II

- 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;
- Trusts including Public/private charitable/religious trusts which are authorised to invest in the NCDs;
- Scientific and/or industrial research organisations, which are authorised to invest in the NCDs;
- Partnership firms in the name of the partners; and
- 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 Individual Investors ("**HNIs**") - Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating to above INR 1,000,000 across all Series of NCDs in the Issue

Category IV

- Retail Individual Investors - Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating up to and including INR 1,000,000 across all Series of NCDs in the Issue.

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.

All categories of persons who are individuals or natural persons (including Hindu Undivided Families acting through their Karta) including without limitation HNIs and Retail Individual Investors who are eligible under applicable laws to hold the NCDs are collectively referred to as "Individuals". All categories of entities, associations, organizations, societies, trusts, funds, partnership firms, Limited Liability Partnerships, bodies corporate, statutory and/or regulatory bodies and authorities and other forms of legal entities who are NOT individuals or natural persons and are eligible under applicable laws to hold the Secured NCDs including without limitation Institutional Investors and Non Institutional Investors are collectively referred to as "Non Individuals".

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 Secured NCDs pursuant to the Tranche III Issue.

The Lead Managers and their respective associates and affiliates are permitted to subscribe in the Tranche III 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 Tranche III Prospectus.

How to apply?

Availability of the Shelf Prospectus, the Tranche III 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 together with Application Forms cum Abridged Prospectus and copies of this Tranche III Prospectus may be obtained from our Registered Office, the Lead Managers, the Registrar, the Lead Brokers and the Designated Branches of the SCSBs. Additionally, the Shelf Prospectus, the Tranche III Prospectus 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.akgroup.co.in, www.jmfl.com and www.trustgroup.in.
- (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 unique application number ("UAN") will be generated for every Application Form downloaded from the websites 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.

Method of Application

An eligible investor desirous of applying in this Tranche III Issue can make Applications solely through the ASBA process.

Applicants are requested to note that in terms of the Debt Application 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 the Debt Application Circular, directed recognized stock exchanges in India to put in necessary systems and infrastructure for the implementation of the Debt Application Circular and the Direct Online Application Mechanism infrastructure for the implementation of the Debt Application Circular and the Direct Online Application Mechanism. Please note that the Applicants will not have the option to apply for Secured NCDs under this Tranche III Issue, through the direct online applications mechanism of the Stock Exchange. 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 Exchange and the Stock Exchange has confirmed that the necessary infrastructure and facilities for the same have not been implemented by the Stock Exchange. Hence, the Direct Online Application facility will not be available for this Tranche III Issue.

Applicants can submit their Applications by submitting the Application Forms in physical mode to the SCSB with whom the ASBA Account is maintained or through the Designated Intermediaries prior to or on the Tranche III Issue Closing Date. **Applications through the Designated Intermediaries are permitted only at the Syndicate ASBA Application Locations (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bangalore, Hyderabad, Pune, Vadodara and Surat).** Kindly note that Application Forms submitted by Applicants to the Designated Intermediaries at the Syndicate ASBA Application 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 to deposit the Application Form (A list of such branches is available at <http://www.sebi.gov.in>). The Designated Intermediaries shall accept Applications only at the

Syndicate ASBA Application Locations and should ensure that they verify the details about the ASBA Account and relevant SCSB prior to accepting the Application Form.

Designated Intermediaries shall, upon receipt of physical Application Forms, upload the details of these Application Forms to the online platform of the Stock Exchange and submit these Application Forms with the SCSB with whom the relevant ASBA Accounts are maintained in accordance with the Debt Application Circular.

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 the Designated Intermediaries at the Syndicate ASBA Application 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 shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by SCSBs and 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 Tranche III Issue should be made by Applicants directly to the Stock Exchange.

Designated Intermediaries are also required to ensure that the Applicants are competent to contract under the Indian Contract Act, 1872 including minors applying through guardians, at the time of acceptance of the Application Forms.

Application Size

Each application should be for a minimum of 10 Secured NCDs and multiples of 1 Secured NCD thereafter (for all Series of Secured NCDs, namely Series I, Series II, Series III, Series IV, Series V, Series VI, Series VII, Series VIII, Series IX and Series X either taken individually or collectively). The minimum application size for each application for Secured NCDs would be ₹ 10,000 and in multiples of ₹ 1,000 thereafter.

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, 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 housing finance companies. However the overall exposure in housing finance companies 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 are 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 AMCs 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 be also 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 from a Mutual Fund for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Application by Scheduled Commercial Banks, Co-operative Banks and RRBs

Commercial Banks, Co-operative banks and Regional Rural Banks can apply in the Issue based on their own investment limits and approvals. The Application Form must be accompanied by certified true copies of their (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) resolution authorising investments/containing operating instructions; and (iv) 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.**

Pursuant to SEBI Circular no. CIR/CFD/DIL/1/2013 dated January 2, 2013, 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 Applications.

Application by Non-banking financial companies

Non-banking financial companies can apply in this Tranche III Issue based upon their own investment limits and approvals. Applications by them for Allotment of the Secured NCDs must be accompanied by certified true copies of (i) their memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) a board resolution authorising investments; and (iv) specimen signatures of authorised signatories. Failing this, our Company reserves the right to accept or reject any Application for Allotment of the Secured NCDs in whole or in part, in either case, without assigning any reason therefor.

Application by Insurance Companies

In case of Applications for Allotment of the NCDs made by an insurance company, a certified copy of its certificate of registration issued by IRDA must be lodged along with Application Form. The Applications must be accompanied by certified copies of (i) its Memorandum and Articles of Association; (ii) a power of attorney (iii) a resolution authorising investment and containing operating instructions; and (iv) specimen signatures of authorized signatories. Failing this, our Company reserves the right to accept or reject any Application for Allotment of the NCDs 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 Secured 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 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 Tranche III 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 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 Secured NCDs pursuant to this Tranche III 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 Secured 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 Public Financial Institutions or statutory corporations, which are authorized to invest in the Secured 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.**

Indian scientific and/ or industrial research organizations, which are authorized to invest in the Secured NCDs

Applications by scientific and/ or industrial research organisations which are authorised to invest in the Secured 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. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the Secured NCDs in whole or in part, in either case, without assigning any reason therefor.**

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 for Allotment of the Secured NCDs 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. **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.**

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 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 provident funds, pension funds, superannuation funds and gratuity funds which are authorized to invest in the Secured NCDs

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorised to invest in the Secured NCDs, for Allotment of the Secured 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, (ii) a board resolution authorising investments; (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements; (iv) specimen signature of authorized person; (v) a certified copy of the registered instrument for creation of such fund/trust; and (vi) any tax exemption certificate issued by Income Tax authorities. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the Secured NCDs in whole or in part, in either case, without assigning any reason therefor.**

Applications by National Investment Funds 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;

Application made by a National Invest Fund for Allotment of the Secured 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 for Allotment of the Secured NCDs in whole or in part, in either case, without assigning any reason therefor.**

Applications cannot be made by:

- (a) 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);
- (b) Foreign nationals;
- (c) Persons resident outside India;
- (d) Foreign Institutional Investors/Foreign Portfolio Investors;
- (e) Non Resident Indians *inter-alia* including any 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;
- (f) Qualified Foreign Investors;
- (g) Overseas Corporate Bodies;
- (h) Foreign Venture Capital Funds;
- (i) Persons ineligible to contract under applicable statutory/ regulatory requirements.

**Applicant shall ensure that guardian is competent to contract under Indian Contract Act, 1872*

The Registrar 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.

Payment instructions

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. Upon receipt of intimation from the Registrar to this Tranche III 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 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 respective SCSB within 6 (six) Working Days of the Tranche III 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 Tranche III Issue or until rejection of the Application, as the case may be.

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 through the Application Form only. In the event that physical Application Forms do not bear the stamp of the Designated Intermediary or the relevant Designated Branch, they are liable to be rejected.
4. Application Forms submitted by Applicants shall be for allotment of Secured NCDs only in dematerialized form.

Filing of the Tranche III Prospectus with ROC

A copy of the Tranche III Prospectus shall be filed with the ROC in accordance with Section 26 and Section 31 of the Companies Act, 2013.

Pre-Issue Advertisement

Our Company will issue a statutory advertisement on or before the Tranche III Issue Opening Date. This advertisement will contain the information as prescribed under the SEBI Debt Regulations and Section 30 of the Companies Act, 2013. Material updates, if any, between the date of filing of this Tranche III Prospectus with the ROC and the date of release of the statutory advertisement will be included in the statutory advertisement.

Instructions for completing the Application Form

- (a) Applications must be made in the prescribed Application Form.
- (b) Application Forms are to be completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Shelf Prospectus, the Tranche III Prospectus and the Application Form. Incomplete Application Forms are liable to be rejected. Applicants should note that the Designated Intermediaries will not be liable for errors in data entry due to incomplete or illegible Application Forms.
- (c) Applications are required to be for a minimum of such Secured NCDs and in multiples of one Secured NCD thereafter as specified in this Tranche III Prospectus.
- (d) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.
- (e) Applications should be in single or joint names and not exceeding three names, and in the same order as their Depository Participant details and Applications should be made by Karta in case the Applicant is an HUF. Applicants are required to ensure that the PAN Details of the HUF are mentioned and not those of the Karta.
- (f) Applicants 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 the Stock Exchange by SCSBs or Designated Intermediaries, 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 Secured NCDs.

- (g) If the ASBA Account holder is different from the Applicant, the Application Form should be signed by the ASBA Account holder also, in accordance with the instructions provided in the Application Form.
- (h) All Applicants are required to tick the relevant column in the "Category of Investor" box in the Application Form.
- (i) Applications for all the Series of the Secured NCDs may be made in a single Application Form only.
- (j) Applicants must ensure that their Application Forms are made in a single or joint names (not more than three).

Applicants should note that neither the Lead Managers, Designated Intermediaries, nor Designated Branches, as the case may be, will be liable for error in data entry due to incomplete or illegible Application Forms. Our Company would allot Series VI Secured NCDs, as specified in this Tranche III Prospectus to all valid Applications, wherein the Applicants have not indicated their choice of the relevant series of Secured NCDs.

Applicants' PAN, Depository Account and Bank Account Details

ALL APPLICANTS APPLYING FOR ALLOTMENT OF THE SECURED NCDS SHOULD MENTION THEIR DP ID, CLIENT ID AND PAN IN THE APPLICATION FORM. APPLICANTS MUST ENSURE THAT THE DP ID, CLIENT ID AND PAN GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE DP 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.

On the basis of the DP ID, Client ID and PAN provided by them in the Application Form, the Registrar will obtain from the Depository the Demographic Details of the Applicants including PAN and MICR code. 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 to Applicants or unblocking of ASBA Accounts at the Applicants' sole risk, and neither the Designated Intermediaries, nor the Registrar, 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 Designated Intermediaries or the SCSBs, 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, and the Designated Intermediaries shall not be liable for losses, if any.

The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar except in relation to the Tranche III Issue.

By signing the Application Form, Applicants applying for the Secured 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.

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 that the Demographic Details obtained from the Depository of the Applicant shall be used.

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 Secured NCDs pursuant to the Tranche III 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, Client ID and PAN, then such Applications are liable to be rejected.

Electronic registration of Applications

- (a) The Designated Intermediaries will register the Applications using the on-line facilities of Stock Exchange. The Lead Managers, our Company, and the Registrar are not responsible for any acts, mistakes or errors or omission and commissions in relation to (i) the Applications accepted by the SCSBs and Designated Intermediaries, (ii) the Applications uploaded by the SCSBs and the Designated Intermediaries, (iii) the Applications accepted but not uploaded by the SCSBs or the Designated Intermediaries, (iv) with respect to Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts or (iv) with respect to Applications accepted and uploaded by Designated Intermediaries at the Syndicate ASBA Application Locations for which the Application Amounts are not blocked by the SCSBs.
- (b) The Stock Exchange will offer an electronic facility for registering Applications for the Tranche III Issue. This facility will be available on the terminals of the Designated Intermediaries and the SCSBs during the Tranche III Issue Period. On the Tranche III Issue Closing Date, the Designated Intermediaries 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 Designated Intermediaries 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 Tranche III 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) At the time of registering each Application, SCSBs and Designated Intermediaries, shall enter the details of the Applicant, such as the Application Form number, PAN, Applicant category, DP ID, Client ID, number and Series of Secured NCDs applied, Application Amounts, and any other details that may be prescribed by the online uploading platform of the Stock Exchange.
- (d) A system generated TRS will be given to the Applicant as a proof of the registration of his Application. It is the Applicant's responsibility to obtain the TRS from the SCSBs or Designated Intermediaries, as the case may be. The registration of the Applications by the SCSBs or Designated Intermediaries does not guarantee that the Secured NCDs shall be allocated/ Allotted by our Company. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
- (e) The permission given by the Stock Exchange 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, and/or the Lead Managers are cleared or approved by the Stock Exchange; 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 Tranche III Prospectus; nor does it warrant that the Secured NCDs will be listed or will continue to be listed on the Stock Exchange.
- (f) In case of apparent data entry error by the Designated Intermediaries 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.
- (g) Only Applications that are uploaded on the online system of the Stock Exchange shall be considered for Allotment. The Designated Intermediaries and the Designated Branches of the SCSBs shall capture all data relevant for the purposes of finalizing 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 Designated Intermediaries and the Designated Branches of the SCSBs will be given up to one Working Day after the Tranche III Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Tranche III Issue Period after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL.

- (h) the aggregate demand for Applications registered on the electronic facilities of the Stock Exchange, a graphical representation of consolidated demand for the NCDs, as available on the websites of the Stock Exchange, would be made available at the Application centres as provided in the Application Form during the Tranche III Issue Period.

General Instructions

Do's

- **Check if you are eligible to apply as per the terms of the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche III Prospectus and applicable law;**
- **Read all the instructions carefully and complete the Application Form;**
- Ensure that the details about Depository Participant and beneficiary account are correct and the beneficiary account is active;
- Applications are required to be in single or joint names (not more than three);
- 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;
- Ensure that Applications are submitted to the Designated Intermediaries or the Designated Branches of the SCSBs, as the case may be, before the closure of application hours on the Tranche III Issue Closing Date;
- Information provided by the Applicants in the Application Form will be uploaded on to the online platform of the Stock Exchange by the Designated Intermediaries and the electronic data will be used to make allocation/ Allotment. The Applicants should ensure that the details are correct and legible;
- Ensure that the Applicant's names given in the Application Form is exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form;
- Ensure that you have funds equal to or more than the Application Amount in your ASBA Account before submitting the Application Form;
- 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;
- Except for Application (i) on behalf of the Central or State Government and officials appointed by the courts, and (ii) (subject to the circular dated April 3, 2008 issued by SEBI) 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.
- Ensure that the Demographic Details as provided in the Application Form are updated, true and correct in all respects;
- Ensure that you request for and receive a TRS for all your Applications and an acknowledgement as a proof of having been accepted;

- For Applicants applying through Syndicate ASBA, ensure that your Application Form is submitted to the Designated Intermediaries and not to the Public Issue Account Banks or Refund Bank (assuming that such bank is not a SCSB), to our Company or the Registrar to the Issue;
- 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 the Secured NCDs;
- 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;
- Ensure that your Application Form bears the stamp of the relevant SCSB or Designated Intermediary to whom the Application is submitted;
- All Applicants are requested to tick the relevant column "Category of Investor" in the Application Form;
- Tick the Series of Secured NCDs in the Application Form that you wish to apply for;
- Before submitting the physical Application Form with the Designated Intermediary at the Syndicate ASBA Application Locations ensure that the SCSB, whose name has been filled in the Application Form, has named a branch in that centre;
- Ensure that the Application Form is signed by the ASBA Account holder in case the Applicant is not the account holder;
- Ensure that you have mentioned the correct ASBA Account number in the Application Form; and
- Ensure that you have correctly ticked, provided or checked the authorisation box in the Application Form, or have otherwise provided an authorisation to the SCSB *via* the electronic mode, for the Designated Branch to block funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form.

Don'ts

- Do not apply for lower than the minimum Application size;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar;
- Do not fill up the Application Form such that the Secured NCDs applied for exceeds the Issue Size and/or investment limit or maximum number of Secured NCDs that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit Applications on plain paper or on incomplete or illegible Application Forms;
- Do not submit an Application in case you are not eligible to acquire the Secured NCDs under applicable law or your relevant constitutional documents or otherwise;
- Do not submit the Application Forms without the Application Amount;
- Do not apply if you are not competent to contract under the Indian Contract Act, 1872;
- Do not make payment of the Application Amounts in any mode other than through blocking of the Application Amounts in the ASBA Accounts;
- Do not submit the Application Form with a Designated Intermediary at a location other than the Syndicate

ASBA Application Locations;

- Do not send your physical Application Form by post. Instead submit the same with a Designated Branch of the SCSB or a Designated Intermediary; and
- Do not submit more than five Application Forms per ASBA Account.

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.

Additional/ Multiple Applications

An Applicant is allowed to make one or more Applications for the Secured NCDs for the same or other Series of Secured NCDs, subject to a minimum Application size of ₹ 10,000 and in multiples of ₹ 1,000 thereafter (for all options of Secured NCDs, namely Series I, Series II, Series III, Series IV, Series V, Series VI, Series VII, Series VIII, Series IX and Series X either taken individually or collectively), for each Application. Any Application for an amount below the aforesaid minimum Application size will be deemed as an invalid Application and shall be rejected. 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 an HUF and/or as joint Applicant (second or third applicant), shall not be deemed to be multiple Applications.

Depository Arrangements

We have made depository arrangements with NSDL and CDSL for issue and holding of the Secured NCDs in dematerialised form. In this context:

- (i) Tripartite Agreements dated July 20, 2016 and July 27, 2017, between us, the Registrar 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 (DPs) of NSDL or CDSL prior to making the Application.
- (iii) Secured NCDs Allotted to an Applicant in the electronic form will be credited directly to the Applicant's respective beneficiary account(s) with the DP.
- (iv) It may be noted that Secured 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.
- (v) Interest or other benefits with respect to the Secured NCDs held in dematerialised form would be paid to those Secured 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 Secured 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.
- (vi) The trading of the Secured NCDs on the floor of the Stock Exchange shall be in dematerialized form in multiples of One Secured NCD only.

Allottees will have the option to rematerialise the Secured NCDs Allotted under the Issue as per the provisions of the Companies Act, 2013 and the Depositories Act.

For further information relating to Applications for Allotment of the Secured NCDs in dematerialised form, see the sections titled "*Issue Procedure – Method of Application*" and "*Issue Procedure – General Instructions*" at

pages 111 and 119 of this Tranche III Prospectus respectively.

Communications

All future communications in connection with Applications made in this Tranche III Issue should be addressed to the Registrar quoting all relevant details as regards the Applicant and its Application.

Applicants can contact our Compliance Officer as well as the contact persons of our Company/ Lead Managers or the Registrar in case of any Pre-Issue related problems. In case of Post-Issue related problems such as credit of Secured NCDs in depository's beneficiary account, refunds etc. Applicants may contact our Compliance Officer as well as the contact persons of our Company/Lead Managers or Registrar. Please note that Applicants who have applied for the Secured NCDs through Designated Intermediaries should contact the Stock Exchange in case of any Post-Issue related problems, such as credit of Secured NCDs in depository's beneficiary account, refunds, etc.

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.

Rejection of Applications

“Issue Procedure-Applications may be rejected on one or more technical grounds” listed on this page 122 of this Tranche III Prospectus below or if all required information is not provided or the Application Form is incomplete in any respect. The Board of Directors and/or any 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:

- Number of Secured NCDs applied for being less than the minimum Application size;
- Applications not being signed by the sole/joint Applicants;
- Applications submitted without payment of the Application Amount. However, our Company may allot Secured NCDs up to the value of application monies paid, if such application monies exceed the minimum application size as prescribed hereunder;
- Application Amount paid being higher than the value of Secured NCDs Applied for. However, our Company may allot Secured NCDs up to the number of Secured NCDs Applied for, if the value of such Secured NCDs Applied for exceeds the minimum Application size;
- Investor Category in the Application Form not being ticked;
- Date of Birth for first/sole Applicant for persons applying for Allotment not mentioned in the Application Form
- Applications where a registered address in India is not provided for the Applicant;
- Bank account details not provided in the Application Form;
- Submission of more than 5 (Five) Application Forms per ASBA Account;
- Applications by persons not competent to contract under the Indian Contract Act, 1872 including a minor without the name of a guardian;
- Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant;
- DP ID and Client ID not mentioned in the Application Form;
- For Applications where an authorization to the SCSB for blocking funds in the ASBA Account has not been provided;
- Applications uploaded after the expiry of the allocated time on the Tranche III Issue Closing Date, unless extended by the Stock Exchange, as applicable;
- In case of partnership firms, Secured NCDs may be applied for in the names of the individual partner(s) and no firm as such shall be entitled to apply for in its own name. However a Limited Liability Partnership firm can apply in its own name;
- Applications submitted to the Designated Intermediaries at locations other than the Designated CDP Locations, the Designated RTA Locations, the Syndicate ASBA Application Locations or at a Designated Branch of a SCSB where the ASBA Account is not maintained;
- Applications made without mentioning the PAN of the Applicant, 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;

- GIR number mentioned in the Application Form instead of PAN;
- Application by OCBs
- Applications for amounts greater than the maximum permissible amounts prescribed by applicable regulations;
- Applications by persons/entities who have been debarred from accessing the capital markets by SEBI;
- Applications by any persons outside India;
- All Applications where the DP ID, Client ID and PAN mentioned in the Application Form do not match with the Depository Participant ID, Client ID and PAN available in the records with the depositories;
- Applications by persons who are not eligible to acquire the Secured NCDs in terms of applicable laws, rules, regulations, guidelines and approvals;
- Application Forms not being signed by the ASBA Account holder, if the account holder is different from the Applicant or the signature of the ASBA Account holder on the Application Form does not match with the signature available on the Applicant's bank records;
- Applications for an amount below the minimum Application size;
- Applications not having details of the ASBA Account to be blocked;
- 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;
- Applications by Applicants seeking Allotment in dematerialised form 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;
- Applications not uploaded on the terminals of the Stock Exchange;
- Applications for the allotment of Secured NCDs in dematerialized form providing an inoperative demat account number;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted along with the Application Form;
- The ASBA Account not having credit balance to meet the Application Amounts or no confirmation is received from the SCSB for blocking of funds;
- Applications submitted directly to the Designated Branches of the SCSBs does not bear the stamp of the SCSB and/or the Designated Branch and/or the Lead Managers, or Designated Intermediaries, as the case may be;
- 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;
- Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and the Shelf Prospectus and this Tranche III Prospectus and as per the instructions in the Application Form, the Shelf Prospectus and this Tranche III Prospectus;
- 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;
- Applications tendered to the Designated Intermediaries at centers other than the centers mentioned in the Application Form; and
- 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.

For further instructions regarding Application for the Secured NCDs, Applicants are requested to read the Application Form.

Mode of Making Refunds

The mode of refund payments may be undertaken in the following modes:

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 Banker.

2. **NACH**

National Automated Clearing House which is a consolidated system of ECS. Payment of refund 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. The payment of refund through NACH is 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 refunds through NEFT or Direct Credit or RTGS.

3. **RTGS**

Applicants having a bank account with a participating bank and whose interest payment / redemption amounts exceed ₹ 200,000, or such amount as may be fixed by RBI from time to time, have the option to receive refund through RTGS. Such eligible Applicants who indicate their preference to receive interest payment / 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 / 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 / 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 Magnetic Ink Character Recognition ("**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 / redemption will be made to the applicants through this method.

The Registrar shall instruct the relevant SCSB 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 5 (five) Working Days of the Tranche III Issue Closing Date.

Our Company and the Registrar shall credit the allotted Secured NCDs to the respective beneficiary accounts, within 5 (five) Working Days from the Tranche III Issue Closing Date.

Further,

- (a) Allotment of Secured NCDs in this Tranche III Issue shall be made within a time period of 4 (four) Working Days from the Tranche III Issue Closing Date;
- (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 has not been effected within 5 (five) Working Days from the Tranche III Issue Closing Date, for the delay beyond 5 (five) Working Days; and
- (d) Our Company will provide adequate funds to the Registrar / relevant banks for this purpose.

Retention of oversubscription

Up to ₹ 200 crores.

Basis of Allotment

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 Applications received will be then done in the following manner:

Grouping of Applications and allocation ratio for the purposes of the basis of allotment of NCDs:

- A. Applications received from Category I Applicants: Applications received from Applicants belonging to Category I shall be grouped together, (“**Institutional Portion**”);
- B. Applications received from Category II Applicants: Applications received from Applicants belonging to Category II, shall be grouped together, (“**Non-Institutional Portion**”).
- C. Applications received from Category III Applicants: Applications received from Applicants belonging to Category III shall be grouped together, (“**High Net Worth Individual Investors Portion**”).
- D. Applications received from Category IV Applicants: Applications received from Applicants belonging to Category IV shall be grouped together, (“**Retail Individual Investors Portion**”).

For removal of doubt, the terms "Institutional Portion", "Non-Institutional Portion", "High Net Worth Individual Investors Portion" and "Retail Individual Investors Portion" are individually referred to as “Portion” and collectively referred to as “Portions”.

For the purposes of determining the number of NCDs available for allocation to each of the abovementioned Portions, our Company shall have the discretion of determining the number of NCDs to be Allotted over and above the Base Issue Size, in case our Company opts to retain any oversubscription in the Tranche III Issue up to the Tranche III Issue Limit i.e. aggregating up to ₹ 300 crores. The aggregate value of NCDs decided to be Allotted over and above the Base Issue Size, (in case our Company opts to retain any oversubscription in the Tranche III Issue), taken together with the aggregate value of NCDs up to the Base Issue Size shall be collectively termed as the “Tranche III Issue Limit”.

Allocation Ratio:

Institutional Portion	Non-Institutional Portion	High Net Worth Individual Investors Portion	Retail Individual Investors Portion
10%	10%	40%	40%

(a) Allotments in the first instance:

- i. Applicants belonging to the Institutional Portion, in the first instance, will be allocated NCDs up to 10% of Tranche III Issue Limit on first come first serve basis which would be determined on the basis of date of upload of their Applications in to the electronic platform of the Stock Exchanges. The determination of Allocation ratio of 10% of Tranche III Issue Limit for the Institutional Portion shall be done considering the aggregate subscription received in the Institutional Portion;
- ii. Applicants belonging to the Non-Institutional Portion, in the first instance, will be allocated NCDs up to 10% of Tranche III Issue Limit on first come first serve basis which would be determined on the basis of date of upload of their Applications in to the electronic platform of the Stock Exchanges. The determination of Allocation ratio of 10% of Tranche III Issue Limit for the Non-Institutional Portion shall be done considering the aggregate subscription received in the Non-Institutional Portion;
- iii. Applicants belonging to the High Net Worth Individual Investors Portion, in the first instance, will be allocated NCDs up to 40% of Tranche III Issue Limit on first come first serve basis which would be determined on the basis of date of upload of their Applications in to the electronic platform of the Stock Exchanges. The determination of Allocation ratio of 40% of Tranche III Issue Limit for the High Net Worth Individual Investors Portion shall be done considering the aggregate subscription received in the High Net Worth Individual Investors Portion; and
- iv. Applicants belonging to the Retail Individual Investors Portion, in the first instance, will be allocated NCDs up to 40% of Tranche III Issue Limit on first come first serve basis which would be determined on the basis of date of upload of their Applications in to the electronic platform of the Stock Exchanges. The

determination of Allocation ratio of 40% of Tranche III Issue Limit for the Retail Individual Investors Portion shall be done considering the aggregate subscription received in the Retail Individual Investors Portion.

As per circular (No. CIR/IMD/DF/18/2013) dated October 29, 2013 issued by SEBI, which amends the provisions of circular (No. CIR/IMD/DF-1/20/2012) dated July 27, 2012 to the extent that it provides for allotment in public issues of debt securities to be made on the basis of date of upload of each application into the electronic book of the Stock Exchange, as opposed to the date and time of upload of each such application. In the event of, and on the date of oversubscription, however, allotments in public issues of debt securities is to be made on a proportionate basis.

Allotment by the Company, in consultation with the Designated Stock Exchange, shall be made on date priority basis i.e. a first-come first-serve basis to each Portion, based on the date of upload of each Application into the Electronic Book of the Stock Exchanges, subject to the Allocation Ratio indicated at the section titled “*Issue Procedure – Basis of Allotment*” at page 125 of this Tranche III Prospectus.

- (b) Allotments in case of oversubscription: In case of an oversubscription, allotments to the maximum extent, as possible, will be made on a first-come first-serve basis and thereafter on proportionate basis, i.e. full allotment of the NCDs to the Applicants on a first come first basis up to the date falling 1 (one) day prior to the date of oversubscription and proportionate allotment of NCDs to the applicants on the date of oversubscription (based on the date of upload of each Application on the electronic platform of the Stock Exchanges, in each Portion).

For the purpose of clarity, in case of oversubscription please see the below indicative scenarios:

- i. In case of an oversubscription in all Portions resulting in an oversubscription in the Tranche III Issue Limit, Allotments to the maximum permissible limit, as possible, will be made on a first-come first serve basis and thereafter on proportionate basis, i.e. full allotment of the NCDs to the Applicants on a first come first basis up to the date falling 1 (one) day prior to the date of oversubscription to respective Portion and proportionate allotment of NCDs to the Applicants on the date of oversubscription in respective Portion (based on the date of upload of each Application on the electronic platform of the Stock Exchanges in each Portion).
- ii. In case there is oversubscription in Tranche III Issue Limit, however there is under subscription in one or more Portion(s), Allotments will be made in the following order:
 - A. All valid Applications in the undersubscribed Portion(s) uploaded on the electronic platform of the Stock Exchanges till the end of the last day of the Tranche III Issue Period, shall receive full and firm allotment.
 - B. In case of Portion(s) that are oversubscribed, allotment shall be made to valid Applications received on a first come first serve basis, based on the date of upload of each Application in to the Electronic platform of the Stock Exchanges. Priority for allocation of the remaining undersubscribed Portion(s) shall be given to day wise Applications received in the Retail Individual Investors Portion followed by High Net worth Individual Investors Portion, next Non-Institutional Portion and lastly Institutional Portion each according to the day of upload of Applications to the Electronic Book with Stock Exchange during the Tranche III Issue Period. For the sake of clarity, the day on which the entire remaining undersubscribed Portion is allocated to the oversubscribed Portion(s), no allocation shall be made to any oversubscribed Portion(s) on the remaining days of the Tranche III Issue Period.
- (c) Under Subscription: If there is under subscription in the overall Tranche III Issue Limit due to undersubscription in each Portion, all valid Applications received till the end of last day of the Issue Closure day shall be grouped together in each Portion and full and firm Allotments will be made to all valid Applications in each Portion.
- (d) Minimum Allotments of 1 Secured NCD and in multiples of 1 Secured NCD thereafter would be made in case of each valid Application to all Applicants.
- (e) **Proportionate Allotments: For each Portion(s), on the date of oversubscription:**
 - i. Allotments to the Applicants shall be made in proportion to their respective Application size, rounded off to the nearest integer.

- ii. If the process of rounding off to the nearest integer results in the actual allocation of NCDs being higher than the Tranche III Issue Limit, not all Applicants will be allotted the number of NCDs arrived at after such rounding off. Rather, each Applicant whose Allotment size, prior to rounding off, had the highest decimal point would be given preference.
 - iii. In the event, there are more than one Applicant whose entitlement remain equal after the manner of distribution referred to above, our Company will ensure that the basis of allotment is finalised by draw of lots in a fair and equitable manner.
- (f) Applicant applying for more than one Series of Secured NCDs: If an Applicant has applied for more than one Series of Secured NCDs and in case such Applicant is entitled to allocation of only a part of the aggregate number of Secured NCDs applied for, the Series-wise allocation of Secured NCDs to such Applicants shall be in proportion to the number of Secured NCDs with respect to each Series, applied for by such Applicant, subject to rounding off to the nearest integer, as appropriate in consultation with the Lead Manager and the Designated Stock Exchange. Further, in the aforesaid scenario, wherein the Applicant has applied for all the 10 (ten) Series and in case such Applicant cannot be allotted all the 10 (ten) Series, then the Applicant would be allotted Secured NCDs, at the discretion of the Company, the Registrar and the Lead Managers wherein the Secured NCDs with the least tenor i.e. Allotment of Secured NCDs with tenor of 24 months followed by Allotment of Secured NCDs with tenor of 40 months followed by Allotment of Secured NCDs with tenor of 60 months and Allotment of Secured NCDs with tenor of 120 months.
- (g) 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 Tranche III Issue Closing Date.

All decisions pertaining to the basis of allotment of Secured NCDs pursuant to the Tranche III Issue shall be taken by our Company in consultation with the Lead Managers and the Designated Stock Exchanges and in compliance with the aforementioned provisions of this Tranche III Prospectus. Any other queries / issues in connection with the Applications will be appropriately dealt with and decided upon by our Company in consultation with the Lead Managers.

Our Company would allot Series VI Secured NCDs to all valid applications, wherein the applicants have selected only Secured NCDs, but have not indicated their choice of the relevant options of the Secured NCDs.

Applications where the Application Amount received is greater than the minimum Application Amount, and the Application Amount paid does not tally with the number of Secured NCDs applied for may be considered for Allotment, to the extent of the Application Amount paid rounded down to the nearest ₹ 1,000

Investor Withdrawals and Pre-closure

Investor Withdrawal: Applicants are allowed to withdraw their Applications at any time prior to the Issue Closure Date.

Withdrawal of Applications after the Tranche III 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 to the Issue 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 Tranche III Issue at any time prior to the Tranche III Issue Closing Date, subject to receipt of minimum subscription which is 75% of the Base Issue before the Tranche III Issue Closing Date. Our Company shall allot Secured 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 Tranche III Issue will also be withdrawn by our Company in the event that the aggregate Applications received for the Secured NCDs is lesser than the minimum subscription which is 75% of the Base Issue before the Tranche III Issue Closing Date.

In the event of such early closure of the Tranche III Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the Tranche III Issue Closing Date of the Tranche Issue, as applicable, through advertisement(s) in all those newspapers in which pre-issue advertisement

and advertisement for opening of the Tranche III 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 the BSE, cancellation of one or more orders (series) within an Application is permitted during the Tranche III Issue Period as long as the total order quantity does not fall under the minimum quantity required for a single Application. 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 Tranche III Issue Period, as allowed/permitted by the stock exchange(s), by submitting a written request to the Lead Managers/ Designated Intermediaries, 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 Exchange(s) as per the procedures and requirements prescribed by each relevant Stock Exchange, 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 Tranche III Issue Closing Date. However, in order that the data so captured is accurate, the Lead Managers, the Designated Intermediaries and the Designated Branches of the SCSBs will be given up to one Working Day after the Tranche III Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Tranche III Issue Period, after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL.

Utilisation of Application Amounts

The sum received in respect of the Tranche III 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 the Tranche III Issue

- All monies received out of this Tranche III Issue shall be credited / transferred to a separate bank account maintained with the Public Issue Account Bank as referred to in Section 40 of the Companies Act, 2013.
- 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.
- Details of all monies unutilised out of the previous issues made by way of public offer, if any, shall be disclosed and continued to be disclosed under an appropriate separate head in our balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the securities or other forms of financial assets in which such unutilized monies have been invested.
- 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 Tranche III 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 the Issue remains unutilized indicating the form in which such unutilised monies have been invested.
- We shall utilize the Tranche III Issue proceeds only (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 as stated in this Tranche III Prospectus in the section titled “*Issue Structure*” beginning on page 92 of this Tranche III Prospectus.
- The Tranche III 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.
- The Tranche III Issue proceeds shall not be utilized for providing loan to or acquisition of shares of any person who is part of the same group or who is under the same management.

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.”*

Listing

The Secured NCDs proposed to be offered in pursuance of the Shelf Prospectus and this Tranche III Prospectus, will be listed on the BSE. We have received the in-principle approval vide letter no. DCS/BM/PI-BOND/28/18-19 dated February 8, 2019 from the BSE. The application for listing of the Secured NCDs will be made to the Stock Exchange at an appropriate stage.

If permissions to deal in and for an official quotation of our Secured NCDs are not granted by the Stock Exchange, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Shelf Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities are taken for listing and commencement of trading at the Stock Exchange within 6 (six) Working Days from the Tranche III 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 Secured NCDs with Series shall not be listed.

Guarantee/Letter of Comfort

This Tranche III Issue is not backed by a guarantee or letter of comfort or any other document and/or letter with similar intent.

Undertaking by the Issuer

We undertake that:

- a) the complaints received in respect of the Tranche III Issue (except for complaints in relation to Applications submitted to the Designated Intermediaries) shall be attended to by us expeditiously and

satisfactorily;

- b) we shall take necessary steps for the purpose of getting the Secured NCDs listed within the specified time i.e. 6 (six) Working Days from the Tranche III Issue Closing Date.;
- c) the funds required for dispatch of physical NCD certificates in case of a rematerialisation of NCDs by registered post/ speed post shall be made available to the Registrar by our Company;
- 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 Secured NCDs are outstanding;
- e) we shall forward the details of utilisation of the funds raised through the Secured NCDs duly certified by our statutory auditors, to the Debenture Trustee at the end of each half year;
- f) we shall disclose the complete name and address of the Debenture Trustee in our annual report and website;
- g) 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 Secured NCDs as contained in the Shelf Prospectus and this Tranche III Prospectus; and
- h) we shall make necessary disclosures/ reporting under any other legal or regulatory requirement as may be required by our Company from time to time.

SECTION VI: LEGAL AND OTHER INFORMATION

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Tranche III Issue

At the meetings of the Board of Directors of our Company, held on October 24, 2018 and July 11, 2019, the Board of Directors approved the issuance to the public of Secured NCDs of face value of ₹ 1,000 each and Unsecured NCDs of face value of ₹ 1,000 each, aggregating up to ₹ 2,000 crores ("**Shelf Limit**") to the public, hereinafter called the "**Issue**". The Unsecured NCDs shall be in the nature of Subordinated Debt and shall be eligible for inclusion as Tier II Capital.

The NCDs will be issued in one or more tranches up to the Shelf Limit, 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 crores 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 February 1, 2019, the Shelf Prospectus and the Tranche I Prospectus by way of resolution dated April 11, 2019 and the Tranche II Prospectus by way of resolution dated July 31, 2019.

The present Tranche III Issue through this Tranche III Prospectus is of Secured NCDs with a base issue size of ₹ 100 crores, with an option to retain oversubscription up to ₹ 200 crores, aggregating up to ₹ 300 crores which is within the Shelf Limit, was approved by the NCD Public Issue Committee of the Board at its meeting dated February 10, 2020.

Prohibition by SEBI

Our Company, persons in control of our Company and/or our Promoter and/or our Directors 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. Further, no member of our Promoter group has been prohibited or debarred by SEBI from accessing the securities market or dealing in securities due to fraud.

Further, neither our Company nor our Promoter or any Director is a wilful defaulter as specified by the RBI, ECGC, any government/regulatory authority and/or by any bank or financial institution nor are they 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.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKERS, A. K. CAPITAL SERVICES LIMITED, JM FINANCIAL LIMITED AND TRUST INVESTMENT ADVISORS PRIVATE LIMITED HAVE CERTIFIED THAT DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUE 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 THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKERS, A. K. CAPITAL SERVICES LIMITED, JM FINANCIAL LIMITED AND TRUST INVESTMENT ADVISORS PRIVATE LIMITED CONFIRMED THAT COMMENTS RECEIVED ON THE DRAFT SHELF PROSPECTUS HAVE BEEN SUITABLY ADDRESSED BEFORE FILING THE SHELF PROSPECTUS AND THE TRANCHE III PROSPECTUS AND TO THIS EFFECT, HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 10, 2020 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 SEBI. WE ALSO CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS 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 PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE TRANCHE III ISSUE OR RELATING TO THE TRANCHE III ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE NCDS OFFERED THROUGH THE TRANCHE III 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 TRANCHE III ISSUE SHALL BE GIVEN.
3. WE CONFIRM THAT THE PROSPECTUS CONTAINS ALL DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008, AS AMENDED.
4. WE ALSO CONFIRM THAT ALL RELEVANT PROVISIONS OF THE COMPANIES ACT, 2013, AS AMENDED AND TO THE EXTENT NOTIFIED, 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 in the Draft Shelf prospectus dated February 1, 2019 filed with BSE Limited being the Designated Stock Exchange.

Disclaimer Clause of the BSE

BSE Limited ("the Exchange") has given, vide its letter dated February 8, 2019 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;

And it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for, or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by any reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Disclaimer Clause of the RBI

THE COMPANY IS HAVING A VALID CERTIFICATE OF REGISTRATION DATED AUGUST 27, 2003 ISSUED BY THE RESERVE BANK OF INDIA UNDER SECTION 45 IA OF THE RESERVE BANK OF INDIA ACT, 1934. HOWEVER, THE RBI DOES NOT ACCEPT ANY RESPONSIBILITY OR GUARANTEE ABOUT THE PRESENT POSITION AS TO THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS OR REPRESENTATIONS MADE OR OPINIONS EXPRESSED BY THE COMPANY AND FOR REPAYMENT OF DEPOSITS/ DISCHARGE OF LIABILITY BY THE COMPANY. IT IS DISTINCTLY UNDERSTOOD THAT THE SHELF PROSPECTUS AND THE TRANCHE III PROSPECTUS SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO BE APPROVED OR VETTED BY RBI.

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
A. K. Capital Services Limited	www.akgroup.co.in
JM Financial Limited*	www.jmfl.com
Trust Investment Advisors Private Limited	www.trustgroup.in

**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 23(3) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, JMFL will be involved only in marketing of the Issue.*

Listing

Application will be made to the BSE simultaneously with the filing of this Tranche III Prospectus for permission to deal in and for official quotation in NCDs. The Company has obtained an in-principle approval vide letter no. DCS/BM/PI-BOND/28/18-19 dated February 8, 2019 from the BSE. 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.

Our Company shall ensure that all steps for the completion of the necessary formalities are taken for listing and commencement of trading at the stock exchange mentioned above within 6 (six) Working Days from the date of closure of the Tranche III 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 Secured NCDs with Series 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.

Arrangers

No arrangers have been appointed for this Tranche III Issue.

Consents

Consents in writing of: (a) the Directors, (b) our Company Secretary and Compliance Officer, (c) Chief Financial Officer, (d) Lead Managers, (e) the Registrar to the Issue, (f) legal advisor to the Issue, (g) Credit Rating Agencies, (h) the Debenture Trustee; (i) lenders of the Company; (j) CRISIL as an industry expert for inclusion of the report titled "NBFC Coverage" in the Shelf Prospectus; (k) the Lead Brokers; (l) the Refund Banker; (m) the Public Issue Account Bank; and (n) Arun Arora & Co. as independent chartered accountant for inclusion of the statement of tax shelter, to act in their respective capacities, have been obtained and the same will be filed along with a copy of the Shelf Prospectus and this Tranche III Prospectus with the ROC.

The consent of the Statutory Auditors of our Company, namely M/s. Khimji Kunverji & Co. LLP, Chartered

Accountants, Mumbai (*formerly known as M/s. Khimji Kunverji & Co.*) for inclusion of (a) its name as the Statutory Auditors, (b) Statutory Auditors report dated April 26, 2019 on Audited Financial Results in the form and context in which they appear in this Tranche III Prospectus, (c) limited review report dated January 15, 2020 and Unaudited Financial Results, (d) the statement of tax benefits dated February 10, 2020, (e) the statement of capitalisation dated February 10, 2020, (f) the statement of dividends dated February 10, 2020, (g) the statement of accounting ratios dated February 10, 2020, (h) the statement have been obtained and the Statutory Auditors have not withdrawn such consent and the same will be filed along with a copy of this Tranche III Prospectus with the Registrar of Companies, Maharashtra, located at Mumbai.

The consents of the JMFHL Auditors for inclusion of (i) its name as the statutory auditors of the Subsidiary, (ii) JMFHL Auditor's report dated April 23, 2019 and the Audited IND AS Financial Statements, and (iii) the JMFHL Auditor's report dated January 15, 2020 and the JMFHL Special Purpose Unaudited Interim Financial Information, have been obtained and such consent is not withdrawn and the same will be filed along with a copy of this Tranche III Prospectus with the Registrar of Companies, Maharashtra, located at Mumbai.

Expert Opinion

Except the: (i) Statutory Auditors report dated April 26, 2019 on Audited Financial Results; (ii) limited review report dated January 15, 2020 on Unaudited Financial Results, issued by M/s. Khimji Kunverji & Co. LLP, Chartered Accountants, Mumbai (*formerly known as M/s. Khimji Kunverji & Co.*); and (iii) JMFHL Auditor's report dated April 23, 2019 and the Audited IND AS Financial Statements; and (iv) JMFHL Auditor's report dated January 15, 2020 on JMFHL Special Purpose Unaudited Interim Financial Information issued by M/s. Deloitte Haskins & Sells LLP, our Company has not obtained any expert opinions.

Common form of Transfer

The Issuer undertakes that there shall be a common form of transfer for the Secured NCDs and the provisions of the Companies Act, 2013 applicable as on the date of this Tranche III 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 Debt Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue. If our Company does not receive the minimum subscription of 75% of the Base Issue, being ₹ 75 crores within the prescribed timelines under Companies Act and any rules thereto, the entire subscription amount shall be refunded to the Applicants within the timelines prescribed under Applicable Law. 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 the 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 the Debt Application 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.

Filing of the Tranche III Prospectus with the RoC

A copy of this Tranche III Prospectus shall be filed with the Registrar of Companies in accordance with Section 26 and Section 31 of the Companies Act, 2013.

Investment in relation to maturing debentures

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 Debt 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 Tranche III 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.

Underwriting

This Tranche III Issue shall not be underwritten.

Reservation

No portion of this Tranche III Issue has been reserved.

Details regarding the Company and other listed companies under the same management / associate companies as described under the Companies Act, 2013, which made any capital issue during the last three years

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 Tranche III Prospectus.

Private Placement

The 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.

Financial Year	Units (Face value of ₹ 10 lakh each)	Issue Amount (₹ In crores)
2014 – 15	545	54.5
2015 – 16	1,458	145.8
2016 – 17	10,884	1,088.4 (Includes Unsecured NCD of Rs. 177 crores)
2017 – 18	22,307	2,230.7 (Includes Unsecured NCD of Rs. 457 crores)
2018 – 19	5,735	573.50 (Includes Unsecured NCD of Rs. 55 crores)
2019-20	500	50
Total	40,929	4,092.9

Financial Year	Units (Face value of ₹ 2 lakh each)	Issue Amount (₹ In crores)
2019-20	2,500	50
Total	2,500	50

Previous Issue

Except as stated in the sections titled "*Capital Structure*" and "*Disclosures on existing financial indebtedness*" on pages 51 and 133 of the Shelf Prospectus and pages 41 and 47 of this Tranche III Prospectus respectively, our Company has not made any other issue of non convertible debentures.

Other than as specifically disclosed in this Tranche III 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 the Company

The Company has made two public issues of its securities prior to the date of this Tranche III Prospectus. The details of the utilisation of issue proceeds as of December 31, 2019 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 crores)
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

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. The details of the utilisation of issue proceeds from such public issue are given below:

Tranches	Issue opening date	Issue closing date	Date of allotment of securities	Particulars	Amount utilised (₹ in crores)
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
				General Corporate Purpose	4.6
				Total	263.6

Details regarding lending out of issue proceeds of Previous Issues

A. Lending Policy

Please refer to the section titled "Our Business" on page 92 of the Shelf Prospectus for details regarding the lending policy of the Company.

B. Loans given by the Company

As of March 31, 2019 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

Types of loan given by the Company as on March 31, 2019 are as follows:

S. No	Type of loans	Amount (Rs in crores)
1	Secured	5161.1
2	Unsecured	65.5
	Total	5226.6*

*Excluding impact of IND AS adjustments viz interest accrued, expected credit loss and effective interest rate aggregating to Rs.(6.0) crores.

Denomination of loans outstanding by ticket size as on March 31, 2019:

S. No	Ticket size	Percentage of AUM
1	Upto Rs 2 lakh	0.0%
2	Rs 2-5 Lakh	0.1%
3	Rs 5-10 Lakh	0.1%
4	Rs 10-25 Lakh	0.3%
5	Rs 25-50 Lakh	0.5%
6	Rs 50 Lakh -1 Crore	1.2%
7	Rs 1 - 5 Crores	3.9%
8	Rs 5-25 Crores	13.9%
9	Rs 25-100 Crores	48.2%
10	>Rs 100 Crores	31.8%
	Total	100.0%

Geographical classification of borrowers as on March 31, 2019:

S. No.	Top 5 states	Percentage of AUM
1	Maharashtra	93.4%
2	Karnataka	2.4%
3	West Bengal	1.8%
4	Gujarat	1.0%
5	Telangana	0.8%
	Total	99.4%

Types of loans according to sectorial exposure as on March 31, 2019 is as follows:

S. No	Segment- wise breakup of AUM	Percentage of AUM
1	Capital Market	35.5%
a	Corporate Funding	20.7%
b	ESOP Funding	2.6%
c	Loan against Bond / Mutual Fund	2.4%
d	Loan against Shares	1.5%
e	Margin Funding	6.9%
f	Sponsored Financing	1.4%
2	Real Estate Funding	35.2%
a	Commercial real estate	27.7%
b	Residential Mortgages	7.5%

S. No	Segment- wise breakup of AUM	Percentage of AUM
3	Others	29.3%
	Total	100%

Maturity profile of total retail loan portfolio of the Company as on March 31, 2019 is as follows:

Period	Amount (Rs in crores)
Less than 1 month	156.6
1-2 month	85.6
2-3 month	361.4
3-6 month	192.4
6 month -1 year	55.7
Above 1 year	369.8
Total	1,221.5

D. Aggregated exposure to top 20 borrowers with respect to concentration of advances as on March 31, 2019

	Amount (Rs in crores)
Total Advances to twenty largest borrowers	2,767.8
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	53.3%

E. Aggregated exposure to top 20 borrowers with respect to concentration of exposures as on March 31, 2019

	Amount (Rs in crores)
Total Exposures to twenty largest borrowers/Customers	2806.1
Percentage of Exposures to twenty largest borrowers/Customers to Total Advances of the NBFC on borrowers/Customers	53.4%

F. Details of loans overdue and classified as non – performing in accordance with the RBI's guidelines as of March 31, 2019

Movement of gross NPAs*	Amount (Rs in crores)
(a) Opening balance	16.8
(b) Additions during the year	17.2
(c) Reductions during the year	30.3
(d) closing balance	3.7

*Please refer paragraph titled "Non Performing Assets (NPAs)" under chapter "Our Business" at page 92 of the Shelf Prospectus for details on Gross NPA recognition Policy.

Movement of provisions for NPAs	Amount (Rs in crores)
(a) Opening balance	1.7
(b) Provisions made during the year	8.2
(c) Write-off / write -back of excess provisions	9.5
(d) closing balance	0.4

G. Segment –wise gross NPA as on March 31, 2019

S. no	Segment- wise breakup of gross NPAs	Gross NPA (%)
1	Other Loans	0.9
	Total	0.9

H. Classification of borrowings as on March 31, 2019

S. No	Type of Borrowings	Amount (Rs in crores)	Percentage
1	Secured	3,160.9	71.6%
2	Unsecured	1,256.7	28.4%

	Total	4,417.6	100.0%
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The above is shown at face value i.e. without considering premium / unamortized discount and excluding IND AS adjustments.

I. Promoter Shareholding

Please refer to the chapter "Capital Structure" on page 41 of this Tranche III Prospectus for details with respect to Promoter shareholding in our Company as on date of the Tranche III Prospectus.

J. Residual maturity profile of assets and liabilities as on March 31, 2019

Particulars	Upto 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	47.3	16.7	-	40.5	231.3	593.5	28.6	-	957.9
Market Borrowings	21.1	111.5	314.5	543.0	692.1	1438.1	250.8	-	3371.1
Foreign currency liabilities	-	-	-	-	-	-	-	-	-
Assets									
Advances	201.5	227.6	572.5	402.7	617.3	2518.5	469.5	147.1	5156.7
Deposits	-	-	-	-	-	0.1	9.0	0.0	9.1
Investments	378.1	-	-	-	1.7	35.9	-	126.1	541.8
Foreign currency assets	-	-	-	-	-	-	-	-	-

Auditors' Remarks

There have been no reservations or qualifications or adverse remarks in the financial statements of the Company in the last five financial years immediately preceding the date of this Tranche III Prospectus.

Dividend

Our Company has no stated specific dividend policy. 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 / declared by our company for the financial year 2018-19 are as follows:

Financial Year	Nature of Dividend	Dividend Per Equity Share of face value of ₹10 each
2018-19	Final	Rupee 0.20 per share
	Interim	Rupee 0.70 per share

Details of fraud committed against the Company

No acts of material frauds have been committed against the Company in the last five years and up to the period ended December 31, 2019.

Revaluation of assets

The Company has not revalued its assets in the last five years.

Mechanism for redressal of investor grievances

KFin Technologies Private Limited (*formerly known as Karvy Fintech Private Limited*) has been appointed as the Registrar to ensure that investor grievances are handled expeditiously and satisfactorily and to effectively deal with investor complaints. The Registrar Agreement between the Registrar and our Company will provide for retention of records with the Registrar for a period of at least 8 years from the last date of despatch of the letters of allotment, demat credit and refund credit to enable the investors to approach the Registrar 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, Application Form number, address of the Applicant, number of Secured NCDs applied for, Series of Secured NCDs applied for, the Depository Participant and the amount blocked on Application. A copy of all grievances may also be addressed to either (a) the relevant Designated Branch of the SCSB where the Application Form was submitted by the Applicant, or (b) the concerned Designated Intermediary and the relevant Designated Branch of the SCSB in the event of an Application submitted at any of the Syndicate ASBA Centres.

All grievances arising out of Applications for the Secured NCDs made through Online Stock Exchanges may be addressed directly to the Designated Stock Exchange. The contact details of Registrar to the Issue are as follows:

Registrar to the Issue

KFin Technologies Private Limited (*formerly known as Karvy Fintech Private Limited*)

Selenium Tower B,
Plot 31-32,
Gachibowli Financial District,
Nanakramguda,
Hyderabad 500 032
Tel: (+91 40) 6716 2222
Fax: (+91 40) 2343 1551
Email: jmfpl.ncd3@kfintech.com
Investor Grievance Email: einward.ris@kfintech.com
Website: www.kfintech.com
Contact Person: Mr. Murali Krishna
Compliance Officer: Mr. Rakesh Santhalia
SEBI Registration No.: INR000000221

We estimate that the average time required by us or the Registrar to the Issue for the redressal of routine investor grievances will be 7 (seven) business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

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 22) 6630 3030
Fax: (+91 22) 6630 3223
Email: investorrelations.products@jmfl.com/rupesh.samani@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 as demat credit or refunds.

Change in Auditors of our Company during the last three years

M/s. Khimji Kunverji & Co. LLP, Chartered Accountants, Mumbai, *(formerly known as M/s. Khimji Kunverji & Co.)* is the current statutory auditor of the Company. Prior to M/s. Khimji Kunverji & Co. LLP, Chartered Accountants, Mumbai, *(formerly known as M/s. Khimji Kunverji & Co.)* Deloitte Haskins & Sells LLP, Chartered Accountants, were the statutory auditors of the Company. Details of changes in the statutory auditors of the Company in the last 3 years have been summarised below:

Name	Address	Date of Appointment / Resignation	Auditor of the Company since (in case of resignation)	Remarks
Deloitte Haskins & Sells LLP, Chartered Accountants	Indiabulls Finance Centre, Tower 3, 27th - 32nd Floor, Elphinstone Mill Compound, Senapati Bapat Marg, Elphinstone (W), Mumbai - 400 013, India	17/07/2018 Resignation	10/10/2008	Resignation on account of expiry of the term of engagement of 5 years.
M/s. Khimji Kunverji & Co. LLP, Chartered Accountants <i>(formerly known as M/s. Khimji Kunverji & Co.)</i>	Sunshine Tower, Level 19, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013	17/07/2018 Appointment	-	Appointment on account of expiry of the term of engagement of the previous statutory auditor, Deloitte Haskins & Sells LLP, Chartered Accountants, of 5 years.

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 January 24, 2019 and further amended by amendment agreements dated July 30, 2019 and February 7, 2020 between the Company, A.K. Capital Services Limited, Trust Investment Advisors Private Limited and JM Financial Limited.
2. Registrar Agreement dated January 24, 2019 executed between the Company and the Registrar to the Issue.
3. Debenture Trustee Agreement dated January 24, 2019 executed between the Company and the Debenture Trustee.
4. Debenture Trust Deed dated May 20, 2019 executed between the Company and the Debenture Trustee.
5. Tripartite agreement between the Company, Registrar to the Issue and CDSL dated July 20, 2016.
6. Tripartite agreement between the Company, Registrar to the issue and NSDL dated July 27, 2017.
7. Public Issue Account Agreement dated February 7, 2020 between our Company, the Registrar, the Public Issue Account Bank and the Lead Managers.
8. Lead Brokers Agreement dated February 7, 2020 between our Company, the Lead Brokers and the Lead Managers.

B. *Material Documents*

1. Certificates of incorporation of the Company dated July 10, 1984, July 15, 1992, August 17, 2001, June 10, 2005 and June 28, 2010 issued by the RoC.
2. Memorandum and Articles of Association of the Company.
3. The certificate of registration No. B-13.00178 dated March 2, 1998 issued by Reserve Bank of India u/s 45 IA of the RBI Act, 1934.
4. Credit rating letter dated January 3, 2019 and revalidation letters dated July 30, 2019 and January 21, 2020 from CRISIL granting credit ratings to the NCDs.
5. Credit rating letter dated January 9, 2019 and revalidation letters dated July 24, 2019, January 14, 2020 and February 4, 2020 from ICRA granting credit ratings to the NCDs.
6. Copies of the resolutions passed by the Board of Directors of the Company dated October 24, 2018 and July 11, 2019 approving the Issue.
7. Copy of resolution passed by the NCD Public Issue Committee dated February 1, 2019 approving the Draft Shelf Prospectus.
8. Copy of the resolution passed by the NCD Public Issue Committee dated April 11, 2019 approving the Shelf Prospectus and Tranche I Prospectus.
9. Copy of resolution passed by the NCD Public Issue Committee dated July 31, 2019 approving the Tranche II Prospectus.

10. Copy of resolution passed by the NCD Public Issue Committee dated February 10, 2020 approving the Tranche III Prospectus.
11. Copy of the resolution passed by the shareholders of the Company on October 25, 2018, approving the overall borrowing limit of Company.
12. Consents of the Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Lead Managers, the Registrar to the Issue, legal advisor to the Issue, Credit Rating Agencies, the Debenture Trustee, lenders of the Company, the Lead Brokers, the Refund Banker, the Public Issue Account Bank and Arun Arora & Co. as independent chartered accountant for inclusion of the statement of tax shelter, and to include their names in this Tranche III Prospectus.
13. The consent of the Statutory Auditors for inclusion of: (i) its name as the Statutory Auditors; (ii) the Statutory Auditor's report dated April 26, 2019 along with the Audited Financial Results in the form and context in which they appear in this Tranche III Prospectus; (iii) limited review report dated January 15, 2020 along with the Unaudited Financial Results; (iv) the statement of tax benefits dated February 10, 2020 available to the debenture holders; (v) the statement of capitalisation; (vi) the statement of dividends; and (vii) the statement on accounting ratios, in the form and context in which they appear in this Tranche III Prospectus.
14. The consents of the JMFHL Auditors for inclusion of (i) its name as the statutory auditors of the Subsidiary; (ii) the JMFHL Auditor's report dated April 23, 2019 along with the Audited IND AS Financial Statements; and (iii) the JMFHL Auditor's report dated January 15, 2020 along with the JMFHL Special Purpose Unaudited Interim Financial Information.
15. Audited Financial Results and Unaudited Financial Results.
16. Audited IND AS Financial Statements and JMFHL Special Purpose Unaudited Interim Financial Information.
17. Annual Reports of the Company for the last five Financial Years.
18. Due Diligence certificate dated February 10, 2020 filed by the Lead Managers with SEBI.
19. In-principle approval, dated February 8, 2019 for the Issue issued by the BSE.
20. Statement of tax benefits dated February 10, 2020.

FINANCIAL INFORMATION

S. No.	Particulars	Page No.
1.	Limited review report dated January 15, 2020 and Unaudited Financial Results for the nine months period ended December 31, 2019 of our Company.	145
2.	Statutory Auditor's report dated April 26, 2019 and the Audited Financial Results comprising of the statement of assets and liabilities, the related standalone statement of profit and loss and cash flow statement of our Company as at and for the year ended March 31, 2019 as examined by the Statutory Auditors of our Company.	150
3.	JMFHL Auditor's report dated January 15, 2020 on JMFHL Special Purpose Unaudited Interim Financial Information for the nine months period ended December 31, 2019.	221
4.	JMFHL Auditor's report dated April 23, 2019 and the Audited IND AS Financial Statements comprising of the standalone statement of assets and liabilities, the related standalone statement of profit and loss and cash flow statement of JMFHL as at and for the year ended March 31, 2019 as examined by the JMFHL Auditors.	227

January 27, 2020

To,
The General Manager
Department of Corporate Services – Listing Department
BSE Limited
P.J. Towers, Dalal Street
Mumbai – 400 001

Dear Sir(s),

Sub: Intimation for submission of the unaudited financial results for quarter and nine months ended December 31, 2019 of JM Financial Products Limited

Ref: Company Code - 10206

We are enclosing the unaudited financial results of JM Financial Products Limited (the Company) for the quarter and nine months ended December 31, 2019, prepared for the purpose of consolidation of its financial results with JM Financial Limited, the holding company of the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations) as required under the SEBI Circular No. SEBI/HO/DDHS/DDHS/CIR/P/2019/115 dated October 22, 2019.

Further, it may be noted that the aforesaid financial results are required to be disclosed in the Tranche III Prospectus under the Shelf Prospectus dated April 11, 2019 since the Company is intending to issue Secured and/or Unsecured, Rated, Listed, Redeemable, Non – Convertible Debentures ('NCDs') to the public. Accordingly the same is being filed with the exchange.

This disclosure shall not be construed as having made under Regulation 52 of the SEBI LODR Regulations.

We request you to take the above on your record.

Thank you.

Yours faithfully,
For JM Financial Products Limited



Rupesh Samani
Company Secretary

JM Financial Products Limited

Corporate Identity Number : U74140MH1984PLC033397

Regd. Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.

T: +91 22 6630 3030 F: +91 22 6630 3223 www.jmfinancialproducts.com

Khimji Kunverji & Co LLP

Chartered Accountants

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 and nine months ended December 31, 2019, 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'). The Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

SCOPE OF REVIEW

2. 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 is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial results and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

CONCLUSION

3. 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.
4. 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 and for the purpose of inclusion in the Offer Document to be filed with the Securities and Exchange Board of India, BSE Limited and Registrar of Companies, Maharashtra in connection with the proposed issue of Non-Convertible Debentures 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
(formerly Khimji Kunverji & Co)
Chartered Accountants
Firm Registration Number: 105146W/ W100621



Hasmukh B Dedhia
Partner (F-033494)
UDIN: 20033494AAAAAL2483

Place: Mumbai
Dated: January 15, 2020



JM FINANCIAL PRODUCTS LIMITED						
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTH ENDED DECEMBER 31, 2019						
Rupees in Crore						
Sr. No.	Particulars	Quarter Ended			Nine Month Ended	
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
						31.03.2019
						Audited
I	Income					
I	Revenue from operations					
(a)	Interest income	171.37	178.19	220.70	546.66	658.30
(b)	Fees and commission income	16.56	6.99	2.63	30.35	37.17
(c)	Other operating income	6.77	5.06	2.35	16.72	3.81
(d)	Net gain on fair value changes*	20.72	8.42	14.84	45.54	30.60
(e)	Net gain on recognition of financial instruments under amortised cost category	-	-	-	13.76	-
	Total Revenue from operations	215.42	198.66	240.52	653.03	729.88
II	Other Income	0.53	0.10	0.02	1.54	0.36
	Total Income	215.95	198.76	240.54	654.57	730.24
2	Expenses					
(a)	Finance costs	118.37	111.67	139.74	349.48	394.17
(b)	Impairment on financial instruments	8.98	20.95	0.24	32.22	13.37
(c)	Net loss on fair value changes	-	-	-	-	-
(d)	Employee benefits expense	13.66	11.43	13.89	40.43	45.78
(e)	Depreciation and amortisation expense	3.39	3.28	0.60	9.87	1.47
(f)	Operating and other expenses	9.18	7.73	10.85	23.77	30.80
	Total expenses	153.58	155.06	165.32	455.77	485.59
3	Profit before tax (1-2)	62.37	43.70	75.22	198.80	244.65
4	Tax Expense:					
(a)	Current tax	17.50	7.40	27.10	54.60	89.40
(b)	Deferred tax	(0.72)	5.06	(0.55)	5.51	(3.22)
	Total tax expenses	16.78	12.46	26.55	60.11	86.18
5	Net Profit for the period (3-4)	45.59	31.24	48.67	138.69	158.47
6	Other Comprehensive Income					
(i)	Items that will not be reclassified to profit or loss					
-	Actuarial gain /(loss) on post retirement benefit plans	0.13	0.23	0.01	0.40	0.02
-	Income tax on the above	(0.03)	(0.05)	(0.00)	(0.10)	(0.01)
	Other Comprehensive Income	0.10	0.18	0.01	0.30	0.01
7	Total Comprehensive Income (5 + 6)	45.69	31.42	48.68	138.99	158.48
8	Paid up equity share capital (Face value Re.10/- per share)	544.50	544.50	544.50	544.50	544.50
9	Earnings Per Equity Share (EPS)					
	Basic EPS (in Re.) (Not annualised)	0.84	0.58	0.89	2.55	2.91
	Diluted EPS (in Re.) (Not annualised)	0.84	0.58	0.89	2.55	2.91

Note : Total Net gain/(loss) on fair value changes include Rs 14.48 Crore for quarter ended December 31,2019 (Rs 13.77 Crore for quarter ended September 30,2019, Rs 16.66 Crore for quarter ended December 31,2018, Rs 40.04 Crore for nine month ended December 31,2019 , Rs 24.34 Crore for nine month ended December 31,2018 and Rs 46.81 Crore for year ended March 31,2019) as 'Net gain or loss on sale of investments'.



JM Financial Products Limited

Corporate Identity Number : U74140MH1984PLC033397

Regd. Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.

T: +91 22 6630 3030 F: +91 22 6630 3223 www.jmfl.com

JM FINANCIAL PRODUCTS LIMITED
STATEMENT OF UNAUDITED BALANCE SHEET AS AT DECEMBER 31, 2019

Rupees in Crore

Sr. No.		As at December 31, 2019 Unaudited	As at March 31, 2019 Audited
	ASSETS		
(1)	Financial Assets		
(a)	Cash and cash equivalents	14.20	142.38
(b)	Other Bank Balances	60.05	60.05
(c)	Loans	4,130.11	5,220.58
(d)	Investments	788.84	541.82
(e)	Other Financial assets	723.65	85.56
		5,716.85	6,050.39
(2)	Non-financial Assets		
(a)	Current tax assets (net)	29.90	24.29
(b)	Deferred tax Assets	22.99	28.60
(c)	Property, Plant and Equipment	87.54	6.19
(d)	Other Intangible assets	1.55	1.54
(e)	Intangible assets under development	-	0.41
(f)	Other non-financial assets	7.60	9.27
		149.58	70.30
	Total Assets	5,866.43	6,120.69
	LIABILITIES AND EQUITY		
	LIABILITIES		
(1)	Financial Liabilities		
(a)	Payables		
	(I) Trade Payables		
(i)	total outstanding dues of micro enterprises and small enterprises	0.50	0.01
(ii)	total outstanding dues of creditors other than micro enterprises and small enterprises	0.64	0.49
(b)	Debt securities	3,007.50	3,487.39
(c)	Borrowings (Other than Debt Securities)	1,043.08	1,036.03
(d)	Other financial liabilities	120.31	26.10
	Total Financial Liabilities	4,172.03	4,550.02
(2)	Non-Financial Liabilities		
(a)	Current tax liabilities (Net)	0.31	0.31
(b)	Provisions	3.67	3.31
(c)	Other non-financial liabilities	4.32	6.80
	Total Non-Financial Liabilities	8.30	10.42
(3)	EQUITY		
(a)	Equity Share capital	544.50	544.50
(b)	Other Equity	1,141.60	1,015.75
	Total Equity	1,686.10	1,560.25
	Total Liabilities and Equity	5,866.43	6,120.69



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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 January 15, 2020. These results have been subjected to a "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, BSE Limited and Registrar of Companies, Maharashtra in connection with the proposed issue of Non-Convertible Debentures by the Company.
- 3 The Company has only one business segment i.e. Fund based activities and hence there are no other reportable segments.
- 4 From April 1, 2019, the new accounting standard i.e. Ind AS 116 "Leases" became effective. The Company has adopted the new standard with modified approach and recognized asset in the form of 'Right of use assets' (representing its right to use the leased asset over the lease term) and also liability towards present value of the balance of future lease payments for the leases. The adoption of the standard on transition date resulted in increase of Right of use assets and lease liabilities by Rs 88.00 crore and 83.00 crore respectively. Following table summarizes impact on profit for the quarter and nine months ended December 31, 2019.

Rupees in Crore

Increase/(Decrease)	Quarter Ended		Nine Month Ended
	31.12.2019 Unaudited	30.09.2019 Unaudited	31.12.2019 Unaudited
Other operational expenses	(3.07)	(3.02)	(9.10)
Depreciation and amortization expenses	2.62	2.57	7.73
Finance Cost	1.94	1.95	5.82
Profit before tax	(1.49)	(1.50)	(4.45)

- 5 Figures in respect of the previous year/period have been rearranged /regrouped wherever necessary to correspond with the figures of the current period.

For JM Financial Products Limited



Place : Mumbai
Date : January 15, 2020

Vishal Kampani
Managing Director
DIN - 00009079

JM Financial Products Limited

Corporate Identity Number : U74140MH1984PLC033397

Regd. Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.

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**INDEPENDENT AUDITOR'S REPORT****To the Members of JM Financial Products Limited****Report on the Audit of the Standalone Ind AS Financial Statements****Opinion**

1. We have audited the accompanying standalone Ind AS financial statements of **JM Financial Products Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

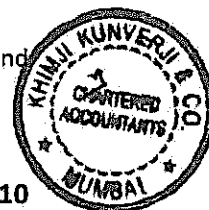
Key Audit Matters

3. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the year under audit. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report:

Nature of Key audit Matter – provision towards Expected Credit Loss on Loans

As per the roadmap notified by the Ministry of Corporate Affairs ('MCA') to Indian Accounting Standards ('Ind AS'), the Company has adopted to prepare and present its financial statements from financial year 2018-19 with corresponding comparatives of previous year 2017-18, the transition date being April 1, 2017. As part of adoption to new accounting framework, the Company, inter alia, reported financial assets viz Loans aggregating to Rs. 5191.86 Crores net of provision towards expected credit loss of Rs. 34.73 Crores as at March 31, 2019. The Expected Credit Loss ('ECL') is based on management estimates using collective model approach for the loan exposure, hence key audit matter. Measurement of credit impairment in outstanding loans involves application of significant judgement by the management of the Company like:

- Timely identification and classification of the impaired credits in loans
- Determination of probability of defaults based on comparative external and internal ratings and further considering values of underlying securities/collaterals and such other relevant factors.
- Assumptions for estimated future cashflows in respect of credit impaired loan accounts.



**Our audit processes applied to address the identified key audit Matter**

- Tested the design and effectiveness of internal controls in respect of followings:
 - Identification and classification of loans with indications of impaired credits in loan accounts;
 - Evaluating management estimation of future cash flows basis the past experience;
 - For identified credit impaired accounts, selectively testing the forecasts and calculations pertaining thereto;
 - Validation of the model used to ascertain impairment provisioning considering the bifurcation of such loans in correct bucketing;
 - Testing the completeness and accuracy of data from the systems used in models including bucketing of loans into delinquency bands;
 - Assessing management estimates / judgement of key assumptions for aforesaid matters

Information Other than the Financial Statements and Auditor's Report Thereon

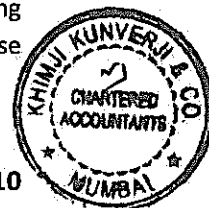
4. The Company's Board of Directors is responsible for the preparation of the other information, comprising of the information included in the Management Discussion and Analysis, Directors' Report including Annexures to Directors' Report, and such other disclosures related Information, excluding the standalone Ind AS financial statements and auditors report thereon ('Other Information'). The other information is expected to be made available to us after the date of this auditors' report. Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

When we read the other Information and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charges with governance as required under SA 720 'The Auditor's responsibilities Relating to other Information'

Responsibility of Management for Standalone Ind AS Financial Statements

5. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under prescribed Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.





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

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

6. Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements. Our audit process in accordance with the SAs is narrated in details in Annexure 1 to this report.

Other Matters

7. 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.

Report on Other Legal and Regulatory Requirements

8. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 2, a statement on the matters specified in paragraphs 3 and 4 of the Order.
9. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on March 31, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of section 164 (2) of the Act.
 - f. In terms of provisions of Section 197(16) of the Act, as per the information and explanations given, we report that the managerial remuneration paid by the Company to its Directors is in accordance with provisions of Section 197 of the Act.





- g. With respect to the adequacy of the internal financial controls with reference to standalone Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 3.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us, we report as under:
- (i) The Company does not have any pending Litigation, as at the year end which would impact its financial position;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Khimji Kunverji & Co
Chartered Accountants
Firm Registration No 105146W

Hasmukh B Dedhia
Partner (F - 033494)

Place: Mumbai
Date: April 26, 2019

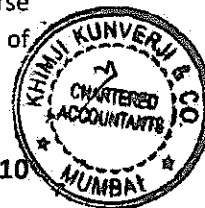


Annexure 1 to the Independent Auditors' Report

(referred to in para 6 titled "Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements")

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, to design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



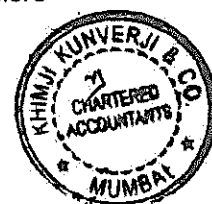


Annexure 2 to the Independent Auditors' Report

[referred to in para 8 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report]

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) As informed to us, fixed assets were physically verified by the Management at regular intervals. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company
- ii. The Company does not have any inventory. Accordingly, reporting under clause (iii) of the order is not applicable
- iii. In our opinion and according to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act, in respect of which:
 - a. The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
 - b. The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.
 - c. There is no amount overdue for more than 90 days at the balance sheet date.
- iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments or provide guarantees which requires compliance with the provisions of section 185 and 186 of the Act and hence reporting under clause (iv) of the Order is not applicable.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act for the business activities carried out by the Company. Thus reporting under (vi) of the Order is not applicable.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Income-tax, Sales-tax, Service tax, Goods and Service Tax, Cess and other material statutory dues generally have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income-tax, Sales-tax, Service tax, Goods and Service Tax, Cess and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.





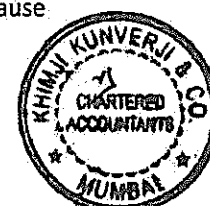
Considering the nature of business that the Company is engaged in, Employees' State Insurance, Excise Duty and Custom Duty are not applicable to the Company.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues of Sales-tax, Service tax, Goods and Service Tax and Value added tax which have not been deposited as on March 31, 2019 on account of disputes

Details of dues of Income Tax which have not been deposited as on 31st March, 2019 on account of disputes are given below:

Nature of Statue	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates (Financial Year)	Amount Unpaid
Income Tax, 1961	Income Tax	Commissioner of Income Tax	2010-11	29,119,790/-
			2013-14	35,884,463/-
			2014-15	7,123,404 /-
			2015-16	2,349,090/-

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and dues to debenture holders. The Company has not taken loans or borrowings from government and financial institutions.
- ix. In our opinion and according to the information and explanations given to us, money raised through issue of debt instruments and through terms loans has been utilised during the year for the purposes for which they were raised. The Company has not raised moneys by way of initial public offer.
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, reporting under clause (xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required under applicable Indian Accounting Standard (Ind AS)
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under clause (xiv) of the Order is not applicable to the Company.





- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, reporting under clause (xv) of the Order is not applicable to the Company.
- xvi. The Company is registered under section 45IA of the Reserve Bank of India Act, 1934

For Khimji Kunverji & Co
Chartered Accountants
Firm Registration No 105146W

A handwritten signature in black ink, appearing to read 'Hasmukh B Dedhia'.

Hasmukh B Dedhia
Partner (F - 033494)

Place: Mumbai
Date: April 26, 2019

**Annexure 3 to the Independent Auditors' Report**

[referred to in paragraph 9(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report]

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

We have audited the internal financial controls over financial reporting of **JM Financial Products Limited** ("the Company") as at March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

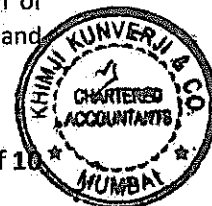
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS financial statements in accordance with generally accepted accounting principles, and





that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and

- (c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion considering the nature and size of the operations, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone Ind AS financial statements and such internal financial controls with reference to standalone Ind AS financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Khimji Kunverji & Co

Chartered Accountants

Firm Registration No 105146W

Hasmukh B Dedhia

Partner (F - 033494)

Place: Mumbai

Date: April 26, 2019

JM FINANCIAL PRODUCTS LIMITED
BALANCE SHEET AS AT MARCH 31, 2019

Rupees in Crore

Sr. No.		Notes	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
	ASSETS				
(1)	Financial Assets				
(a)	Cash and cash equivalents	5	142.38	195.75	191.77
(b)	Other Bank Balances	6	60.05	205.50	60.00
(c)	Loans	7	5,220.58	6,543.49	5,473.89
(d)	Investments	8	541.82	98.63	113.89
(e)	Other Financial assets	9	85.56	88.60	19.76
			6,050.39	7,131.97	5,859.31
(2)	Non-financial Assets				
(a)	Current tax assets (net)	10	24.29	17.29	16.07
(b)	Deferred tax Assets (net)	11	28.60	27.81	22.13
(c)	Property, Plant and Equipment	12	6.19	4.08	4.05
(d)	Other Intangible assets	12	1.54	1.47	0.91
(e)	Intangible assets under development	12	0.41	1.32	0.67
(f)	Other non-financial assets	13	9.27	3.91	1.68
			70.30	55.88	45.51
	Total Assets		6,120.69	7,187.85	5,904.82
	LIABILITIES AND EQUITY				
(1)	Financial Liabilities				
(a)	Payables				
	(I) Trade Payables	14			
	(i) total outstanding dues of micro enterprises and small enterprises		0.01	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		0.49	0.37	0.14
(b)	Debt Securities	15	3,490.29	4,713.33	4,112.90
(c)	Borrowings (Other than Debt Securities)	16	1,033.13	954.17	425.12
(d)	Other financial liabilities	17	26.10	36.51	32.70
	Total Financial Liabilities		4,550.02	5,704.38	4,570.86
(2)	Non-Financial Liabilities				
(a)	Current tax liabilities (Net)	18	0.31	2.41	2.62
(b)	Provisions	19	3.31	2.60	1.59
(d)	Other non-financial liabilities	20	6.80	11.01	7.07
	Total Non-Financial Liabilities		10.42	16.02	11.28
(3)	EQUITY				
(a)	Equity Share capital	21	544.50	544.50	544.50
(b)	Other Equity	22	1,015.75	922.95	778.18
	Total Equity		1,560.25	1,467.45	1,322.68
	Total Liabilities and Equity		6,120.69	7,187.85	5,904.82

Notes to the standalone financial statements

1 to 51

In terms of our report attached

For Khimji Kunverji & Co

Chartered Accountants

FRN: 105146W

Hasmukh B Dedhia

Hasmukh B Dedhia

Partner (F-033494)

Place : Mumbai

Date : April 26, 2019

For and on behalf of the Board of Directors

Vishal Kampani *V. P. Shetty*
Managing Director Chairman
DIN - 00009079 DIN - 00021773

Nishit Shah
Nishit Shah
Chief Financial Officer
Place : Mumbai

Date : April 26, 2019

Reena Sharda
Reena Sharda
Company Secretary

JM FINANCIAL PRODUCTS LIMITED
STANDALONE STATEMENT OF FINANCIAL RESULTS FOR PERIOD ENDED MARCH 31, 2019

Rupees in Crores

Sr. No.	Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
(I)	Revenue from operations			
(i)	Interest Income	23	856.13	831.17
(ii)	Fees and Commission Income	24	38.99	13.12
(iii)	Other Operating Income	25	53.91	35.83
(iv)	Net gain on fair value changes	26	-	0.06
	Total Revenue from operations		949.03	880.18
(II)	Other Income	27	0.35	11.77
(III)	Total Income (I+II)		949.38	891.95
(IV)	Expenses			
(i)	Finance Costs	28	521.96	485.13
(ii)	Impairment on financial instruments	29	(6.82)	5.98
(iii)	Net loss on fair value changes	26	15.82	-
(iv)	Employee Benefits Expenses	30	53.86	39.82
(v)	Depreciation, amortization and impairment	12	2.55	2.51
(vi)	Operating and other expenses	31	46.25	45.17
	Total Expenses		633.62	578.61
(V)	Profit / (loss) before exceptional items and tax (III-IV)		315.76	313.34
(VI)	Tax Expense:			
	Current tax	32	112.30	114.50
	Deferred tax		(0.84)	(5.64)
	Tax adjustment of earlier years (net)		-	0.18
	Total tax expenses		111.46	109.04
(VII)	Profit / (loss) for the period from continuing operations (V-VI)		204.30	204.30
(VIII)	Other Comprehensive Income			
	Items that will not be reclassified to profit or loss			
	- Remeasurment of employee defined benefit obligation		0.15	(0.11)
	- Income tax on above		(0.05)	0.04
	Other Comprehensive Income		0.10	(0.07)
(IX)	Total Comprehensive Income for the period (VII+VIII) (Comprising Profit (Loss) and other Comprehensive Income for the period)		204.40	204.23
(X)	Earnings per equity share			
	Basic EPS (in Rs.) (Not annualised)		3.75	3.75
	Diluted EPS (in Rs.) (Not annualised)		3.75	3.75
Notes to the standalone financial statements		1 to 51		

In terms of our report attached

For Khimji Kunverji & Co
Chartered Accountants

FRH/105/46W

Hasmukh B Dedhia

Hasmukh B Dedhia

Partner (F-033494)

Place : Mumbai

Date : April 26, 2019

For and on behalf of the Board of Directors

Vishal Kampani
Managing Director
DIN - 00009079

Nishit Shah
Nishit Shah
Chief Financial Officer
Place : Mumbai
Date : April 26, 2019

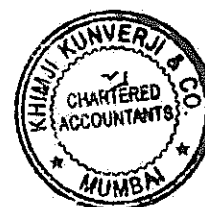
V. P. Shetty
Chairman
DIN - 00021773

Reena Sharda
Reena Sharda
Company Secretary

JM FINANCIAL PRODUCTS LIMITED
STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2019

Rupees in Crore

PARTICULARS	As at 31.03.2019	As at 31.03.2018
A Net Profit before tax	315.76	313.33
Adjustment for :		
Depreciation/ Amortisation	2.55	2.52
Profit on Sale of Fixed Assets (net)	-	(0.13)
Loan funds written off	1.82	4.16
Interest expenses - Others	0.03	0.16
Provision for doubtful loans written back (net)	-	(4.14)
Provision for Non Performing Assets	(1.31)	1.68
Provision for standard assets	3.26	2.22
Interest Income on fixed deposits with Banks and others	(0.05)	(0.67)
Provision for bonus - written back	-	(0.14)
Impairment on financial instruments	(6.82)	
Net loss on fair value changes	15.82	
Profit on sale of current investments	(46.81)	(30.25)
Operating Profit before Working Capital Changes	284.25	288.74
Changes in working capital		
Adjustment for (increase)/ decrease in operating assets:		
Loans and advances and other current assets	1,389.16	(1,158.15)
Stock-in-trade	(49.18)	9.86
Operating fixed deposits with banks	145.45	(145.50)
Accrued interest income related to operating activities	0.13	0.01
Adjustment for increase/ (decrease) in operating liabilities:		
Trade payables, other liabilities and provisions	(13.68)	9.04
Accrued interest expenses related to operating activities	29.64	108.87
Cash (used in) operations	1,785.77	(887.13)
Direct taxes paid (net)	(121.47)	(116.08)
Net Cash (used in) Operating Activities (A)	1,664.30	(1,003.21)
B Cash flow from Investing Activities		
Purchase of fixed assets	(2.31)	(4.36)
Sale of fixed assets	0.01	0.26
Investment in a subsidiary	(86.80)	(20.00)
Purchase of long term investments	-	(0.30)
Sale of long term investments	-	95.05
Sale /Purchase of current investments (net)	(343.33)	(29.26)
Interest received	0.05	0.56
Net Cash generated from Investing Activities (B)	(432.38)	41.95
C Cash flow from Financing Activities		
Proceeds from long term borrowings (net)	(365.96)	1,885.82
Proceeds from /(Repayments) short term borrowings (net)	(807.71)	(860.96)
Interest paid	(0.03)	(0.16)
Dividend paid (Including Corporate Dividend Tax)	(111.59)	(59.46)
Net Cash flow from Financing Activities (C)	(1,285.29)	965.24
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(53.37)	3.98
Cash and cash equivalents at the beginning of the year	195.75	191.77
Cash and cash equivalents at the end of the year	142.38	195.75



JM FINANCIAL PRODUCTS LIMITED
STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2019

Rupees in Crore

Notes:

(1) Reconciliation of cash and cash equivalents:		
As per Balance Sheet (Refer note 5 & 6)	202.43	401.25
Less: Balances with banks in deposit	60.05	205.50
As per Cash-flow statement	142.38	195.75

(2) Balances with banks in deposit includes Rs.60.05 crore (Previous year Rs.205.50 crore) placed as securities against overdraft facilities availed from the banks.

In terms of our report attached

For Khimji Kunverji & Co
Chartered Accountants
FRN: 105146W

Hasmukh B Dedhia
Partner (F-033494)

Place : Mumbai
Date : April 26,2019

For and on behalf of the Board of Directors

Vishal Kampani
Managing Director
DIN - 00009079

V. P. Shetty
Chairman
DIN - 00021773

Nishit Shah
Chief Financial Officer
Place : Mumbai
Date : April 26,2019

Reena Sharda
Company Secretary

JM FINANCIAL PRODUCTS LIMITED
Standalone Statement of Changes in Equity as at March 31, 2019

Rupees in Crore

A. Equity share capital

	Balance as at April 1, 2017	Changes in equity share capital during the year	Balance as at March 31, 2018	Changes in equity share capital during the period	Balance as at March 31, 2019
Equity Share Capital	544.50	-	544.50	-	544.50

B. Other Equity

Particulars	Reserves and Surplus						Total Other Equity
	Securities Premium	Capital Redemption Reserves	General Reserves	Retained earnings/ (accumulated deficit)	Capital Reserves	Statutory Reserves	
Balance as at April 1, 2017	38.23	0.00	-	506.66	-	233.29	778.18
Profit for the year				204.30			204.30
Transfer to statutory reserves				(43.00)		43.00	-
Final /Interim dividend				(49.40)			(49.40)
Corporate dividend tax				(10.06)			(10.06)
Other comprehensive income				(0.07)			(0.07)
Balance at March 31, 2018	38.23	0.00	-	608.43	-	276.29	922.95
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	-	660.22	-	317.29	1,015.75

The accompanying notes form an integral part of the financial statements - note no 1 to 51

In terms of our report attached
For Khimji Kunverji & Co
Chartered Accountants

Hasmukh B Dedhia
Partner (CF-033494)
Place : Mumbai
Date : April 26, 2019

For and on behalf of the Board of Directors


Vishal Kampani
Managing Director
DIN - 00009079


V. P. Shetty
Chairman
DIN - 00021773


Nishit Shah
Chief Financial Officer
Place : Mumbai
Date : April 26, 2019


Reena Sharda
Company Secretary

JM FINANCIAL PRODUCTS LIMITED
Notes to the standalone financial statements

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 Loan 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.

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.

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

Historical cost convention

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

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

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

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

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

Presentation of financial statements

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



JM FINANCIAL PRODUCTS LIMITED**Notes to the standalone financial statements**

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.

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

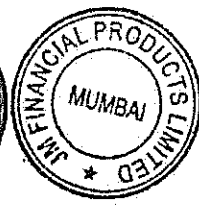
The gains/ losses on sale of investments are recognised in the Statement of Profit and Loss on the trade date. Gain or loss on sale of investments is determined after consideration of cost on a weighted average basis.

2.3.4 Dividend Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

2.4 Leasing

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



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.

Effective from April 01, 2019 Ind AS 116, the new leases standard will be applicable to the Company. As per Ind AS 116 all leases will form part of the balance sheet, applying a "right-of-use asset" model that would recognise an asset on the lessee's balance sheet (representing its right to use the leased asset over the lease term), and recognise a corresponding liability to make future lease payments.

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.



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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 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.

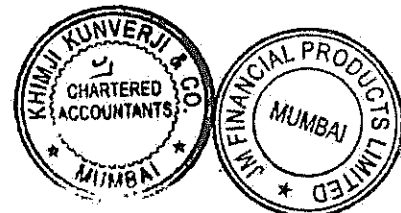
At the end of each year, the Company revisits its estimate of the number of equity instruments expected to vest and recognizes any impact in the Statement of profit and loss, such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee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

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.

Fair valuation of grants on transition to Ind AS

For transition to Ind AS, the Company has availed the option to fair value grants that vest after the transition date, 1 April 2017



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.

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

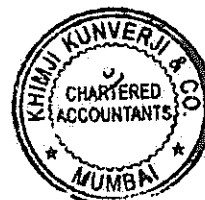
Property, plant and equipment (PPE) is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation 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



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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.

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

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.

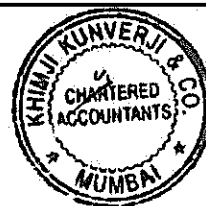
When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss 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



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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.

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);



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• 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:

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

• the Company may irrevocably elect to present subsequent changes in fair value of an equity investment that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies, in OCI; and

• the Company may irrevocably designate a debt instrument that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option).

A financial asset is held for trading if:

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

Debt instruments at amortised cost or at FVTOCI

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

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

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

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

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

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

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



JM FINANCIAL PRODUCTS LIMITED**Notes to the standalone financial statements****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 on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

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

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

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

Reclassifications

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

Impairment of financial assets**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.



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

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

- Stage 1 - Performing assets with zero to thirty days past due (DPD). Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.
- Stage 2 - Under-performing assets having 31 to 90 DPD. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.
- Stage 3 - Non-performing assets with overdue more than 90 DPD

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

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

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

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

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

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

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.

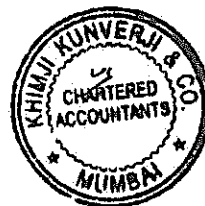
Write-off

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 impairment gains.

Financial liabilities and equity instruments

Classification as debt or equity

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



JM FINANCIAL PRODUCTS LIMITED**Notes to the standalone financial statements****Equity Instrument**

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

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

Financial liabilities

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

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

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

Financial liabilities at FVTPL

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

A financial liability is classified as held for trading if:

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

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

Financial liabilities subsequently measured at amortised cost

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

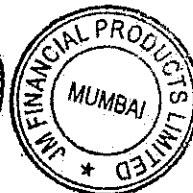
Derecognition of financial liabilities

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.

2.19 Standards Issued but not yet effective

Ind AS 116 Leases was notified on 28th March, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 01, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. The Company is in the process of assessing the impact of the new standard. As the Company does not have any material leases, therefore the adoption of this standard is not likely to have a material impact in its Financial Statements.

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 Note

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 Note 41.

4 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.



JM FINANCIAL PRODUCTS LIMITED
Notes to the standalone financial statements

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:

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

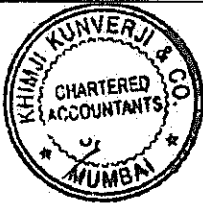
The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date.



JM FINANCIAL PRODUCTS LIMITED				
Notes to standalone Financial Statements				
(Rupees in Crore)				
Note	Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
5	Cash and cash equivalents			
	Cash in hand	-	-	-
	Balances with banks			
	- in current accounts	87.80	10.45	14.02
	- in deposit accounts	40.00	185.30	177.75
	Cheques on hand	14.58	-	-
	Total	142.38	195.75	191.77
6	Other balances with Banks			
	Deposit Accounts under lien against which overdraft facilities are availed (Note 6.1)	60.05	205.50	60.00
	Total	60.05	205.50	60.00
6.1	Deposit accounts under lien of Rs.60.05 crore (Previous year Rs. 205.00 crore) against which overdraft facilities remained outstanding as at the year end of Rs. Nil (Previous year of Rs.Nil)			
7	Loans			
	At amortised cost			
(i)	Term Loans	4,509.90	5,069.62	3,934.28
(ii)	Demand Loan	716.69	1,512.67	1,564.54
	Interest accrued	63.85	41.55	30.93
		5,290.44	6,623.84	5,529.75
	Less: Impairment loss allowance /EIR	(69.86)	(80.35)	(55.86)
	Net	5,220.58	6,543.49	5,473.89
	Break up of loans into secured and unsecured			
(i)	Secured by tangible assets	5,161.13	6,525.45	4,895.76
(ii)	Loan funds (Unsecured)	65.46	56.84	603.06
	Interest accrued	63.85	41.55	30.93
	Gross	5,290.44	6,623.84	5,529.75
	Less: Impairment loss allowance	(34.73)	(41.71)	(39.86)
	Processing fees - EIR	(35.13)	(38.64)	(16.00)
	Total	5,220.58	6,543.49	5,473.89
Note : The loans are given in India to other than Public sectors				
9	Other Financial assets			
	Security deposits			
	To Related Parties	3.26	-	-
	To Others	0.83	0.72	8.11
	Advances to employees	0.03	0.00	0.03
	Others Financial Assets			
	Other receivables	32.15	87.64	1.63
	Interest accrued on deposits	0.11	0.24	0.13
	Stock in Trade			
	Debt instruments	49.18	-	9.86
	Total	85.56	88.60	19.76
10	Current tax assets (net)			
	Advance tax (net of provision for tax)	24.29	17.29	16.07
	Total	24.29	17.29	16.07
11	Deferred Tax Assets (Net) (Refer note 32.2)			
	Measurement of Financial Liabilities at Amortised Cost	(3.98)	(2.10)	(0.60)
	Impairment of Financial instruments	13.19	17.53	8.89
	Financial assets measurement at fair value	5.58	(0.01)	1.42
	Provision on standard financial assets	11.10	9.86	9.09
	Disallowances under section 43B and 35D of the Income Tax Act, 1961	1.76	1.76	1.21
	Difference between books and tax written down value of fixed assets	0.95	0.77	0.69
	Provision for doubtful financial assets	-	-	1.43
	Total	28.60	27.81	22.13



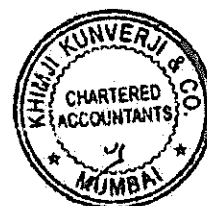
JM FINANCIAL PRODUCTS LIMITED				
Notes to standalone Financial Statements				
8	Investments	Rupees in crore		
		As at March 31, 2019		
		QTY	Amortised cost	At Fair Value Through profit and loss account
				Total
Investments				
Mutual Funds Units of Rs. 10/- each, Fully Paid Up				
JM High Liquid Fund - JM Liquid Fund (Direct) Growth Option	5036163	-	25.78	25.78
Reliance Mutual Fund - Reliance Liquid Fund	54859	-	25.03	25.03
Frankline Mutual Fund - Franklin India Liquid fund	268319	-	75.09	75.09
Kotak Mutual Fund - Kotak Liquid Direct Plan Growth	264466	-	100.08	100.08
ICICI Mutual Fund - ICICI Prudential Liquid Fund	5504703	-	152.15	152.15
Preference Shares				
<u>Compulsory Convertible Preference Share</u>				
Fairassets Technologies India Private Limited - Series A3 of Rs. 5,771.13/- each	12508	-	7.22	7.22
Fairassets Tech India Private Ltd -Series B of Rs 7,395.15/- each	406	-	0.30	0.30
Investment Account - Fair Value		-	(0.24)	(0.24)
<u>Equity Shares</u>				
In Subsidiary (unquoted)				
JM Financial Home Loans Ltd of Rs. 10/- each	118800000	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/- (Previous Year Rs. 11,542/-)				
<u>Security Receipts</u>				
(Unquoted)				
Class A Security Receipts of Rs 1,000/- each fully paid up (Face value partly redeemed)	200000	-	1.68	1.68
Class A Security Receipts of Rs 1,000/- each fully paid up	535500	-	53.55	53.55
Investment Account - Fair Value		-	(17.62)	(17.62)
Total – Gross		118.80	423.02	541.82
Less: Impairment loss allowance		-	-	-
Total – Net		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 standalone Financial Statements				
Rupees in crore				
	QTY	As at March 31, 2018		
		Amortised cost	At Fair Value Through profit and loss account	Total
Investments				
Mutual fund units				-
HDFC Mutual Fund Floating Rate Income Fund	93072	-	0.26	0.26
JM Dynamic Debt Fund fund	745132	-	2.07	2.07
Investment Account - Fair Value				-
Preference Shares				
Compulsory Convertible Preference Share				
Fairassets Technologies India Private Limited - Series A3 of Rs 5,771.13/- each	12508	-	7.22	7.22
Fairassets Tech India Private Ltd -Series B of Rs 7,395.15/- each	406	-	0.30	0.30
Equity Shares				
In Subsidiary (unquoted)				
JM Financial Home Loans Ltd of Rs. 10/- each	32000000	32.00		32.00
In Others (unquoted)				
Fairassets Technologies India Private Limited of Rs. 10/- each *	2	-	0.00	0.00
*Rs 11,542/- (Previous Year Rs. 11542/-)				
Security Receipts				
(Unquoted)				
Class A Security Receipts of Rs 1,000/- each fully paid up	200000	-	3.26	3.26
(Face value partly redeemed)				
Class A Security Receipts of Rs 1,000/- each fully paid up	535500	-	53.55	53.55
Investment Account - Fair Value		-	(0.03)	(0.03)
				-
Total – Gross		32.00	66.63	98.63
Less: Impairment loss allowance		-	-	-
Total – Net		32.00	66.63	98.63
Break up of gross investments:				
(i) Investments outside India		-	-	-
(ii) Investments in India		32.00	66.63	98.63
Total		32.00	66.63	98.63



JM FINANCIAL PRODUCTS LIMITED				
Notes to standalone Financial Statements				
Rupees in crore				
Particulars	QTY	As at April 01, 2017		
		Amortised cost	At Fair Value Through profit and loss account	Total
Investments				
<u>Preference Shares</u>				
10% Participating non-cumulative redeemable preference shares	95050000	-	95.05	95.05
Investment Account - Fair Value		-	(95.05)	(95.05)
Investment Account - Fair Value		-	88.46	88.46
<u>Debenture</u>				
In Others (unquoted)				
Compulsory Convertible Debentures				
Fairassets Technologies India Private Limited - Series A of Rs. 5,771.13 each	54918	-	7.22	7.22
<u>Equity Shares</u>				
In Subsidiary (unquoted)				
JM Financial Home Loans Ltd of Rs. 10/- each	12000000	12.00	-	12.00
<u>In Others (unquoted)</u>				
Fairassets Technologies India Private Limited of Rs. 10/- each *	2	-	0.00	0.00
*Rs 11,542/- (Previous Year Rs. 11542/-)				
Security Receipts				
Class A Security Receipts of Rs 1,000/- each fully paid up	200000		5.71	5.71
(Face value partly redeemed)				
Investment Account - Fair Value			0.50	0.50
Subsidiaries				
Total – Gross		12.00	101.89	113.89
Less: Impairment loss allowance		-	-	-
Total – Net		12.00	101.89	113.89
Break up of gross investments:				
(i) Investments outside India		-	-	-
(ii) Investments in India		12.00	101.89	113.89
Total		12.00	101.89	113.89



JM FINANCIAL PRODUCTS LIMITED
Notes to Standalone Financial Statements

12 Property, Plant and Equipment - As at March 31, 2019

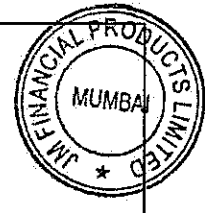
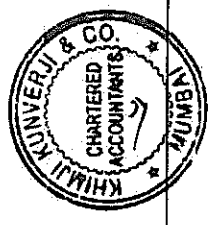
	Gross Block					Accumulated Depreciation		Net Block	
	As at April 1, 2018	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2019	As at April 1, 2018	Charge for the year	Deductions/ Adjustments	As at March 31, 2019	As at March 31, 2019
Property, Plant and Equipment									
Freehold Land	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									
					-				0.41



JM FINANCIAL PRODUCTS LIMITED									
Notes to Standalone Financial Statements									
Property, Plant and Equipment - As at March 31, 2018									
	Gross Block				Accumulated Depreciation				Net Block
	As at April 1, 2017	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2018	As at April 1, 2017	Charge for the year	Deductions/ Adjustments	As at March 31, 2018	As at March 31, 2018
Freehold Land	0.21	-	-	0.21	-	-	-	-	0.21
Leasehold improvements	0.81	0.83	0.02	1.62	-	0.89	-	0.89	0.73
Computers	0.29	1.17	0.10	1.36	-	0.30	0.01	0.29	1.07
Office Equipment	0.20	0.07	0.02	0.25	-	0.07	-	0.07	0.18
Furniture and fixtures	0.35	0.07	-	0.42	-	0.09	-	0.09	0.33
Vehicles	1.53	-	-	1.53	-	-	-	-	1.53
Leased Assets									
Vehicles	0.66	-	0.27	0.39	-	0.62	0.27	0.35	0.04
Total	4.05	2.14	0.41	5.78	-	1.97	0.28	1.69	4.08
Intangible assets - As at March 31, 2018									
Software	0.91	1.10	-	2.01	-	0.54	-	0.54	1.47
Total Intangible Assets	0.91	1.10	-	2.01	-	0.54	-	0.54	1.47
Intangible assets under development - As at March 31, 2018									
									1.32

12.1 The Company has availed the deemed cost exemption in relation to the property plant and equipment (except freehold land) and other intangible assets on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated depreciation on April 1, 2017 under the previous GAAP

Property, plant and equipment	Gross block	Accumulated depreciation	Net block
Tangible Assets			
Freehold Land	0.21	-	0.21
Leasehold improvements	2.44	1.63	0.81
Computer	0.75	0.46	0.29
Office equipments	0.34	0.14	0.20
Furniture and fixtures	0.52	0.17	0.35
Vehicles	1.60	0.07	1.53
Leased Assets			
Vehicles	1.55	0.89	0.66
Total	7.41	3.36	4.05
Intangible Assets			
Software	3.35	2.44	0.91
Total	3.35	2.44	0.91
Intangible assets under development			0.67



JM FINANCIAL PRODUCTS LIMITED
Notes to standalone Financial Statements

Rupees in Crore

Note	Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
13	Other non-financial assets			
	Capital advances	0.01	1.10	0.63
	Prepaid expenses	5.34	0.61	0.51
	Balance with statutory authorities	3.92	2.20	0.54
	Total	9.27	3.91	1.68
14	Trade Payables			
	(i) Total outstanding dues of micro and small enterprises	0.01	-	-
	(ii) Total outstanding dues of creditors other than micro and small enterprises	0.49	0.37	0.14
	Total	0.50	0.37	0.14
	Particulars:			
	(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	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	-	-	-
	(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-	-
15	Debt Securities			
	(At amortized cost)			
	Commercial paper	1,176.70	1,753.30	2,993.70
	Less: Unamortised interest on commercial paper	(53.47)	(37.10)	(99.54)
	Commercial Paper (refer note no 15.1 & 15.2)	1,123.23	1,716.20	2,894.16
	Non Convertible Debentures (refer note no 15.3 & 15.4)	2,367.06	2,997.13	1,218.74
		3,490.29	4,713.33	4,112.90
	Debt securities in India	3,490.29	4,713.33	4,112.90
	Debt securities outside India	-	-	-
	Total	3,490.29	4,713.33	4,112.90
15.1	The maximum amount of commercial paper outstanding at any time during the year was Rs 3,859.70 crore (Rs.5,363.70 crore for FY 2017-18 & Rs 6141.70 crore for FY 2016-7).			
15.2	Interest rate of commercial paper issued during the year ranges from 7.50% to 11% p.a. (6.50% to 11.25% p.a. for FY 2017-18 & 6.40% to 12% for FY 2016-17)			
15.3	Non-Convertible Debentures are secured by way of first charge on freehold land and hypothecation on certain identified loan fund balances of the Company.			
15.4	Maturity profile and rate of interest/ discounted rate of interest of Non-Convertible Debentures (NCDs) face value of Rs. 1,000,000/- each:			
	Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
	0.00% NCD redeemable in year 2017-18 *	-	-	100.00
	0.00% NCD redeemable in year 2018-19 *	-	428.00	278.00
	0.00% NCD redeemable in year 2019-20 *	264.70	264.70	64.70
	0.00% NCD redeemable in year 2020-21 *	242.10	337.10	77.10
	0.00% NCD redeemable in year 2021-22 *	264.90	228.90	-
	0.00% NCD redeemable in year 2022-23 *	110.00	-	-



JM FINANCIAL PRODUCTS LIMITED

Notes to standalone Financial Statements

0.00% NCD redeemable in year 2019-20 ***	-	317.00	-
9.42% NCD redeemable in year 2019-20	75.00	-	-
9.55% NCD redeemable in year 2019-20***	55.00	-	-
9.55% NCD redeemable in year 2017-18	-	-	50.00
8.75% NCD redeemable in year 2017-18***	-	-	177.00
8.40% NCD redeemable in year 2018-19	-	75.00	75.00
8.81% NCD redeemable in year 2018-19	-	100.00	100.00
8.88% NCD redeemable in year 2018-19	-	15.00	15.00
8.89% NCD redeemable in year 2018-19	-	95.00	95.00
NCD redeemable in year 2017-18**	-	-	92.50
NCD redeemable in year 2018-19**	-	237.50	60.00
NCD redeemable in year 2019-20**	139.00	114.00	5.00
NCD redeemable in year 2020-21**	554.90	438.90	-
NCD redeemable in year 2021-22**	349.90	209.40	-
NCD redeemable in year 2022-23**	150.00	-	-
	2,205.50	2,860.50	1,189.30

* Redeemable at premium

** Market linked debentures (MLD)

***Unsecured

Maturity profile above is disclosed at face value without considering premium / unamortized discount on issue of Rs 1.50 crore (2017-18 : Rs 2.20 crore and 2016-17 :Rs (0.15) crore) and impact of effective interest rate adjustment amounting to Rs 9.16 crore (As at March31,2018 Rs 5.16 and As at April 1,2017 Rs 1.12 crore)

16 Borrowings (Other than Debt Securities)

Term loan

From banks & others	962.79	930.00	400.00
Processing fees - EIR	(2.24)	(0.84)	(0.61)

Secured

(i) from banks (refer note no 16.1)*	910.55	929.16	399.39
(ii) from other parties (refer note no 16.1)	50.00	-	-

Inter Corporate Deposit	25.00	25.00	25.00
Finance lease obligations (refer note no 16.2)	0.32	0.01	0.73
Cash Credit Facility from Banks (refer note no 16.3)	47.26	-	-

Total	1,033.13	954.17	425.12
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16.1 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 31.03.2019		
	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

Residual Maturities	As at 31.03.2018		
	Upto one year (April -2018 to March -2019	1-3 years (April -2019 to March -2021	3 years & above (April -2021 onwards)
8% to 9%	213.34	603.33	113.33
	213.34	603.33	113.33

Maturity profit shown without considering effective interest rate impact amounting to Rs 0.84 crore



JM FINANCIAL PRODUCTS LIMITED
Notes to standalone Financial Statements

Residual Maturities	As at 01.04.2017		
	Upto one year (April -2017 to March -2018	1-3 years (April -2018 to March -2020	3 years & above (April -2020 onwards)
8% to 9%	20.00	180.00	200.00
	20.00	180.00	200.00

Maturity profit shown without considering effective interest rate impact amounting to Rs 0.61 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.

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

16.3 Cash credit facility are secured by way of hypothecation on certain identified loan fund balances of the Company.

16.4 Bank overdraft facility are secured by way of lien mark on fixed deposit.

17 Other financial liabilities

Employee benefits payable	23.83	22.89	18.10
Other Liabilities	1.77	11.46	13.45
Directors' commission payable	0.50	2.16	1.15
Total	26.10	36.51	32.70

18 Current tax liabilities (Net)

Provision for tax (net of advance tax)	0.31	2.41	2.62
Total	0.31	2.41	2.62

19 Provisions

For employee benefits			
Provision for Gratuity	1.95	1.58	1.03
Provision for compensated absence	1.36	1.02	0.56
Total	3.31	2.60	1.59

20 Other non-financial liabilities

Statutory dues	3.14	8.29	0.88
Income received in advance	3.66	2.72	6.19
Total	6.80	11.01	7.07



JM FINANCIAL PRODUCTS LIMITED
Notes to standalone Financial Statements

Rupees in Crore

Note 21

Equity Share Capital

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Number	Amount	Number	Amount	Number	Amount
[a] Authorised share capital						
Equity shares of the par value of Rs. 10 each	1,100,000,000	1,100.00	1,100,000,000	1,100.00	1,100,000,000	1,100.00
Preference Shares of the par value of Rs.10 each	100,000,000	100.00	100,000,000	100.00	100,000,000	100.00
Total	1,200,000,000	1,200.00	1,200,000,000	1,200.00	1,200,000,000	1,200.00
[b] Issued						
Equity shares of Rs.10 each	544,500,000	544.50	544,500,000	544.50	544,500,000	544.50
Total	544,500,000	544.50	544,500,000	544.50	544,500,000	544.50
[c] Subscribed and paid up						
Equity shares of Rs.10 each	544,500,000	544.50	544,500,000	544.50	544,500,000	544.50
Total	544,500,000	544.50	544,500,000	544.50	544,500,000	544.50

[d] Reconciliation of number of shares outstanding at the beginning and end of the year :

	As at March 31, 2019	
	Number of	Amount
	Shares	
Equity :		
Outstanding as on April 1, 2018	544,500,000	544.50
Issued during the year	-	-
Outstanding as on March 31, 2019	544,500,000	544.50
	As at March 31, 2018	
	Number of	Amount
	Shares	
Equity :		
Outstanding as on April 1, 2017	544,500,000	544.50
Issued during the year	-	-
Outstanding as on March 31, 2018	544,500,000	544.50

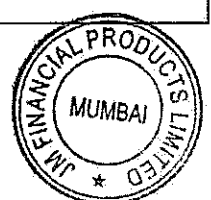
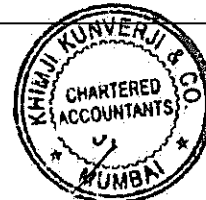
[e] Details of shareholders holding more than 5% of the aggregate shares in the Company:

	As at March 31, 2019	
	Number of	Percentage
	Shares	
JM Financial Limited and its nominees (5 shares held by nominees)	540,939,050	99.35%
	As at March 31, 2018	
	Number of	Percentage
	Shares	
JM Financial Limited and its nominees (5 shares held by nominees)	540,664,050	99.30%
	As at April 1, 2017	
	Number of	Percentage
	Shares	
JM Financial Limited and its nominees (5 shares held by nominees)	490,050,000	90.00%
JM Financial Institutional Securities Limited	50,461,850	9.27%

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 ensuing Annual General meeting, except in case of interim dividend.

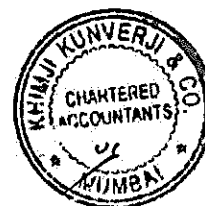


JM FINANCIAL PRODUCTS LIMITED				
Notes to standalone Financial Statements				
Rupees in crore				
Note	Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
22	Other Equity			
	Retained earnings			
	Balance as at the beginning of the year	608.43	506.66	526.76
	Addition/(Reduction) during the year			
	Transfer to statutory reserves	(41.00)	(43.00)	
	Final /Interim dividend	(92.57)	(49.40)	
	Corporate dividend tax	(19.03)	(10.06)	
	Other comprehensive income	0.10	(0.07)	
	Profit for the year	204.30	204.30	
	Total effect of transistion to IND AS			(20.10)
	Retained earnings	660.23	608.43	506.66
	Securities premium account	38.23	38.23	38.23
	Capital Redemption Reserve*	0.00	0.00	0.00
	*Rs. 1,000/- (Previous Year Rs. 1,000/-)			
	Statutory reserve			
	(under section 45-IC of The Reserve Bank of India Act, 1934)			
	Opening balance	276.29	233.29	233.29
	Addition/(Reduction) during the year	41.00	43.00	-
	Statutory reserve	317.29	276.29	233.29
	Total	1,015.75	922.95	778.18
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.				



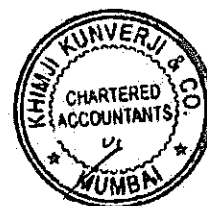
JM FINANCIAL PRODUCTS LIMITED
Notes to Financial Statements for the year ended 31 March 2019

		Rupees in crore	
Note	Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
23	Interest income at Amortised Cost		
	Interest on Loans	856.13	831.17
	Total	856.13	831.17
24	Fees and commission Income		
	Advisory and other fees	38.99	13.12
	Total	38.99	13.12
25	Other Operating Income		
	Income from trading in debt instruments (net)	7.10	5.58
	Profit on sale of investments	46.81	30.25
	Total	53.91	35.83
26	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	(15.82)	0.06
	(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)	(15.82)	0.06
	Fair Value changes:		
	-Realised	-	-
	-Unrealised	(15.82)	0.06
	Total Net gain/(loss) on fair value changes(D) to tally with (C)	(15.82)	0.06
	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)	(15.82)	0.06
	*Fair value changes in this schedule are other than those arising on account of interest income/expense		
27	Other Operating Income		
	Interest on:		
	- Fixed deposits with banks	0.05	0.12
	- Others	0.00	0.55
	Finance Income notional	-	6.59
	Provision for bonus written back	-	0.14
	Provision for doubtful loans written back (net)	-	4.14
	Miscellaneous income	0.24	0.08
	Profit on Sale of Fixed Assets (net)	0.00	0.13
	Finance Income on rent deposit	0.06	0.02
	Total	0.35	11.77



JM FINANCIAL PRODUCTS LIMITED
Notes to Financial Statements for the year ended 31 March 2019

		Rupees in crore	
Note	Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
28	Finance costs		
	At Amortised Cost		
	Debt Securities	428.09	423.11
	Borrowings (Other than Debt Securities)	93.83	61.86
	Other Interest expense	0.04	0.16
	Total	521.96	485.13
29	Impairment on financial instruments		
	Provision for Expected Credit Loss (Stage 1 & 2)	(5.50)	4.30
	Provision for Expected Credit Loss (Stage 3)	(1.32)	1.68
	Total	(6.82)	5.98
30	Employee benefits expense		
	Salaries, bonus, other allowances and benefits	50.72	37.84
	Fair Valuation of ESOP Cost - Ind AS	-	-
	Contribution to provident and other funds	1.93	1.33
	Gratuity (refer note 36)	0.69	0.56
	OCL Impact of Ind AS	0.15	(0.11)
	Staff welfare expenses	0.37	0.20
	Total	53.86	39.82
31	Other expenses		
	Professional and consultancy charges	7.25	9.45
	Space and other related costs	12.23	10.44
	Space and other related costs - EIR	0.07	0.02
	Net of recoveries of Rs. 0.04 crore (Previous year Rs. 0.03 crore)		
	Rates and taxes	2.21	5.83
	Membership and subscription	0.64	0.90
	Manpower cost	1.20	0.85
	Auditors' remuneration (refer note 31.1)	0.22	0.12
	Electricity	0.64	0.68
	Communication expenses	0.17	0.10
	Travelling and conveyance	0.90	0.71
	Insurance	0.37	0.28
	Printing and stationery	0.11	0.10
	Repairs and maintenance - others	0.83	0.64
	Loan funds written off	1.82	4.16
	Donations	6.82	6.26
	Directors' commission	0.50	2.16
	Sitting fees to directors	0.15	0.13
	Marketing Expenses	4.37	0.58
	DSA Commission	0.47	0.45
	Miscellaneous expenses	5.28	1.31
	Total	46.25	45.17
31.1	Payment to Auditors*: (Excluding service tax /goods & service tax)		
	Audit Fees	0.08	0.08
	In any other manner (Certifications, Limited reviews, etc.)	0.14	0.04
	Out of pocket expenses *	0.00	0.00
	* Current year Rs.33,187/- (Previous year Rs.23,670/-)		
	Total	0.22	0.12



JM FINANCIAL PRODUCTS LIMITED
Notes to Consolidated Financial Statements for the year ended 31 March 2019

32 Income Tax

Particulars	Rupees in Crore	
	Year ended 31.03.2019	Year ended 31.03.2018
Current tax	112.30	114.50
Tax adjustment in respect of earlier years	-	0.18
Deferred tax	(0.84)	(5.64)
Total income tax expenses recognised in the current year	111.46	109.04
Income tax expense recognised in other comprehensive income	-	-

32.1 Reconciliation of total tax charge

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Income tax expense for the year reconciled to the accounting profit:		
Profit before tax	315.76	313.34
Income tax rate	34.94%	34.94%
Income tax expense	110.34	109.49
Tax Effect of:		
Effect of income that is exempt from tax	-	-
14A disallowance	-	-
Effect of expenses that are not deductible in determining taxable profits	1.22	1.09
Adjustment in respect of earlier years (net)	-	0.18
Deferred tax impact mainly in respect of fair valuation gain on freehold land, etc.	-	-
Adjustment for deemed equity on the date of transition	-	-
MAT credit entitlement	-	-
Others	(0.10)	(1.72)
Income tax expense recognised in profit and loss	111.46	109.04

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, 2019

Deferred tax asset / (liability)	Opening balance	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Closing balance
Deferred Tax Assets on account of IND AS adjustment	15.38	(0.55)	-	14.83
Provision on standard financial assets	9.86	1.23	-	11.09
Disallowances under section 43B and 35D of the Income Tax Act, 1961	1.75	0.02	-	1.77
Difference between books and tax written down value of fixed assets	0.78	0.18	-	0.96
Provision for doubtful financial assets	-	-	-	-
Employee defined benefit obligation	0.04	-	(0.09)	(0.05)
Total	27.81	0.88	(0.09)	28.60

For the year ended March 31, 2018

Deferred tax asset / (liability)	Opening balance	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Closing balance
Deferred Tax Assets on account of IND AS adjustment	9.71	5.68	-	15.38
Provision on standard financial assets	9.09	0.77	-	9.86
Disallowances under section 43B and 35D of the Income Tax Act, 1961	1.21	0.54	-	1.75
Difference between books and tax written down value of fixed assets	0.69	0.09	-	0.78
Provision for doubtful financial assets	1.43	(1.43)	-	-
Employee defined benefit obligation	-	-	0.04	0.04
Total	22.13	5.64	0.04	27.81



JM FINANCIAL PRODUCTS LIMITED			
Notes to the standalone financial statements			
Rupees in Crore			
		As at March 31, 2019 Rs Crore	As at March 31, 2018 Rs Crore
33	<u>Contingent Liabilities and commitments</u>		
(a)	Contingent Liabilities	5.66	-
(b)	Undisbursed Commitment *	292.58	295.92
(c)	Capital Commitments: Estimated amount of contracts remaining to be executed on capital account and not provided for	0.01	1.14
*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, 2019	For the year ended March 31, 2018
	Profit for the year (In Rs Crore)	204.30	204.30
	Profit attributable to equity shareholders (In Rs Crore)	204.30	204.30
	Weighted average number of equity shares outstanding during the year for calculating basic earnings per share (Nos.)	544,500,000	544,500,000
	Basic earnings per share (Rupees)	3.75	3.75
	Weighted average number of equity shares outstanding during the year for calculating diluted earnings per share (Nos.)	544,500,000	544,500,000
	Diluted earnings per share (Rupees)	3.75	3.75
	Nominal value per share (Rupees)	10.00	10.00
35	Lease Transactions		
A	Operating Leases The Company has taken certain premises on non-cancellable operating lease basis. The tenure of such agreements ranges upto 108 months. The minimum lease rentals outstanding in respect of these are as under:		
		Total minimum lease payments outstanding as at 31st March, 2019	Total minimum lease payments outstanding as at 31st March, 2018
Due			
	Not later than one year	9.66	9.20
	Later than one year and not later than five years	43.73	36.05
	Later than five years	68.14	64.90
	Total	121.53	110.15
The Company has taken certain assets (Premises and Furniture and Fixtures) on cancellable operating lease for the period of 60 months to 108 months. Lease payments recognised in the Statement of Profit and Loss for the year are Rs. 9.20 crore (Previous year Rs.8.32 crore).			



JM FINANCIAL PRODUCTS LIMITED
Notes to the standalone financial statements

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, 2019	As at March 31, 2018	As at March 31, 2017	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Not later than one year	0.11	0.02	0.35	0.06	0.01	0.34
Later than one year and not later than five years	0.32	-	0.48	0.26	-	0.40
Later than five years	-	-	-	-	-	-
Total	0.43	0.02	0.83	0.32	0.01	0.73

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 Fund aggregating Rs. 1.93 crore (Previous year Rs. 1.33 crore) 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.

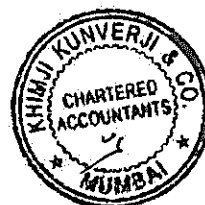
The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. The actuarial risks associated are:

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 the 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, 2019	As at March 31, 2018
Discount Rate	7.55%	7.85%
Expected rate of Salary Increase	7.00%	7.00%
Other Assumption		
Mortality Rate	Lives (2012-14) Ultimate	Lives (2006-08)

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

Particulars	As at March 31, 2019	As at March 31, 2018
Present value of defined benefit obligation	1.95	1.58
Net liability	1.95	1.58

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

Particulars	As at March 31, 2019	As at March 31, 2018
Current Service Cost	0.31	0.17
Interest Cost	0.11	0.07
Past Services Cost	-	0.43
Total expenses charged to Profit & Loss Account	0.42	0.67

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, 2019	As at March 31, 2018
Opening amount recognized in OCI outside Profit and Loss Account	(0.02)	0.09
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	0.05	(0.09)
- Actuarial (gain)/loss from change in experience adjustments	0.22	(0.03)
Total amount recognised in OCI outside Profit and Loss Account	0.25	(0.02)

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

Particulars	As at March 31, 2019	As at March 31, 2018
Opening defined benefit obligation	1.58	1.03
Current service cost	0.31	0.17
Past service cost		0.43
Interest cost	0.11	0.07
Remeasurements (gains)/losses:		
- Actuarial (gain)/loss from change in demographic assumptions	(0.00)	-
- Actuarial (gain)/loss from change in financial assumptions	0.05	(0.09)
- Actuarial (gain)/loss from change in experience adjustments	0.22	(0.03)
- Liabilities Assumed on Acquisition / (Settled on Divestiture)	0.07	0.07
Benefits paid	(0.39)	(0.07)
Closing defined benefit obligation	1.95	1.58



JM FINANCIAL PRODUCTS LIMITED
Notes to the standalone financial statements

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, 2019		As at March 31, 2018	
	Decrease	Increase	Decrease	Increase
Discount rate (- / +0.5%)	0.08	(0.08)	0.06	(0.06)
% change compared to base due to sensitivity	4.34%	-4.00%	4.08%	-3.79%
Salary growth rate (- / +0.5%)	(0.06)	0.06	-0.04	0.04
% change compared to base due to sensitivity	-2.93%	3.15%	-2.47%	2.62%

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, 2019	As at March 31, 2018
Expected benefits for year 1	0.48	0.33
Expected benefits for year 2	0.07	0.18
Expected benefits for year 3	0.29	0.07
Expected benefits for year 4	0.07	0.27
Expected benefits for year 5	0.07	0.06
Expected benefits for year 6 and above	3.56	2.70

37 Related Party Disclosure:

Names of related parties and description of Relationship

(i) Names of related parties and description of relationship where control exists

Holding Company

JM Financial Limited

Subsidiaries

JM Financial Home Loans Limited

(ii) Names of related parties and description of relationship where transactions have taken place

(A) Enterprises that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting enterprises.

Holding Company

JM Financial Limited

Subsidiaries

JM Financial Home Loans Limited

Fellow Subsidiaries

JM Financial Services Limited

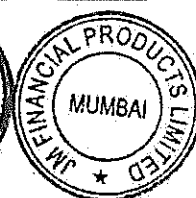
JM Financial Commtrade Limited

Astute Investments

JM Financial Properties & Holdings Limited

CR Retail Malls (India) Limited

JM Financial Investment Managers Limited (upto January 18 2018)



JM FINANCIAL PRODUCTS LIMITED
Notes to the standalone financial statements

JM Financial Institutional Securities Limited (upto January 18, 2018)
JM Financial Capital Limited
JM Financial & Investment Consultancy Services Private Limited
JM Financial Credit Solutions Limited
JM Financial Asset Reconstruction Company Limited
JM Financial Singapore Pte Ltd.
JM Financial Securities Inc
JM Financial Overseas Holdings Private Limited
JM Financial Institutional Securities Limited (Formerly known as JM Financial Securities Limited)
Infinite India Investment Management Limited
JM Financial Asset Management Limited

(B) Associates and joint ventures of the reporting enterprise and the investing party or venturer in respect of which the reporting enterprise is an associate or a joint venture:

Associates

(C) Key Management Personnel and relatives of such Personnel:

Mr. Vishal Kampani
Mr. Nishit Shah
Ms. Reena Sharda

(D) Non Executive Directors

Mr. V P Shetty
Mr. Subodh Shinkar
Mr. Atul Mehra

(E) Independent Directors

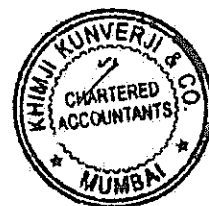
Mr. Dhirendra Singh
Mr. Eknath A. Kshirsagar
Mr. Madhukar R. Umarji
Mrs. Roshini Bakshi

(F) Enterprises over which any person described in (C) is able to exercise significant influence:

JSB Securities Limited

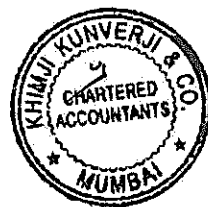
(iii) Details of transactions with related parties

Name of the related party	Nature of relationship	As at March 31, 2019 Rs Crore	As at March 31, 2018 Rs Crore
JM Financial Limited	(A)		
Dividend paid		91.96	49.01
Reimbursement of employees expenses		2.85	1.94
Sales of Pref shares of JM Financial Prop Holdings		-	95.05
Inter Corporate Deposit taken		-	345.00
Inter Corporate Deposit repaid		-	345.00
Interest expenses on ICD taken		-	0.19
Transfer of Gratuity Liability		0.07	-
JM Financial Home Loans Limited	(A)		
Inter Corporate Deposits given		71.65	-
Inter Corporate Deposits repaid		71.65	-
Interest income on Inter Corporate Deposits given		0.53	-
Investment in equity shares		86.80	20.00
Recovery of expenses		0.01	-
Sale of Fixed Assets		-	0.12



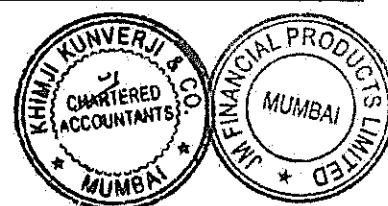
JM FINANCIAL PRODUCTS LIMITED
Notes to the standalone financial statements

JM Financial Services Limited	(A)		
Inter Corporate Deposits given		665.00	615.00
Inter Corporate Deposits repaid		665.00	615.00
Interest income on Inter Corporate Deposits given		0.93	0.52
Issue of market linked debentures		-	68.89
Arrangers Fees / Brokerage charges		0.08	0.08
Reimbursement of Space Cost Paid		0.06	-
Demat charges paid*		-	0.00
* Rs. 1500/- (previous Year Rs. 1,500/-)			
Transfer of Gratuity Liability		-	0.01
JM Financial Properties & Holdings Limited	(A)		
Inter Corporate Deposits given		147.00	13.07
Inter Corporate Deposits repaid		147.00	61.07
Interest income on Inter Corporate Deposits given		0.15	2.06
Space & other related cost paid		9.20	8.32
Reimbursement of expenses (paid)		1.34	1.52
Property Deposit given / (Refunded)		8.00	(8.00)
Security Deposits given		-	-
Closing balance as at the year end - ICD given - debit		-	-
Closing balance as at the year end - Security Deposit given - debit		8.00	-
JM Financial Institutional Securities Limited	(A)		
Transfer of Fixed Assets		0.01	-
Transfer of Gratuity liability received		-	0.07
Reimbursement of expenses		-	0.01
Infinite India Invst M Ltd	(A)		
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	-
J M Financial & Investment Consultancy Services Private Limited	(A)		
Space cost paid		0.02	-
Property Deposit given		0.04	-
Closing balance as at the year end - Security Deposit given - debit		0.04	-
JM Financial Investment Managers Limited	(A)		
Inter Corporate Deposits given		-	2.85
Inter Corporate Deposits repaid		-	2.85
Interest income on Inter Corporate Deposits given		-	0.02
Reimbursement of Expenses		-	0.12
Astute Investments	(A)		
Recovery of rent expenses		0.03	0.03
Loan Given		94.43	311.12
Loan repaid		70.00	311.12
Interest income on loan given		2.30	0.68
Closing Balance - Inter Corporate Deposits given		24.43	-

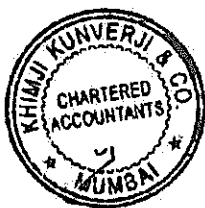


JM FINANCIAL PRODUCTS LIMITED
Notes to the standalone financial statements

JM Financial Capital Limited	(A)		
Transfer of Gratuity Liability		-	0.04
Transfer of Staff Loan Liability (Reed)*		-	0.00
* (Previous year - Rs 17,000)			
Inter Corporate Deposits taken		-	137.00
Inter Corporate Deposits repaid		-	137.00
Interest expenses on Inter Corporate Deposits taken		-	0.03
Inter Corporate Deposits given		75.00	349.00
Inter Corporate Deposits repaid		75.00	349.00
Interest income on Inter Corporate Deposits taken		0.46	0.36
JM Financial Credit Solutions Limited	(A)		
Inter Corporate Deposits taken		-	-
Inter Corporate Deposits repaid		-	-
Inter Corporate Deposits given		-	125.00
Inter Corporate Deposits repaid		-	125.00
Interest income on Inter Corporate Deposits given		-	0.19
Interest expenses on Inter Corporate Deposits taken		-	-
Transfer of gratuity liability paid		-	-
Recovery of expenses/support service charges		5.70	8.00
Closing balance as at the year end - debit		6.16	
CR Retail Malls (India) Limited	(A)		
Inter Corporate Deposits given		227.05	97.72
Inter Corporate Deposits repaid		214.04	67.72
Interest income on Inter Corporate Deposits given		5.75	0.92
Sale of Debentures		11.95	-
Closing balance as at the year end - debit		43.02	30.00
JM Financial Assets Reconstruction Company Ltd	(A)		
Inter Corporate Deposits given		25.00	200.00
Inter Corporate Deposits repaid		25.00	200.00
Interest income on Inter Corporate Deposits given		0.03	0.55
Transfer of Gratuity Liability		-	0.04
Management Fees Paid		1.26	0.42
Mr. Vishal Kampani	(C)		
Managerial remuneration		12.65	13.17
Purchase of Bond of Home Credit India Finance Private Limited		2.55	-
Closing Balance as at the year end - (credit)		(11.00)	(11.50)
Mr V P Shetty	(D)		
Director Siting fees		0.02	-
Director Commission		0.25	1.31
Closing Balance as at the year end - (credit)		0.25	1.31
Mr. Atul Mehra	(D)		
Director Siting fees		-	-
Director Commission		-	0.60
Closing Balance as at the year end - (credit)		-	0.60
Mrs. Roshini Bakshi	(E)		
Director Siting fees		0.01	0.01
Director Commission		0.05	0.05
Closing Balance as at the year end - (credit)		0.05	0.05



JM FINANCIAL PRODUCTS LIMITED				
Notes to the standalone financial statements				
Mr.Madhukar R. Umarji	(E)			
Director Siting fees		0.03		0.03
Director Commission		0.07		0.07
Closing Balance as at the year end - (credit)		0.07		0.07
Mr.Eknath A. Kshirsagar	(E)			
Director Siting fees		0.04		0.04
Director Commission		0.08		0.08
Closing Balance as at the year end - (credit)		0.08		0.08
Mr.Dhirendra Singh	(E)			
Director Siting fees		0.03		0.04
Director Commission		0.07		0.07
Closing Balance as at the year end - (credit)		0.07		0.07
(iv) Balances of related parties:				
Name of the related party	Nature of relationship	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Payables				
JM Financial Properties & Holdings Limited	(A)	-	-	48.00
Astute Investments	(A)	(24.43)	-	-
JM Financial Credit Solutions Limited	(A)	(6.16)	-	0.99
CR Retail Malls (India) Limited	(A)	(43.02)	(30.00)	-
Mr. Vishal Kampani	(C)	11.00	11.50	10.00
Mr.V P Shetty	(D)	0.25	1.31	-
Atul Mehra	(D)	-	0.60	-
Mrs.Roshini Bakshi	(E)	0.05	0.05	-
Mr.Madhukar R. Umarji	(E)	0.07	0.07	-
Mr.Eknath A. Kshirsagar	(E)	0.08	0.08	-
Mr.Dhirendra Singh	(E)	0.07	0.07	-
Security Deposits Receivable				
JM Financial Properties & Holdings Limited	(A)	8.00	-	8.00
J M Financial & Investment Consultancy Services Private Limited	(A)	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 service tax / Goods and Services Tax. 37.4 The related party relationship are identified by management and relied upon by auditors.				

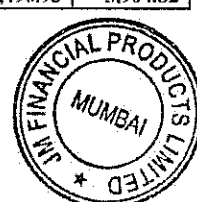
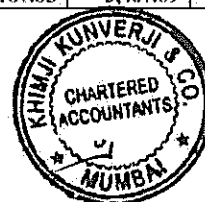


JM FINANCIAL PRODUCTS LIMITED
Notes to the standalone financial statements

38 Maturity Analysis of Assets and Liabilities

(Rupees in Crore)

Sr No	Particulars	As at March 31, 2019			As at March 31, 2018			As at April 1, 2017		
		Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
I	Assets									
A	Financial Assets									
	Cash and cash Equivalents	142.38	-	142.38	195.75	-	195.75	191.77	-	191.77
B	Bank Balance other than (A) above	60.05	-	60.05	205.50	-	205.50	60.00	-	60.00
C	Loans	2,085.53	3,135.05	5,220.58	3,260.78	3,282.71	6,543.49	2,912.51	2,561.38	5,473.89
D	Investment	379.86	161.96	541.82	5.59	93.04	98.63	6.21	107.68	113.89
E	Other Financial Assets	81.44	4.12	85.56	87.88	0.72	88.60	11.65	8.11	19.76
	Total Financial Assets	2,749.26	3,301.13	6,050.39	3,755.50	3,376.47	7,131.97	3,182.14	2,677.17	5,859.31
2	Non Financial Assets									
A	Current Tax Assets (Net)	-	24.29	24.29	-	17.29	17.29	-	16.07	16.07
B	Deferred Tax Assets (Net)	-	28.60	28.60	-	27.81	27.81	-	22.13	22.13
C	Property, Plant and Equipment	-	6.19	6.19	-	4.08	4.08	-	4.05	4.05
D	Other Intangible Assets	-	1.54	1.54	-	1.47	1.47	-	0.91	0.91
E	Intangible assets under development	-	0.41	0.41	-	1.32	1.32	-	0.67	0.67
F	Other Non Financial Assets	4.27	5.00	9.27	3.65	0.26	3.91	1.40	0.28	1.68
	Total Non Financial Assets	4.27	66.03	70.30	3.65	52.23	55.88	1.40	44.11	45.51
	Total Assets	2,753.53	3,367.16	6,120.69	3,759.15	3,428.70	7,187.85	3,183.54	2,721.28	5,904.82
Sr No	Particulars	As at March 31, 2019			As at March 31, 2018			As at April 1, 2017		
		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									
	Payables									
	Trade payables									
	(i) total outstanding dues of micro enterprises and small enterprises	0.01	-	0.01	-	-	-	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	0.49	-	0.49	0.37	-	0.37	0.14	-	0.14
B	Debt Securities	1,826.34	1,663.95	3,490.29	2,806.29	1,907.04	4,713.33	3,344.30	768.60	4,112.90
C	Borrowing (Other than Debt Securities)	360.79	672.34	1,033.13	213.35	740.82	954.17	20.33	404.79	425.12
D	Other Financial Liabilities	26.10	-	26.10	36.51	-	36.51	32.70	-	32.70
	Total Financial Liabilities	2,213.73	2,336.29	4,550.02	3,056.52	2,647.86	5,704.38	3,397.47	1,173.39	4,570.86
2	Non Financial Liabilities									
A	Current Tax Liabilities (Net)	0.31	-	0.31	2.41	-	2.41	2.62	-	2.62
B	Provisions	1.85	1.46	3.31	1.35	1.25	2.60	0.73	0.86	1.59
C	Other Non Financial Liabilities	6.80	-	6.80	11.01	-	11.01	7.07	-	7.07
	Total Non Financial Liabilities	8.96	1.46	10.42	14.77	1.25	16.02	10.42	0.86	11.28
3	Equity									
A	Equity Share Capital	-	544.50	544.50	-	544.50	544.50	-	544.50	544.50
B	Other Equity	-	1,015.75	1,015.75	-	922.95	922.95	-	778.18	778.18
	Total Equity	-	1,560.25	1,560.25	-	1,467.45	1,467.45	-	1,322.68	1,322.68
	Total Liabilities and Equity	2,222.69	3,898.00	6,120.69	3,071.29	4,116.56	7,187.85	3,407.89	2,496.93	5,904.82



JM FINANCIAL PRODUCTS LIMITED
Notes to the standalone financial statements

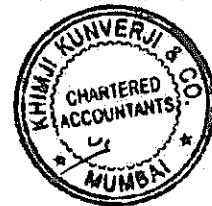
39 First-time Ind AS adoption reconciliations

Reconciliation of equity as at April 1, 2017 and March 31, 2018 and profit or loss for the year ended March 31, 2018

Rupees in crore

Particulars	Note No	Total Comprehensive income Reconciliation Year ended March 31, 2018	Equity Reconciliation	
			As at March 31, 2018	As at April 1, 2017
Net profit / equity as per previous Indian GAAP		212.93	951.75	798.28
Ind As Adjustments :				
Measurement of Financial Liabilities at Amortised Cost	A	4.28	6.01	1.73
Measurement of Financial Assets at Amortised Cost	B	(22.64)	(38.64)	(16.00)
Expected Credit Loss allowance on Investments and loans	C	(2.09)	(11.53)	(9.45)
Fair Valuation of Investments in Preference Shares	D	6.60	-	(6.59)
Fair Valuation of Investments in Security Receipts	D	(0.53)	(0.02)	0.50
Fair Valuation of Investments in Mutual Funds	D	0.06	0.06	-
Reclassification of net actuarial loss on employee defined benefit obligation to Other Comprehensive Income (OCI)	E	0.11	(0.11)	
Impact of deferred tax on above adjustment	F	5.58	15.43	9.71
Net profit / equity as per Ind AS		204.30	922.95	778.18
Other comprehensive income (net of tax)		(0.07)		
Total Comprehensive income / Equity as per Ind AS		204.23	922.95	778.18

- A** Under Previous GAAP, transaction costs on borrowings were charged to Statement of Profit and Loss as and when incurred. Under Ind AS, these costs are recognised in the Statement of Profit and Loss over the tenure of the borrowing as part of interest expense by applying effective interest rate method
- B** Under previous GAAP, loans were carried at cost whereas under IND AS loans are measured based on entity's business model for managing the financial assets and contractual cash flow characteristics of the financial asset. The loans that meet the business model and contractual cash flow tests are measured at amortised cost and interest income is recognised as per effective interest rate method.
- C** Under previous GAAP, provision for doubtful loans was calculated using incurred loss model. Under Ind AS, the provision on financial assets and commitments, are determined using the expected credit loss model.
- D** Under Previous GAAP, investments were carried at cost whereas under Ind As, these are measured based on entity's business model for managing the financial assets and contractual cash flow characteristics of the financial asset. The investments that meet the business model and contractual cash flow tests are measured at amortised cost and interest income is recognised as per the effective interest rate method. Those that do not meet these tests are measured at fair value.
- E** Under previous GAAP, Company recognises actuarial gains/losses on defined benefit plan in the profit and loss account. Under Ind AS, the actuarial gains and losses will be recognised in other comprehensive income as remeasurements
- F** Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. It also includes impact of deferred tax arising on account of transition to IND AS



40 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.

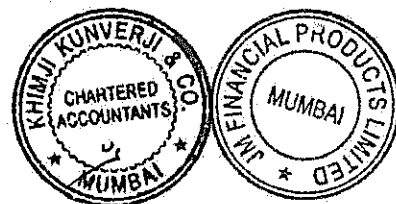
The Company monitors capital using adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

Borrowings	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Debt Securities	3,490.29	4,713.33	4,112.90
Borrowings (Other than Debt Securities)	1,033.13	954.17	425.12
Gross Debt	4,523.42	5,667.50	4,538.02
Less: Cash and cash Equivalents	142.38	195.75	191.77
Less: Other Bank Deposits	60.05	205.50	60.00
Less: Investment in liquid mutual fund	378.13	2.33	-
Adjusted Net Debt	3,942.86	5,263.92	4,286.25
Total Equity	1,560.25	1,467.45	1,322.68
Adjusted Net Debt to equity ratio	2.53	3.59	3.24

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 15.0 % 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 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, 2019, the capital adequacy ratio, which was computed on the basis of the applicable RBI requirements, was 25.5%, as compared to the minimum capital adequacy requirement of 15.0% as stipulated by the RBI. We believe that our high capital adequacy gives us significant headroom to grow our business.

Particulars	March 31, 2019	March 31, 2018
CRAR prescribed by RBI	15.00%	15.00%
Total capital adequacy ratio		
i) Tier I	24.87%	21.26%
ii) Tier II	0.58%	0.41%



JM FINANCIAL PRODUCTS LIMITED
Notes to the standalone financial statements

41 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:

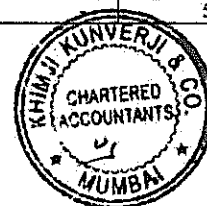
1 Accounting classification

(Rupees in Crore)

As at March 31, 2019	FVTPL	FVTOCI	Amortised Cost	Total
Financial Assets	-	-	-	-
Cash and cash Equivalents	-	-	142.38	142.38
Bank Balance other than cash and cash Equivalents	-	-	60.05	60.05
Loans	-	-	5,220.58	5,220.58
Investments	423.02	-	118.80	541.82
Other Financial Assets	-	-	85.56	85.56
Total Financial Assets	423.02	-	5,627.37	6,050.39
Financial Liabilities	-	-	-	-
Borrowings	-	-	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

As at March 31, 2018	FVTPL	FVTOCI	Amortised Cost	Total
Financial Assets	-	-	-	-
Cash and cash Equivalents	-	-	195.75	195.75
Bank Balance other than cash and cash Equivalents	-	-	205.50	205.50
Loans	-	-	6,543.49	6,543.49
Investments	66.63	-	32.00	98.63
Other Financial Assets	-	-	88.60	88.60
Total Financial Assets	66.63	-	7,065.34	7,131.97
Financial Liabilities	-	-	-	-
Borrowings	-	-	5,667.50	5,667.50
Trade Payables	-	-	0.37	0.37
Other Financial Liabilities	-	-	36.51	36.51
Total Financial Liabilities	-	-	5,704.38	5,704.38

As at April 1, 2017	FVTPL	FVTOCI	Amortised Cost	Total
Financial Assets	-	-	-	-
Cash and cash Equivalents	-	-	191.77	191.77
Bank Balance other than cash and cash Equivalents	-	-	60.00	60.00
Loans	-	-	5,473.89	5,473.89
Investments	101.89	-	12.00	113.89
Other Financial Assets	-	-	19.76	19.76
Total Financial Assets	101.89	-	5,757.42	5,859.31



JM FINANCIAL PRODUCTS LIMITED
Notes to the standalone financial statements

Financial Liabilities				
Borrowings	-	-	4,538.02	4,538.02
Trade Payables	-	-	0.14	0.14
Other Financial Liabilities	-	-	32.70	32.70
Total Financial Liabilities	-	-	4,570.86	4,570.86

- 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.

2 Fair Value Hierarchy and Method of Valuation

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard.

Fair value hierarchy levels 1 to 3 are based on the degree to which the fair value is observable:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

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

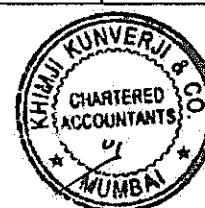
(Rupees in Crore)

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
Total Financial Assets	-	423.02	415.74	-	7.28	423.02

As at March 31, 2018	Notes	Carrying Value	Level 1	Level 2	Level 3	Total
Financial Assets						
<u>Measured at FVTPL</u>						
Investments in Mutual Fund		2.33	2.33	-	-	2.33
Investments in Security Receipts		56.78	56.78	-	-	56.78
Investments in Equity Instruments		7.52	-	-	7.52	7.52
Total Financial Assets		66.63	59.11	-	7.52	66.63

(Rupees in Crore)

As at April 1, 2017	Notes	Carrying Value	Level 1	Level 2	Level 3	Total
Financial Assets						
<u>Measured at FVTPL</u>						
Investments in Security Receipts		6.21	6.21	-	-	6.21
Investments in Equity Instruments		95.68	88.46	-	7.22	95.68
Total Financial Assets	-	101.89	94.67	-	7.22	101.89



JM FINANCIAL PRODUCTS LIMITED
Notes to the standalone financial statements

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:

1. Listed equity instruments and mutual funds which are fair valued using quoted prices and closing NAV in the market.
2. 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.
3. 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 liabilities by the difference in the Government Securities rates from date of initial recognition to the reporting dates.

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, 2019 and March 31, 2018.

		(Rupees in Crore)
		Debentures
As at April 01, 2017		7.22
Acquisitions		0.30
Gains / (Losses) recognised in profit or loss		-
Realisations		-
As at March 31, 2018		7.52
Acquisitions		-
Gains / (Losses) recognized		(0.24)
Realisations		-
As at March 31, 2019		7.28

4 Sensitivity for instruments

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)

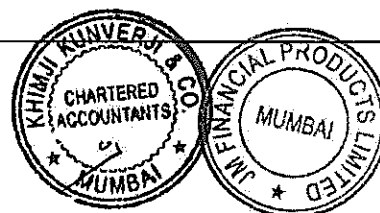
Risk management framework

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.



JM FINANCIAL PRODUCTS LIMITED
Notes to the standalone financial statements

Collateral held as security and other credit enhancements

The Company has set out security creation requirements in the loan documents. In any kind of real estate lending transaction the company maintains a security and receivables cover between 1.5 to 2 times of the loan amount. This gives enough flexibility in the event the real estate prices come down or there is a cost overrun. It also helps ensure equity of the promoter in the project in terms of the residual value cover.

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	High quality assets	12-month ECL
Stage 2	Assets for which there is no significant increase in credit risk	Lifetime ECL
Stage 3	Assets for which there is significant increase in credit risk	Lifetime ECL – credit-impaired

The key elements in calculation of ECL are as follows:

PD - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. The PD has been determined based on comparative external ratings.

EAD - The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, accrued interest from missed

LGD - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The LGD is determined based on valuation of collaterals and other relevant factors

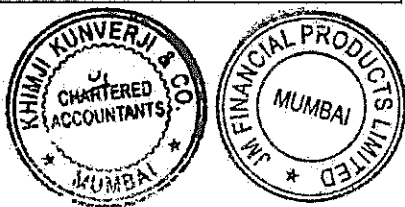
The table below shows the credit quality and the exposure to credit risk based on the year-end stage classification. The amounts presented are gross of impairment allowances.

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	March 31,2019	March 31,2018	April 1,2017
Stage 1	5,229.89	6,555.26	5,509.61
Stage 2	21.73	13.10	-
Stage 3	3.69	16.83	4.14

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to corporate lending.



JM FINANCIAL PRODUCTS LIMITED
Notes to the standalone financial statements

(Rupees in Crore)

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	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	(1.83)	(1.83)
Gross carrying amount closing balance	5,229.89	21.73	3.69	5,255.31

Gross Carrying amount are net of EIR of Rs. 35.13 Crore but excluding ECL provision of Rs.34.73 Crores

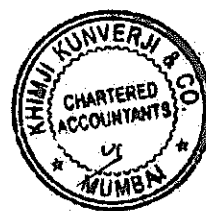
(Rupees in Crore)

Category	2017 - 18			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	5,509.61	-	4.14	5,513.75
New assets originated or purchased	3,760.39	-	-	3,760.39
Assets derecognised or repaid (excluding write offs)	(2,684.81)	-	-	(2,684.81)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(13.10)	13.10	-	-
Transfers to Stage 3	(16.83)	-	16.83	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	(4.14)	(4.14)
Gross carrying amount closing balance	6,555.26	13.10	16.83	6,585.19

Gross Carrying amount are net of EIR of Rs. 38.63 Crore but excluding ECL provision of Rs.41.70 Crores

(Rupees in Crore)

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"	-	-	-	-
Unwind of discount	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Changes to models and inputs used for ECL calculations	-	-	-	-
Recoveries	-	-	-	-
Amounts written off	-	-	-	-
ECL allowance - closing balance	34.04	0.32	0.37	34.73



JM FINANCIAL PRODUCTS LIMITED
Notes to the standalone financial statements

(Rupees in Crore)

Category	2017 - 18			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance opening balance	35.72	-	4.14	39.86
New assets originated or purchased	22.99	-	-	22.99
Assets derecognised or repaid (excluding write offs)	(17.01)	-	-	(17.00)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(0.20)	0.20	-	-
Transfers to Stage 3	(4.24)	-	4.24	-
"Impact on year end ECL of exposures transferred between stages during the year"	-	-	-	-
Unwind of discount	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Changes to models and inputs used for ECL calculations	-	-	-	-
Recoveries	-	-	-	-
Amounts written off	-	-	(4.14)	(4.14)
ECL allowance - closing balance	37.26	0.20	4.24	41.71

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

"The Company has undrawn lines of credit of Rs. 152.74 Crore, Rs.100 Crore and Rs.200 Crore as of March 31, 2019, March 31, 2018 and April 1, 2017 respectively, from its bankers for working capital requirements.

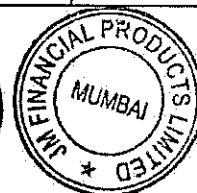
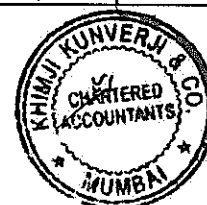
The Company has the right to draw upon these lines of credit based on its requirement and terms of draw down.

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, 2019	Carrying Amount	0-1 Year	1-3 Years	3-5 Years	More than 5 Years
Financial liabilities					
Debt Securities	3,490.29	1,826.34	1,413.11	250.84	-
Borrowing (Other than Debt Securities)	1,033.13	360.79	691.09	(18.74)	-
Other Financial Liabilities	26.10	26.10	-	-	-
Trade Payable	0.50	0.50	-	-	-
Total Financial Liabilities	4,550.02	2,213.73	2,104.20	232.10	-
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	-	-	4.12
Total Financial Assets	6,050.39	2,749.26	2,561.69	469.44	270.00



JM FINANCIAL PRODUCTS LIMITED
Notes to the standalone financial statements

(Rupees in Crore)

March 31, 2018	Carrying Amount	0-1 Year	1-3 Years	3-5 Years	More than 5 Years
Financial liabilities					
Debt Securities	4,713.33	2,806.29	1,472.38	434.66	-
Borrowing (Other than Debt Securities)	954.17	213.35	611.67	129.15	-
Other Financial Liabilities	36.51	36.51	-	-	-
Trade Payable	0.37	0.37	-	-	-
Total Financial Liabilities	5,704.38	3,056.52	2,084.05	563.81	-
Financial Assets					
Cash and Cash Equivalents	195.75	195.75	-	-	-
Bank Balance other than above	205.50	205.50	-	-	-
Loans	6,543.49	3,260.78	2,505.14	717.35	60.22
Investments	98.63	5.59	61.04	-	32.00
Other Financial Assets	88.60	87.88	-	-	0.72
Total Financial Assets	7,131.97	3,755.50	2,566.18	717.35	92.94

(Rupees in Crore)

April 1, 2017		0-1 Year	1-3 Years	3-5 Years	More than 5 Years
Financial liabilities					
Debt Securities	4,112.90	3,344.30	692.70	75.90	-
Borrowing (Other than Debt Securities)	425.12	20.33	225.73	179.06	-
Other Financial Liabilities	32.70	32.70	-	-	-
Trade Payable	0.14	0.14	-	-	-
Total Financial Liabilities	4,570.86	3,397.47	918.43	254.96	-
Financial Assets					
Cash and Cash Equivalents	191.77	191.77	-	-	-
Bank Balance other than above	60.00	60.00	-	-	-
Loans	5,473.89	2,912.51	1,676.39	482.67	402.32
Investments	113.89	6.21	95.68	-	12.00
Other Financial Assets	19.76	11.65	-	-	8.11
Total Financial Assets	5,859.31	3,182.14	1,772.07	482.67	422.43

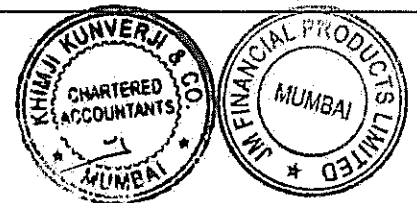
The inflows/(outflows) disclosed in the above table represent the contractual cash flows relating to financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

iii) Market risk

The 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.



JM FINANCIAL PRODUCTS LIMITED
Notes to the standalone financial statements

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.

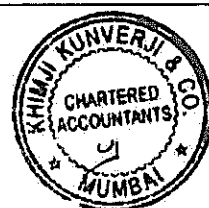
Particular	As at March 31, 2019	As at March 31, 2018
Charge on account of the above scheme included in employee benefit expenses	2.83	1.94

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	Maximum Balance	Rupees Crore
			Closing Balance
JM Financial Services Limited	Fellow Subsidiary	175.00 (75.00)	-
JM Financial Investment Managers Limited (upto January 18 2018)	Fellow Subsidiary	(2.20)	-
Infinite India Investment Management Limited	Fellow Subsidiary	91.70 -	-
JM Financial Credit Solutions Limited	Fellow Subsidiary	- (125.00)	-
JM Financial Properties & Holdings Limited	Fellow Subsidiary	108.00 (54.00)	-
JM Financial Home Loans Limited	Fellow Subsidiary	25.00 -	-
Astute Investments	Fellow Subsidiary	120.00 (80.93)	24.73 -
CR Retail Malls (India) Limited	Fellow Subsidiary	206.60 (42.61)	43.02 (30)
JM Financial Capital Limited	Fellow Subsidiary	35.00 (65.00)	
JM Financial Asset Reconstruction Private Limited	Fellow Subsidiary	25.00 (100.00)	

Loans and advances shown above are interest bearing, repayable on demand and are utilised for their business purposes.
(figures in brackets indicates previous year figures)



JM FINANCIAL PRODUCTS LIMITED
Notes to the standalone financial statements

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

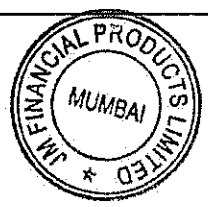
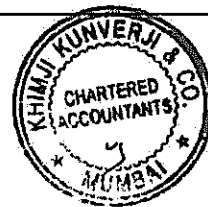
	(Rupees in Crore)		
	March, 31 2019	March, 31 2018	April, 1 2017
Financial assets			
Fixed-rate instruments *	2,556.79	4,235.87	3,619.53
Floating-rate instruments *	2,634.67	2,307.80	1,863.29
Total	5,191.46	6,543.67	5,482.82
Financial Liabilities			
Fixed-rate instruments	3,346.39	4,598.74	4,107.92
Floating-rate instruments	1,007.81	929.16	399.39
Total	4,354.20	5,527.90	4,507.31

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:

	(Rupees in Crore)	
	March, 31 2019	
	100 bps higher	100 bps Lower
Floating-rate borrowings	(10.08)	10.08
Floating-rate loans	26.35	(26.35)
	16.27	(16.27)



JM FINANCIAL PRODUCTS LIMITED
Notes to the 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	Current year	Previous year
CRAR (%)	25.45%	21.67%
CRAR - Tier I capital (%)	24.87%	21.26%
CRAR - Tier II capital (%)	0.58%	0.41%
Amount of subordinated debt raised as Tier-II capital	-	-
Amount raised by issue of Perpetual Debt instruments	-	-

44.2 Exposures:

(Rupees in Crore)

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)
Individual housing loans up to Rs. 15 lakh

8.08

118.49

1.31

1.28

(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;

1,829.37

2,051.97

* Also includes Commercial Real Estate exposure in Investments.

(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).

118.80

32.00

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;

-

-

(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;

363.93

541.19

(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;

1,478.52

1,540.24

(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible

-

-

(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;

12.08

107.33

(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

1,854.53

2,188.76

III Details of financing of parent company products

Nil

Nil

IV Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

Nil

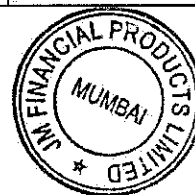
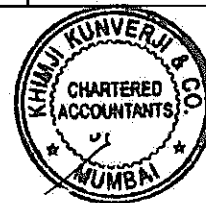
Nil

V Unsecured Advances

Amount of advances given against intangible securities

Nil

Nil



JM FINANCIAL PRODUCTS LIMITED
Notes to the standalone financial statements

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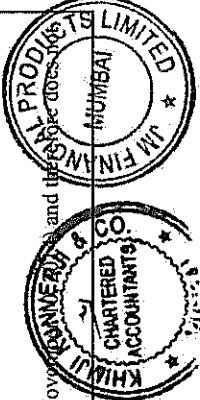
Asset Liability Management Maturity pattern of certain items of Assets and Liabilities:

Particulars	upto 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	47.26 (20.00)	16.67 (20.00)	- (20.00)	40.49 (60.00)	231.31 (93.34)	593.51 (586.67)	28.58 (129.15)	-	957.81 (929.16)
Market Borrowings	21.10 (287.20)	111.45 (406.03)	314.46 (760.92)	543.04 (673.42)	692.06 (539.13)	1,438.11 (1,472.38)	250.84 (434.66)	-	3,371.07 (4,573.74)
Foreign currency liabilities	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	-	- (-)
Assets									
Advances	201.50 (532.27)	227.63 (483.66)	572.49 (222.18)	402.72 (510.72)	617.34 (1,472.07)	2,518.53 (2,505.14)	469.44 (717.35)	147.07 (58.55)	5,156.72 (6,501.94)
Deposits	- (-)	- (-)	- (-)	- (-)	- (-)	0.05 (0.09)	9.03 (0.87)	0.02 (0.02)	9.09 (0.98)
Investments	378.14 (2.33)	- (-)	- (-)	- (-)	1.73 (56.78)	35.88 (-)	- (-)	126.08 (39.52)	541.82 (98.63)
Foreign currency assets	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	-	- (-)

Figures in brackets are for previous year

Notes:

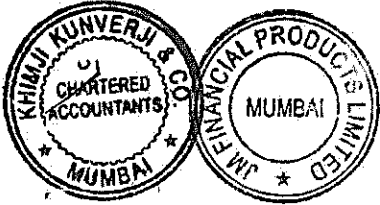
- a) Information on maturity pattern of advances for which there are no specified repayment terms are based on the reasonable assumptions.
- b) The above assets does not include Stock-in-Trade acquired from borrowed funds.
- c) The above statement includes only certain items of assets and liabilities (as stipulated in Annexure 4 of Circular No. DNBR (PD) CC No. 002/03.10.001/2014-15, dated November 2014 and the same does not reflect the complete asset liability maturity pattern of the Company.



JM FINANCIAL PRODUCTS LIMITED			
Notes to the standalone financial statements			
46	Particulars		
	Liabilities side	Amount outstanding (Rupees in crore)	Amount overdue (Rupees in crore)
(I)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
(a)	Debentures		
(i)	Secured	2,309.15	-
		(2,679.22)	(-)
(ii)	Unsecured (other than falling within the meaning of public deposits)	55.00	-
		(317.00)	(-)
(b)	Deferred Credits	-	-
		-	(-)
(c)	Term Loans	961.18	-
		(929.39)	(-)
(d)	Inter-corporate loans and borrowing	27.16	-
		(25.53)	(-)
(e)	Commercial Paper (net of unamortised discount)	-	-
		-	(-)
(f)	Other Loans (Please Specify)	-	-
	Overdraft Accounts	-	-
		-	(-)
	Cash Credits	47.38	-
		(0.14)	(-)
	CBLO Borrowing (net of unamortised discount)	-	-
		-	(-)
	Working capital demand loan	-	-
		-	(-)
	Due under finance lease	0.32	-
		(0.01)	(-)
	Assets side	Amount outstanding (Rupees in crore)	
(II)	Break up of Loans and Advances including bills receivables (other than those included in (IV) below):		
(a)	Secured		5,155.12
			(6,486.65)
(b)	Unsecured		65.46
			(56.84)
(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.		(-)



JM FINANCIAL PRODUCTS LIMITED		
Notes to the standalone financial statements		
		Amount outstanding (Rupees in crore)
(IV)	Break – up of Investments:	
(a)	Current Investments:	
	1. Quoted:	
	(i) Shares:	
	(a) Equity	-
	(b) Preference	(-)
	(ii) Debentures and Bonds	(-)
	(iii) Units of Mutual Funds	(-)
	(iv) Government Securities	378.14
	(v) Others (Please Specify)	(2.34)
	2. Unquoted:	
	(i) Shares:	
	(a) Equity	(-)
	(b) Preference	(-)
	(ii) Debentures and Bonds	(-)
	(iii) Units of Mutual Funds	(-)
	(iv) Government Securities	(-)
	(v) Others (Please Specify)	(-)
	Class A Security Receipts	1.73
		(56.78)
(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) Others (Please Specify)	(-)
	2. Unquoted:	
	(i) Shares:	
	(a) Equity	118.80
	(b) Preference	(32.00)
	(ii) Debentures and Bonds	7.28
	(iii) Units of Mutual Funds	(7.52)
	(iv) Government Securities	-
	(v) Others (Please Specify)	-
		(-)



JM FINANCIAL PRODUCTS LIMITED
Notes to the standalone financial statements

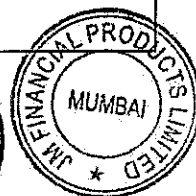
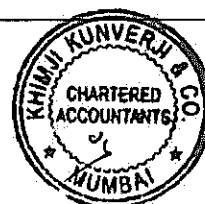
(Rupees in Crore)			
(V) Borrower group – wise classification of assets financed as in (II) and (III) above:			
Category	Amount net of provisions		
	Secured	Unsecured	Total
(a) Related Parties			
(i) Subsidiaries	-	-	-
	(-)	(-)	-
(ii) Companies in the same group	7.50	35.52	43.02
	(-)	(30.00)	(30.00)
(iii) Other related parties	-	24.43	24.43
	(-)	(-)	-
(b) Other than related parties	5,147.62	5.52	5,153.14
	(6,486.65)	(26.84)	(6,513.49)
	5,155.12	65.46	5,220.58
	(6,486.65)	(26.84)	(6,513.49)
Less: Provision for non-performing assets			0.37
			(1.68)
Total			5,220.21
			(6,541.80)
(VI) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):			
Category	Market Value/ Breakup or fair value or NAV	Book Value (Net of Provisions)	
(a) Related Parties			
(i) Subsidiaries	110.69		118.80
	(30.39)		(32.00)
(ii) Companies in the same group *	-		-
	-		-
(iii) Other related parties	-		-
	(-)		(-)
(b) Other than related parties **	423.02		423.02
	(66.63)		(66.63)
Total	533.72		541.82
	(97.02)		(98.63)
(VII) Other Information:			
Particulars	Amount		
(a) Gross Non – Performing Assets			
(i) Related Parties			-
			(-)
(ii) Other than related parties			3.69
			(16.83)
(b) Net Non – Performing Assets			
(i) Related Parties			-
			(-)
(ii) Other than related parties			3.32
			(15.14)
(c) Assets acquired in satisfaction of debt			-
			(-)

(figures in brackets indicates previous year figures)

* Non cumulative redeemable preference shares and therefore considered at cost.

** cost is considered wherever fair value is not available

47 There are no restructured advances as on March 31, 2019, 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.



JM FINANCIAL PRODUCTS LIMITED
Notes to the standalone financial statements

48 Investments

	Particulars	Rupees in Crore	Previous year Rupees in Crore
(a)	Value of Investments		
(i)	Gross Value of Investments		
	(a) in India	541.82	98.63
	(b) outside India	-	-
(ii)	Provision for depreciation		
	(a) in India	-	-
	(b) outside India	-	-
(iii)	Net Value of Investments		
	(a) in India	541.82	98.63
	(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	-	-

48.1 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

(III) Ratings assigned by credit rating agencies and migration of ratings during the year:

Rating particulars	Rating Agency	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

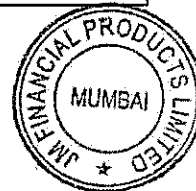
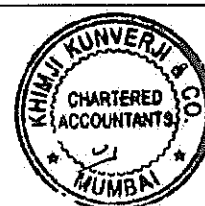
During the current year, we have obtained rating from Care ratings.

(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 year

(V) Revenue Recognition:

Revenue Recognition has not been postponed on account of pending resolution of significant uncertainties



JM FINANCIAL PRODUCTS LIMITED
Notes to the standalone financial statements

(VI) Provisions and Contingencies

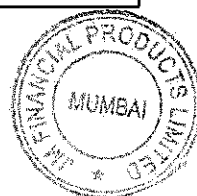
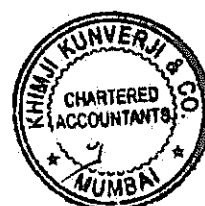
Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	Rupees in crore	Previous year Rupees in crore
Provisions for depreciation on Investment	-	-
Provision towards NPA	(1.31)	1.68
Provision made towards Income tax	112.30	114.50
Other Provision and Contingencies (with details)	-	-
Provision for Standard Assets	3.26	2.22

(VII) Draw Down from Reserves

Nil Nil

(VIII) Concentration of Deposits, Advances, Exposures and NPAs

	Rupees in crore	Previous year Rupees in crore
(a) Concentration of Deposits (for deposit taking NBFCs)		
Total Deposits of twenty largest depositors	NA	NA
Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC	NA	NA
(b) Concentration of Advances		
Total advances to twenty largest borrowers (Rupees in crore)	2,767.82	3,039.32
Percentage of advances to twenty largest borrowers to total advances of the NBFC	53.31%	46.45%
(c) Concentration of Exposures		
Total exposure to twenty largest borrowers / customers (Rupees in crore)	2,806.14	3,050.74
Percentage of Exposures to twenty largest borrowers / customers to total exposure of the NBFC on borrowers / customers	53.40%	46.62%
(d) Concentration of NPAs		
Total exposure to top four NPA accounts (Rupees in crore)	3.69	16.83
(e) Sector-wise NPAs		
Sector	Percentage of NPAs to Total Advances in that sector FY 19	Percentage of NPAs to Total Advances in that sector FY18
Agriculture & allied activities	-	-
MSME	-	-
Corporate borrowers	-	0.41%
Services	-	-
Unsecured personal loans	-	-
Auto loans	-	-
Other personal loans	-	-
Other loans	0.86%	-



JM FINANCIAL PRODUCTS LIMITED
Notes to the standalone financial statements

	Rupees in Crore	Previous year Rupees in Crore
(IX) Movement of NPAs		
(i) Net NPAs to Net Advances (%)	0.06%	0.23%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	16.83	4.14
(b) Additions during the year	17.18	19.91
(c) Reductions during the year	30.31	7.22
(d) Closing balance	3.69	16.83
(iii) Movement of Net NPAs		
(a) Opening balance	15.14	-
(b) Additions during the year	15.46	17.86
(c) Reductions during the year	27.28	2.72
(d) Closing balance	3.32	15.14
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	1.68	4.14
(b) Provisions made during the year	8.15	2.05
(c) Write-off / write-back of excess provisions	9.46	4.51
(d) Closing balance	0.36	1.68

(X) Disclosure of Complaints
Customer Complaints

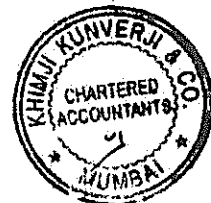
Particulars	
No. of complaints pending at the beginning of the year	Nil
No. of complaints received during the year	10
No. of complaints redressed during the year	10
No. of complaints pending at the end of the year	Nil

(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 year to the Company.

49 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.

Movement in Provision for standard assets	Rupees in Crore	Previous year Rupees in Crore
(a) Opening balance as at the beginning of the year	28.49	26.27
(b) Provisions made during the year	3.26	2.22
(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	28.49



JM FINANCIAL PRODUCTS LIMITED
Notes to the standalone financial statements

50 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 Company during the year – Rs.5.82 crore (previous year, Rs. 5.26 crore)
b) Amount spent and paid during the year by way of donations to charitable trusts– Rs. 5.82 crore (previous year, Rs. 5.26 crore)

51 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

Our EBID i.e. profit after tax + Depreciation + Interest on debt as of this date is Rs.722.09 crore

For and on behalf of the Board of Directors

Vishal Kampani

Vishal Kampani
Managing
Director
DIN - 00009079

V. P. Shetty

V. P. Shetty
Chairman
DIN - 00021773



Nishit Shah

Nishit Shah
Chief Financial Officer
Place : Mumbai
Date : April 26, 2019

Reena Sharda

Reena Sharda
Company Secretary

January 27, 2020

To,
The General Manager
Department of Corporate Services – Listing Department
BSE Limited
P.J. Towers, Dalal Street
Mumbai – 400 001

Dear Sir(s),

Sub: Intimation for submission of the unaudited financial statements for the quarter and nine months ended December 31, 2019 of JM Financial Home Loans Limited (the Company)

Ref: Company Code - 12043

We wish to inform you that JM Financial Products Limited, the holding company of the Company is intending the issue of Secured and/or Unsecured, Rated, Listed, Redeemable, Non – Convertible Debentures ('NCDs') to the public by way of Tranche III Prospectus under the Shelf Prospectus dated April 11, 2019.

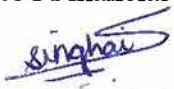
In this regard, please find enclosed the special purpose unaudited condensed interim financial statements for the quarter and nine months ended December 31, 2019 of the Company, since the same will be required to be disclosed in the said Prospectus of JM Financial Products Limited.

This disclosure shall not be construed as having made under Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended.

We request you to take the above on your record.

Thank you.

Yours faithfully,
For JM Financial Home Loans Limited



Sunidhi Singhai
Company Secretary

Encl: As above

JM Financial Home Loans Limited

Corporate Identity Number : U65999MH2016PLC288534

Corporate Office: 3rd Floor, A-Wing, Suashish IT Park, Building B, C.T.S No. 68-E, Rajendra Nagar, Off. Dattapada Road, Borivali (E), Mumbai - 400 066. • Tel.: Direct - +91 22 6285 5000 • F: +91 22 6285 5099

Regd. Office : 7th Floor, Chenergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.
www.jmflhome loans.com

**INDEPENDENT AUDITOR'S REVIEW REPORT ON SPECIAL PURPOSE
UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

**TO THE BOARD OF DIRECTORS OF
JM FINANCIAL HOME LOANS LIMITED**

Introduction

1. We have reviewed the accompanying Special Purpose Unaudited Condensed Interim Financial Statements of JM Financial Home Loans Limited ("the Company"), which comprise the Special Purpose Unaudited Condensed Interim Balance Sheet as at December 31, 2019 and the related Special Purpose Unaudited Condensed Interim Statement of Profit and Loss (including other comprehensive income) for the nine months ended December 31, 2019 together with selected explanatory notes thereon (together hereinafter referred to as the "Special Purpose Unaudited Condensed Interim Financial Statements"). The Special Purpose Unaudited Condensed Interim Financial Statements have been prepared by the Management of the Company on the basis stated in Note 1 to the Special Purpose Unaudited Condensed Interim Financial Statements.

Management's Responsibility for the Special Purpose Unaudited Condensed Interim Financial Statements

2. The Company's Board of Directors is responsible with respect to preparation and presentation of the Special Purpose Unaudited Condensed Interim Financial Statements in accordance with the basis stated in Note 1 to the Special Purpose Unaudited Condensed Interim Financial Statements for the purpose set out in paragraph 5 below. The Management's responsibility includes preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent and designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Special Purpose Unaudited Condensed Interim Financial Statements.

Auditors' Responsibility

3. We conducted our review of the Special Purpose Unaudited Condensed Interim Financial Statements in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards 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 stated above, nothing has come to our attention that causes us to believe that the accompanying Special Purpose Unaudited Condensed Interim Financial Statements have not been prepared, in all material respects, in accordance with the basis set out in Note 1 to the Special Purpose Unaudited Condensed Interim Financial Statements.

Restriction on use

5. Without modifying our conclusion, we draw attention to Note 1 to the Special Purpose Unaudited Condensed Interim Financial Statements, which describes the purpose and basis of preparation. The accompanying Special Purpose Unaudited Condensed Interim Financial Statements is addressed to and provided to the Board of Directors of the Company, solely for purpose of 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 Non Convertible Debentures by JM Products Limited (the "Holding Company"). As a result, the Special Purpose Unaudited Condensed Interim Financial Statements may not be suitable for any other purpose. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

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





G. K Subramaniam

Partner

(Membership No. 109839)
UDIN: 20109839AAAAAT4498

Place: Mumbai
Date: January 15, 2020

JM FINANCIAL HOME LOANS LIMITED			
SPECIAL PURPOSE UNAUDITED CONDENSED INTERIM BALANCE SHEET			
AS AT DECEMBER 31, 2019			
(Rs. in lakh)			
Sr. No.	Particulars	As at December 31, 2019 Unaudited	As at March 31, 2019 Audited
	ASSETS		
1	Financial Assets		
(a)	Cash and cash equivalents	884.17	463.61
(b)	Bank balances other than (a) above	5.00	5.00
(c)	Loans	26,982.66	20,139.81
(d)	Other financial assets	454.12	83.66
	Total Financial Assets	28,325.95	20,692.08
2	Non-financial Assets		
(a)	Current tax assets (net)	-	10.00
(b)	Property, plant and equipment	716.85	330.51
(c)	Other intangible assets	126.30	128.80
(d)	Other non-financial assets	130.91	81.58
	Total Non-Financial Assets	974.06	550.89
	Total Assets	29,300.01	21,242.97
	LIABILITIES AND EQUITY		
	LIABILITIES		
1	Financial Liabilities		
(a)	Trade payables		
	-total outstanding dues of micro and small enterprises	4.23	1.52
	-total outstanding dues of creditors other than micro and small enterprises	253.21	111.91
(b)	Debt securities	6,249.37	5,875.62
(c)	Borrowings (other than debt securities)	7,002.37	3,785.97
(d)	Current tax liabilities (net)	76.53	-
(e)	Other financial liabilities	848.20	205.84
	Total Financial Liabilities	14,433.91	9,980.86
2	Non-Financial Liabilities		
(a)	Provisions	103.97	46.01
(b)	Other non-financial liabilities	27.78	34.92
	Total Non-Financial Liabilities	131.75	80.93
3	EQUITY		
(a)	Equity share capital	15,000.00	12,000.00
(b)	Other equity	(265.65)	(818.82)
	Total Equity	14,734.35	11,181.18
	Total Liabilities and Equity	29,300.01	21,242.97
	Selected explanatory notes (1 to 3)		
In terms of our report attached For Deloitte Haskins & Sells LLP Chartered Accountants Registration No. 117366W/W-100018  G. K. Subramaniam Partner Place : Mumbai Date : January 15, 2020		For and on behalf of the Board  Manish Sheth Managing Director & CEO DIN : 00109227 Place : Mumbai Date : January 14, 2020	

JM Financial Home Loans Limited

Corporate Identity Number : U65999MH2016PLC288534




Corporate Office: 3rd Floor, A-Wing, Suashish IT Park, Building B, C.T.S No. 68-E, Rajendra Nagar, Off. Dattapada Road, Borivali (E), Mumbai - 400 066. • Tel.: Direct - +91 22 6285 5000 • F: +91 22 6285 5099

Regd. Office : 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.

www.jmflhomeloans.com

JM FINANCIAL HOME LOANS LIMITED
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2019

(Rs. in Lakh)

Sr. No.	Particulars	Nine months ended	
		31.12.19 Unaudited	31.12.18 Unaudited
1	Income		
(a)	Revenue from Operations		
	(i) Interest Income	2,565.96	403.26
	(ii) Fees and Commission Income	112.31	72.83
	(iii) Net gain on derecognition of financial instruments carried at amortised cost	949.62	-
(b)	Other Income	303.57	117.88
	Total Income	3,931.46	593.97
2	Expenses		
(a)	Finance costs	1,021.11	162.73
(b)	Impairment on Financial Instruments	44.75	74.77
(c)	Employee benefits expense	1,635.58	578.89
(d)	Depreciation and amortization expense	167.86	48.13
(e)	Other Expenses	401.30	330.54
	Total expenses	3,270.60	1,195.06
3	Profit/(loss) before tax (1-2)	660.86	(601.09)
4	Tax expenses		
	Current tax	96.31	-
	Total tax expenses	96.31	-
5	Net Profit/(loss) for the period (3-4)	564.55	(601.09)
6	Other Comprehensive Income		
	Items that will not be reclassified to profit or loss		
	- Actuarial gain/(losses) on post retirement benefit plans	(11.38)	2.31
	Other Comprehensive Income	(11.38)	2.31
7	Total Comprehensive Income (5+6)	553.17	(598.78)
8	Earning Per Equity Share (EPS)		
	(Face value of Rs. 10/- each)		
	Basic EPS (in Re.) (Not annualised)	0.42	(1.71)
	Diluted EPS (in Re.) (Not annualised)	0.42	(1.71)
	Selected explanatory notes (1 to 3)		
In terms of our report attached For Deloitte Haskins & Sells LLP Chartered Accountants Registration No. 117366W/W-100018  G. K. Subramaniam Partner Place : Mumbai Date : January 15, 2020		For and on behalf of the Board  Manish Sheth Managing Director & CEO DIN : 00109227 Place : Mumbai Date : January 14, 2020 	

JM Financial Home Loans Limited

Corporate Identity Number : U65999MH2016PLC288534

Corporate Office: 3rd Floor, A-Wing, Suashish IT Park, Building B, C.T.S No. 68-E, Rajendra Nagar, Off. Dattapada Road Borivali (E), Mumbai - 400 066. • Tel.: Direct - +91 22 6285 5000 • F: +91 22 6285 5099

Regd. Office : 7th Floor, Energy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.
www.jmflhomeloans.com

JM FINANCIAL HOME LOANS LIMITED
SPECIAL PURPOSE UNAUDITED CONDENSED INTERIM BALANCE SHEET
AS AT DECEMBER 31, 2019

Notes :

- 1 This Special Purpose Unaudited Condensed Interim Financial Information for the nine months ended December 31, 2019 has been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard 34, 'Interim Financial reporting' ("Ind AS 34") issued by Institute of Chartered Accountants of India and other accounting principles generally accepted in India. This Special Purpose Unaudited Condensed Interim Financial Information is prepared for the purpose of 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 by the Holding Company. This Special Purpose Unaudited Condensed Interim Financial Information shall therefore not be suitable for any purpose other than as disclosed in this note.

The accounting policies adopted in preparation of these Special Purpose Unaudited Condensed Interim Financial Information as at and for the nine months ended December 31, 2019 are consistent with those followed in preparation of Company's financial statements as at and for the year ended March 31, 2019.
- 2 The Company has only one business segment i.e. mortgage lending, which includes providing loans for purchase or construction of residential houses, loans against properties, etc.
- 3 During the period ended December 31, 2019, the Company has assigned certain loans aggregating to Rs. 4,594.29 lakh and Rs 3,113.88 lakh to its holding Company JM Financial Products Limited based on the terms as mentioned in the Deed of Assignment dated September 30, 2019 and December 27, 2019 respectively.

For and on behalf of the Board



Manish Sheth
Managing Director & CEO
DIN - 00109227

Mumbai, dated, January 14, 2020



JM Financial Home Loans Limited

Corporate Identity Number : U65999MH2016PLC288534

Corporate Office: 3rd Floor, A-Wing, Suashish IT Park, Building B, C.T.S No. 68-E, Rajendra Nagar, Off. Dattapada Road Borivali (E), Mumbai - 400 066. • Tel.: Direct - +91 22 6285 5000 • F: +91 22 6285 5099

Regd. Office : 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.

www.jmfhome loans.com

INDEPENDENT AUDITORS' REPORT

**To The Members of JM Financial Home Loans Limited
Report on the Audit of the Financial Statements**

Opinion

We have audited the accompanying financial statements of JM Financial Home Loans Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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



Impairment of loans measured at amortized cost (refer note X to the financial statements)

Key Audit Matter Description

As at the year end, the Company has financial assets in form of loans granted to customers Rs. 20,139.81 Lakh net of provision for expected credit loss of Rs. 134.49 Lakh. Management estimates impairment provision using collective model based approach for the loan exposure other than those subject to specific provision. We have reported this as a key audit matter because measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are:

- Timely identification of the impaired loans
- Key assumptions in respect of determination of probability of defaults and loss given defaults including consideration of collateral values

How the Key Audit Matter Was Addressed in the Audit

The audit procedures performed by us included the following:

- Tested the design and effectiveness of internal controls implemented by the management for following:
 - Identification of credit deterioration and consequently impaired loans
 - Validation of the critical components viz. Exposure at Default (EAD), Probability of Default (PD) and Loss given default (LGD) used for the impairment provision
 - Management's judgement applied for the key assumptions used for the purpose of determination of impairment provision
 - Completeness and accuracy of the data inputs used
- Tested the completeness and accuracy of data from underlying systems used in the model including the bucketing of loans into delinquency bands. The auditors critically assessed and tested the key underlying assumptions and significant judgements used by management.
- For loans identified by management as potentially impaired, examined on a sample basis, checked the calculation of the impairment, critically assessed the underlying assumptions and corroborated these to supporting evidence.
- Examined a sample of loans which had not been identified by management as potentially impaired (Stage 1 and 2 assets) and formed their own judgement as to whether that was appropriate through reviewing information such as the counterparty's payment history.
- Involved specialists for evaluation of the methodology and approach applied by the management.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially



inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibility for the Audit of the Financial Statements

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

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

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



143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes



in Equity dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations, as at the year-end which would impact its financial position
 - ii. The Company did not have any long-term contracts including derivative contracts, as at the year-end for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



G. K. Subramaniam

(Partner)

MUMBAI, 23rd April, 2019

(Membership No. 109839)

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

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

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

We have audited the internal financial controls over financial reporting of JM Financial Home Loans Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



G. K. Subramaniam

(Partner)

(Membership No. 109839)

MUMBAI, 23rd April, 2019

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

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


- (i) In respect of fixed assets
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The Company has a regular programme of physical verification of its fixed assets and accordingly all the fixed assets are verified during the year and according to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - c) With respect to immovable property of land which is freehold, according to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deed of such immovable property is held in the name of the Company as at the balance sheet date.
- (ii) As explained to us, the company does not have inventory. Accordingly, the provisions of Clause 3(ii) of the Order are not applicable to the company.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans and making investments, as applicable. The Company has not provided any guarantees and securities.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunals in this regard in the case of the Company.
- (vi) According to the information and explanations given to us, the Company is not required to maintain cost records under sub-section (1) of Section 148 of the Act. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - a) The Company has been regular in depositing undisputed statutory dues, including Provident fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Customs Duty, Works Contract Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
 - b) There were no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Goods and services Tax, Customs Duty, Works Contract Tax, cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
 - c) There are no dues of Income-tax, Goods and Services Tax and Customs Duty as on March 31, 2019 on account of disputes.



- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks or dues to debenture holders. The Company has not taken loans or borrowings from government and financial institutions.
 - (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
 - (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
 - (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
 - (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
 - (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
 - (xiv) According to the information and explanations given to us, the Company has made private placement of shares during the year under review.
- In respect of the above issue, we further report that:
- a) the requirement of Section 42 of the Companies Act, 2013, as applicable, have been complied with; and
 - b) the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment pending application.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with the directors and hence provisions of section 192 of the Act are not applicable.
 - (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)


G. K. Subramaniam
(Partner)

(Membership No. 109839)

MUMBAI, 23rd April, 2019

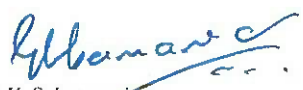
JM FINANCIAL HOME LOANS LIMITED
BALANCE SHEET AS AT MARCH 31, 2019

(Rs. in lakh)

Sr. No.	Particulars	Note No.	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
	ASSETS				
1	Financial Assets				
(a)	Cash and cash equivalents	5	463.61	1,259.42	1,185.81
(b)	Bank balances other than (a) above	6	5.00	-	-
(c)	Loans	7	20,139.81	1,764.88	-
(d)	Other financial assets	8	83.66	27.76	14.16
	Total Financial Assets		20,692.08	3,052.06	1,199.97
2	Non-financial Assets				
(a)	Current tax assets (net)		10.00	6.95	-
(b)	Deferred tax assets (net)	9	6.50	6.50	3.17
(c)	Property, plant and equipment	10	330.51	23.31	-
(d)	Other intangible assets	11	128.80	70.99	-
(e)	Other non-financial assets	12	75.08	68.84	-
	Total Non-Financial Assets		550.89	176.59	3.17
	TOTAL ASSETS		21,242.97	3,228.65	1,203.14
	LIABILITIES AND EQUITY				
1	Financial Liabilities				
(a)	Trade payables				
	- total outstanding dues of micro and small enterprises	13	1.52	1.30	-
	- total outstanding dues of creditors other than micro and small enterprises	13	111.91	73.97	1.05
(b)	Debt securities	14	5,875.62	-	-
(c)	Borrowings (other than debt securities)	15	3,785.97	-	-
(d)	Other financial liabilities	16	205.84	80.25	-
	Total Financial Liabilities		9,980.86	155.52	1.05
2	Non-Financial Liabilities				
(a)	Current tax liabilities (net)		-	-	1.71
(b)	Provisions	17	46.01	18.47	-
(c)	Other non-financial liabilities	18	34.92	15.90	0.12
	Total Non-Financial Liabilities		80.93	34.37	1.83
	EQUITY				
(a)	Equity share capital	19	12,000.00	3,200.00	1,200.00
(b)	Other equity	20	(818.82)	(161.24)	0.26
	Total Equity		11,181.18	3,038.76	1,200.26
	TOTAL LIABILITIES AND EQUITY		21,242.97	3,228.65	1,203.14


The accompanying notes form an integral part of the financial statements


In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Registration No. 117366W/W-100018


G. K. Subramaniam
Partner
Membership No. 109839
Place : Mumbai
Date : April 23, 2019

For JM Financial Home Loans Limited


Y. V. Shetty
Chairman
DIN : 00021773


Manish Sheth
Managing Director & CEO
DIN : 00109227


Rajesh Shah
Chief Financial Officer
Place : Mumbai
Date : April 23, 2019


Priya Shah
Company Secretary

JM FINANCIAL HOME LOANS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in lakh)

Sr. No.	Particulars	Note No	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
1	INCOME			
(a)	Revenue from Operations			
	Interest income	21	894.97	15.66
	Other operating income	22	106.97	36.26
	Total Revenue From Operations		1,001.94	51.92
(b)	Other Income	23	180.80	102.13
	Total Income		1,182.74	154.05
2	EXPENSES			
(a)	Finance costs	24	339.36	-
(b)	Impairment on financial instruments	25	127.31	7.18
(c)	Employee benefits expense	26	790.28	231.85
(d)	Depreciation and amortisation expense	10&11	73.26	1.97
(e)	Other expenses	27	509.22	77.89
	Total Expenses		1,839.43	318.89
3	Loss before tax		(656.69)	(164.84)
4	Tax expenses			
	Deferred tax		-	(3.33)
	Total tax expenses		-	(3.33)
5	Net Loss for the year		(656.69)	(161.51)
6	Other Comprehensive Income			
	(i) Items that will not be reclassified to profit or loss			
	- Actuarial losses on post retirement benefit plans		(0.89)	-
	Total Other Comprehensive Income		(0.89)	-
7	Total Comprehensive Loss		(657.58)	(161.51)
8	Earnings Per Equity Share (EPS)	30		
	(Face value of Rs. 10/- each)			
	Basic EPS (in Rs.)		(1.28)	(1.25)
	Diluted EPS (in Rs.)		(1.28)	(1.25)
	The accompanying notes form an integral part of the financial statements			

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Registration No. 117366W/W-100018



G. K. Subramaniam
Partner
Membership No. 109839
Place : Mumbai
Date : April 23, 2019

For JM Financial Home Loans Limited



V. P. Shetty
Chairman
DIN : 00021773



Manish Sheth
Managing Director & CEO
DIN : 00109227



Rajesh Shah
Chief Financial Officer
Place : Mumbai
Date : April 23, 2019



Priya Shah
Company Secretary

JM FINANCIAL HOME LOANS LIMITED
STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2019


(Rs. in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
A Cash Flow from Operating Activities		
Loss before tax	(656.69)	(164.84)
Adjustment for :		
Depreciation	73.26	1.97
Impairment on financial instruments	127.31	7.18
Interest Income on fixed deposits with bank and others	(0.48)	(55.18)
Net realised gain on derecognition of investments carried at fair value	(30.64)	(11.89)
Operating Loss Before Working Capital Changes	(487.24)	(222.76)
Changes in working capital		
Adjustment for:		
(Increase) in loans	(18,502.24)	(1,772.06)
(Increase) in Other Financial Assets	(55.90)	(13.60)
(Increase) in Other Non-financial Assets	(6.24)	(68.84)
Increase in Trade Payables	38.16	74.22
Increase in Other Financial Liabilities	373.12	80.25
Increase in provisions	26.64	18.47
Increase in other non financial liabilities	19.02	14.07
Cash used in operations	(18,594.68)	(1,890.24)
Income taxes paid (net)	(3.05)	(6.95)
Net Cash Flow Used In Operating Activities (A)	(18,597.73)	(1,897.19)
B Cash flow from Investing Activities		
Purchase of investments in mutual fund units	(18,077.99)	(7,220.01)
Sale of investments in mutual fund units	18,108.64	7,231.89
Purchase of fixed assets	(438.27)	(96.26)
Interest received on fixed deposits with bank	0.48	55.18
Net Cash Used In Investing Activities (B)	(407.14)	(29.20)
C Cash flow from Financing Activities		
Proceeds from issue of equity share capital	8,800.00	2,000.00
Proceeds from debt securities	5,630.00	-
Proceeds from borrowing other than debt securities	10,949.06	-
Repayment of borrowings	(7,165.00)	-
Net Cash Generated From Financing Activities (C)	18,214.06	2,000.00
Net (decrease)/ increase in cash and cash equivalents (A+B+C)	(790.81)	73.61
Cash and cash equivalents at the beginning of the year	1,259.42	1,185.81
Cash and cash equivalents at the end of the year	468.61	1,259.42

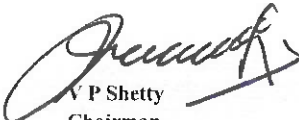
The accompanying notes form an integral part of the financial statements

Note: The cash flow statement has been prepared under the 'Indirect Method' set out in Ind AS 7 - "Statement of Cash Flows"

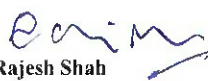
In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Registration No. 117366W/W-100018

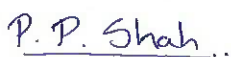

G. K. Subramaniam
Partner
Membership No. 109839
Place : Mumbai
Date : April 23, 2019

For JM Financial Home Loans Limited


V P Shetty
Chairman
DIN : 00021773


Manish Sheth
Managing Director & CEO
DIN : 00109227


Rajesh Shah
Chief Financial Officer
Place : Mumbai
Date : April 23, 2019


P. P. Shah
Priya Shah
Company Secretary

JM FINANCIAL HOME LOANS LIMITED
STATEMENT OF CHANGES IN EQUITY AS AT MARCH 31, 2019

(Rs. in lakh)

A. EQUITY SHARE CAPITAL

Particulars	Balance as at April 1, 2017	Changes in equity shares during the year	Balance as at March 31, 2018	Changes in equity shares during the year	Balance as at March 31, 2019
Equity Share Capital	1,200.00	2,000.00	3,200.00	8,800.00	12,000.00

B. OTHER EQUITY

Particulars	Reserves and surplus
	Retained earnings
Balance as at April 1, 2017	0.26
Loss for the year	(161.51)
Balance at March 31, 2018	(161.24)
Loss for the year	(656.69)
Other comprehensive income	(0.89)
Balance at March 31, 2019	(818.82)

The accompanying notes form an integral part of the financial statements.

In terms of our report attached

For Deloitte Haskins & Sells LLP

Chartered Accountants

Registration No. 117366W/W-100018



G. K. Subramaniam

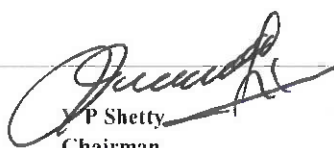
Partner

Membership No. 109839

Place : Mumbai

Date : April 23, 2019

For JM Financial Home Loans Limited



Y. P. Shetty

Chairman

DIN : 00021773



Rajesh Shah

Chief Financial Officer

Place : Mumbai

Date : April 23, 2019



Manish Sheth

Managing Director & CEO

DIN : 00109227



Priya Shah

Company Secretary

JM FINANCIAL HOME LOANS LIMITED
NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

1 Corporate Information

JM Financial Home Loans Limited ("the Company") is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 2013. The Company was incorporated on 16/12/2016. The Company is a non-deposit taking housing finance company registered with the National Housing Bank (NHB) with effect from November 17, 2017 having registration number 11.0162.17. The Company is primarily engaged into providing loans for purchase or construction of residential houses.

2 Significant Accounting Policies

2.1 Basis of preparation of financial statements

Statement of Compliance

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

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

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 that market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value in use in Ind AS 36, Impairment of Assets.

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

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

Presentation of financial statements

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

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

2.2 Property, plant and equipment and Intangible Assets

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

Tangible Assets	Useful Life
Vehicles	5 years
Computers	3 years
Servers and networks	6 years
Office equipment	5 years
Furniture and fixtures	10 years
Leasehold improvements	10 years or period of lease, whichever is lower
Intangible assets	Useful Life
Computer Software	3-5 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.



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.

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.

Impairment losses on non-financial assets

As at the end of each year, the Company reviews the carrying amount of its non-financial assets i.e PPE and intangibles 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.

2.3 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.

a 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.

b 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.

c Dividend Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

d Investment Income

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

2.4 Leasing

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

Finance Lease

Assets 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 (refer note 31).

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.



Effective from April 01, 2019 Ind AS 116, the new leases standard will be applicable to the Company. As per Ind AS 116 all leases will form part of the balance sheet, applying a "right-of-use asset" model that would recognise an asset on the lessee's balance sheet (representing its right to use the leased asset over the lease term), and recognise a corresponding liability to make future lease payments.

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 currencies

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.

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, and discounting that amount.

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

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

Short-term employee benefits

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

Other long-term employee benefits

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

2.8 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.

2.9 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.

2.10 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.

2.11 Goods and Services Input Tax Credit

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

2.12 Provisions and Contingencies

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.

2.15 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

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 asset 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 FVTPL

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.

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

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

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

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

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

Reclassifications

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

Impairment of financial assets

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

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

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

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

- Stage 1 - Performing assets with zero to thirty days past due (DPD). Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.
- Stage 2 - Under-performing assets having 31 to 90 DPD. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.
- Stage 3 - Non-performing assets with overdue more than 90 DPD

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

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

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

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

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 impairment gains.

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity Instrument

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

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

Financial liabilities

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

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



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

Financial liabilities at FVTPL

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

A financial liability is classified as held for trading if:

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

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

Financial liabilities subsequently measured at amortised cost

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

2.16 Cash and Cash Equivalents

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

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

2.17 Earnings Per Share

Basic earnings per share 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.

2.18 Standards Issued but not yet effective

Ind AS 116 Leases was notified on 28th March, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 01, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. The Company is in the process of assessing the impact of the new standard.

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 judgement.

The inputs used and process followed by the Company in determining the increase in credit risk have been detailed in note 38



Fair Valuation

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset and liability, the Company uses market observable data to the extent it is available. When Level 1 inputs are not available, the Company has applied appropriate valuation techniques and inputs to the valuation model.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 38.

4 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.

Estimates:

An entity's estimates in accordance with Ind AS 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 an 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 HOME LOANS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

5 - CASH AND CASH EQUIVALENTS

(Rs. in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Cash on hand	4.89	1.14	-
Balances with Banks			
(a) In Current Accounts	457.81	332.22	10.81
(b) In Deposit Accounts (refer note below)	-	925.00	1,175.00
	457.81	1,257.22	1,185.81
Cheques, drafts on hand	0.91	1.06	-
TOTAL	463.61	1,259.42	1,185.81

Note: Balance with banks in deposit accounts earns interest at fixed rates and are made for period ranging from 1 day to 90 days.

6 - OTHER BANK BALANCES

(Rs. in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
In Deposit Accounts with maturity of more than 3 months	5.00	-	-
TOTAL	5.00	-	-

Note : Other balances with banks earns interest at fixed rate based on short term bank deposit rates.

7 - LOANS

(Rs. in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
At amortised cost			
Loans given in India to Other than Public Sector			
Term Loans	20,274.30	1,772.06	-
Gross	20,274.30	1,772.06	-
Less: Impairment loss allowance (refer note below)	134.49	7.18	-
Net	20,139.81	1,764.88	-
7.1 - Break up of loans into secured and unsecured			
Secured by tangible assets	20,274.30	1,772.06	-
Unsecured	-	-	-
Gross	20,274.30	1,772.06	-
Less: Impairment loss allowance (refer note below)	134.49	7.18	-
Net	20,139.81	1,764.88	-

Note : Impairment allowance includes provision on undisbursed loan commitment amounting to Rs. 2.73 Lakh as at March 31, 2019, Rs. 0.38 Lakh as at March 31, 2018 and Nil as at April 1, 2017

8 - OTHER FINANCIAL ASSETS

(Rs. in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Security deposits			
To Related Parties	1.80	1.80	-
To Others	38.35	23.66	-
Interest accrued but not due on bank and other deposits	0.05	0.67	14.16
Others	43.46	1.62	-
TOTAL	83.66	27.76	14.16



JM FINANCIAL HOME LOANS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

9 - DEFERRED TAX ASSET

(Rs. in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Impairment of Financial instruments	1.15	1.15	-
Disallowances under section 43B of the Income Tax Act, 1961	3.74	3.74	-
Preliminary expense under Section 35D of the Income Tax Act, 1961	1.98	1.98	3.17
Difference between books and tax written down value of fixed assets	(0.37)	(0.37)	-
TOTAL	6.50	6.50	3.17

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, 2019

Deferred tax asset / (liability)	Opening balance	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Closing balance
Difference between books and tax written down value of fixed assets	(0.37)	-	-	(0.37)
Disallowances under section 43B of the Income Tax Act, 1961	3.74	-	-	3.74
Preliminary expense under Section 35D of the Income Tax Act, 1961	1.98	-	-	1.98
Impairment of Financial instruments	1.15	-	-	1.15
TOTAL	6.50	-	-	6.50

For the year ended March 31, 2018

Deferred tax asset / (liability)	Opening balance	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Closing balance
Difference between books and tax written down value of fixed assets	-	(0.37)	-	(0.37)
Disallowances under section 43B of the Income Tax Act, 1961	3.17	0.57	-	3.74
Preliminary expense under Section 35D of the Income Tax Act, 1961	-	1.98	-	1.98
Impairment of Financial instruments	-	1.15	-	1.15
TOTAL	3.17	3.33	-	6.50

Note: In view of carry forward losses and absence of virtual certainty of realisation, deferred tax asset has not been recognised in the current financial year. Also refer note 9.1 & 9.2

9.1 Unrecognised Deferred Tax Assets:

(Rs. In lakh)

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Gross Amount	Unrecognised Tax effect	Gross Amount	Unrecognised Tax effect	Gross Amount	Unrecognised Tax effect
Tax losses	434.36	112.93	109.04	28.35	-	-
Unabsorbed depreciation	119.80	31.15	-	-	-	-
TOTAL	554.16	144.08	109.04	28.35	-	-

9.2 Tax Losses Carried Forward

(Rs. In lakh)

Particulars	Year Ended March 31, 2019	Expiry Date	Year Ended March 31, 2018	Expiry Date	Year Ended April 1, 2017	Expiry Date
Brought forward losses (allowed to be carried forward for specified period)	109.04	31-03-2026	109.04	31-03-2026	-	-
Brought forward losses (allowed to be carried forward for specified period)	325.32	31-03-2027	-	-	-	-
Unabsorbed Depreciation (allowed to be carried forward for infinite period)	119.80	-	-	-	-	-
TOTAL	554.16		109.04		-	



JM FINANCIAL HOME LOANS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

10 - PROPERTY, PLANT & EQUIPMENT

Particulars	Gross block			Accumulated depreciation			Net block (Rs. in lakh)
	As at April 1, 2018	Additions/ adjustments	Deductions/ adjustments	As at March 31, 2019	Charge for the year	Deductions/ adjustments	As at March 31, 2019
Owned Assets							
Freehold land	-	6.67	-	6.67	-	-	6.67
Leasehold improvements	4.10	37.98	-	42.08	4.23	-	37.52
Computers	13.76	73.36	-	87.12	19.62	-	66.14
Office equipment	2.82	36.95	-	39.77	6.66	-	32.90
Furniture and fixtures	4.60	193.69	-	198.29	18.04	-	180.17
Leased Assets							
Vehicles	-	8.35	-	8.35	1.25	-	7.11
TOTAL	25.28	356.99	-	382.27	49.80	-	330.51

Particulars	Gross block			Accumulated depreciation			Net block (Rs. in lakh)
	As at April 1, 2017	Additions/ adjustments	Deductions/ adjustments	As at March 31, 2018	Charge for the year	Deductions/ adjustments	As at March 31, 2018
Owned Assets							
Leasehold Improvements	-	4.10	-	4.10	0.33	-	3.77
Computers	-	13.76	-	13.76	1.35	-	12.40
Office Equipment	-	2.82	-	2.82	0.20	-	2.62
Furniture and Fixtures	-	4.60	-	4.60	0.08	-	4.52
Leased Assets							
Vehicles	-	-	-	-	-	-	-
TOTAL	-	25.28	-	25.28	1.97	-	23.31



11. INTANGIBLE ASSETS

Particulars	Gross block			Accumulated depreciation			Net block
	As at April 1, 2018	Additions/ adjustments	Deductions/ adjustments	As at April 1, 2018	Charge for the year	As at March 31, 2019	As at March 31, 2019
Software	-	152.26	-	-	23.46	23.46	128.80
TOTAL	-	152.26	-	-	23.46	23.46	128.80

Particulars	Gross block			Accumulated depreciation			Net block
	As at April 1, 2017	Additions/ adjustments	Deductions/ adjustments	As at April 1, 2017	Charge for the year	As at March 31, 2018	As at March 31, 2018
Software	-	-	-	-	-	-	70.99
TOTAL	-	-	-	-	-	-	70.99



JM FINANCIAL HOME LOANS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

12 - OTHER NON - FINANCIAL ASSETS

(Rs. in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Capital advances	15.42	59.60	-
Prepaid expenses	11.05	1.82	-
Balances with government authorities etc.	48.61	7.42	-
TOTAL	75.08	68.84	-

13 - TRADE PAYABLES

(Rs. in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Trade Payables :			
Total outstanding dues of micro enterprises and small enterprises (refer note below)	1.52	1.30	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	111.91	73.97	1.05
TOTAL	113.43	75.27	1.05

Note: Disclosure pertaining to Micro and Small Enterprises are as under :

(Rs. in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	1.52	1.30	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-	-
(iv) The amount of interest due and payable for the year	-	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-	-

14 - DEBT SECURITIES

(Rs. in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
(Within India)			
(At amortized cost)			
(Secured)			
Non Convertible Debentures (refer note 14.1 & 14.2)	5,875.62	-	-
TOTAL	5,875.62	-	-

14.1 Non-convertible debentures are secured by way of first charge on freehold land (proportionately) and secured through a pari-passu charge on the receivables of the Company.

14.2 Maturity profile and rate of interest of Non-convertible debentures

(Rs. in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Private Placement - Face value of Rs.10,00,000 each			
10% NCD redeemable in the year 2021-22	2,500.00	-	-
10.10% NCD redeemable in the year 2024-25	630.00	-	-
9.50 % NCD redeemable in the year 2028-29	2,500.00	-	-
TOTAL	5,630.00	-	-
Interest accrued but not due on NCD	270.02	-	-
TOTAL (refer note below)	5,900.02	-	-

Note: Maturity profile above is disclosed at face value which excludes the impact of effective interest rate adjustment amounting to Rs. 24.39 lakhs.



JM FINANCIAL HOME LOANS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

15 - BORROWINGS

(Rs. in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
(Within India)			
At Amortized Cost			
Term loans :			
-From banks - Secured (refer note 15.1 & 15.2)	3,501.92	-	-
Overdraft facilities from banks	284.06	-	-
TOTAL	3,785.97	-	-

15.1 Term loans are secured by way of first ranking pari passu charge over receivables of the company

15.2 Maturity profile and rate of interest of term loans:

(Rs. in lakh)

Residual Maturities	As at March 31, 2019		
	Up to one year	1-3 years	3 years & above
	(April 2019 to March 2020)	(April 2020 to March 2022)	(April 2022 onwards)
9.00 % to 10.00%	700.00	1,400.00	1,400.00
TOTAL	700.00	1,400.00	1,400.00

16 - OTHER FINANCIAL LIABILITIES

(Rs. in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Employee benefits payable	96.64	80.24	-
Car lease obligation	7.48	-	-
Advance from customers	101.73	0.01	-
TOTAL	205.84	80.25	-

17 - PROVISIONS

(Rs. in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
For employee benefits:			
Gratuity (refer note 34)	13.19	4.65	-
Compensated absence	32.82	13.83	-
TOTAL	46.01	18.47	-

18 - OTHER NON - FINANCIAL LIABILITIES

(Rs. in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Statutory Dues	34.92	15.90	0.12
TOTAL	34.92	15.90	0.12



JM FINANCIAL HOME LOANS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

19 - SHARE CAPITAL

(Rs. in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Authorised 15,00,00,000 (F.Y. 2018 - 3,20,00,000, F.Y. 2017 - 1,20,00,000) Equity shares of Rs.10/- each	15,000.00	3,200.00	1,200.00
TOTAL	15,000.00	3,200.00	1,200.00
Issued, Subscribed and Paid-up 12,00,00,000 (F.Y. 2018 - 3,20,00,000, F.Y. 2017 - 1,20,00,000) Equity shares of Rs.10/- each fully paid up	12,000.00	3,200.00	1,200.00
TOTAL	12,000.00	3,200.00	1,200.00

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

Reconciliation of number of shares:	As at March 31, 2019	As at March 31, 2018
At the beginning of the year	3,20,00,000	1,20,00,000
Add: Issued during the year	8,80,00,000	2,00,00,000
At the end of the year	12,00,00,000	3,20,00,000

Details of Shareholding in excess of 5%:

Name of the shareholders	As at March 31, 2019		As at March 31, 2018	
	Number of shares	% of holding	Number of shares	% of holding
JM Financial Products Limited (18 shares jointly held with certain individuals)	11,88,00,000	99%	3,20,00,000	100%
Others	12,00,000	1%	-	-
TOTAL	12,00,00,000	100%	3,20,00,000	100%

Note: The Company is in the process of filing return of allotment of shares issued during the year.

20 - OTHER EQUITY

Particulars	Reserves and surplus
	Retained earnings
Balance as at April 1, 2017	0.26
Loss for the year	(161.51)
Balance at March 31, 2018	(161.24)
Loss for the year	(656.69)
Other comprehensive income	(0.89)
Balance at March 31, 2019	(818.82)

Retained earnings:

Retained earnings represents net loss made by the Company till date.



JM FINANCIAL HOME LOANS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

21- INTEREST INCOME

(Rs. in lakh)

Particulars	For The Year Ended March 31, 2019	For The Year Ended March 31, 2018
Interest on financial assets measured at amortised cost	894.97	15.66
TOTAL	894.97	15.66

22. OTHER OPERATING REVENUE

(Rs. in lakh)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Processing fees	106.97	36.26
TOTAL	106.97	36.26

23 - OTHER INCOME

(Rs. in lakh)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Net realised gain on derecognition of investments carried at fair value	30.64	11.89
Interest income	0.48	55.18
Promotional services income	142.80	35.00
Miscellaneous income	6.88	0.06
TOTAL	180.80	102.13

24 - FINANCE COSTS

(Rs. in lakh)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
On financial liabilities measured at amortised cost		
Debt Securities	272.34	-
Borrowings (other than debt securities)	55.20	-
Interest on bank overdraft	5.51	-
Other Interest expense	6.31	-
TOTAL	339.36	-

25 - IMPAIRMENT ON FINANCIAL INSTRUMENTS

(Rs. in lakh)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
On Financial instruments measured at Amortised Cost		
Provision for expected credit loss	127.31	7.18
TOTAL	127.31	7.18

26 - EMPLOYEE BENEFITS

(Rs. in lakh)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Salaries and wages including bonus	736.93	222.96
Contribution to provident and other funds	37.67	6.97
Staff welfare expenses	8.02	1.22
Gratuity (refer note 34)	7.65	0.70
TOTAL	790.28	231.85



JM FINANCIAL HOME LOANS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

27 - OTHER EXPENSES

(Rs. in lakh)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Legal & professional fees	166.66	36.20
Rates and taxes	132.18	21.70
Rent expenses	73.74	3.98
Travelling, hotel and conveyance expenses	19.75	2.73
Repairs & maintenance	19.11	0.78
Security and manpower expense	15.81	-
Office expenses	12.60	0.89
Printing and stationery	12.48	3.84
Insurance expenses	12.10	1.46
Electricity expenses	9.14	0.28
Communication expenses	7.05	1.46
Motor car expenses	6.16	-
Brokerage & commission	5.51	0.82
Auditors' remuneration (refer note - 29)	5.15	1.18
Advertisement and other related expenses	2.63	0.38
Membership & Subscriptions	1.34	1.00
Miscellaneous expenses	7.82	1.19
TOTAL	509.22	77.89

28 - CONTINGENT LIABILITIES AND COMMITMENTS

(Rs. in lakh)

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Contingent liabilities	-	-	-
Commitments			
1. Capital Commitments			
Estimated amount of contracts remaining to be executed on capital account and not provided for	9.03	139.38	-
2. Other Commitments:			
Commitments related to loans sanction but undrawn	2,352.69	1,433.04	-
Commitments related to loans sanction but partially undrawn	1,039.56	232.41	-
TOTAL	3,401.28	1,804.83	-

29 - AUDITOR'S REMUNERATION (INCLUDING GOODS AND SERVICE TAX TO THE EXTENT OF CREDIT NOT AVAILED)

(Rs. in lakh)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Audit fees	3.89	1.18
In any other manner (certifications, limited reviews, etc.)	1.23	-
Out of pocket expense	0.03	-
TOTAL	5.15	1.18



JM FINANCIAL HOME LOANS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

30 - EARNING PER SHARE (EPS)

Earnings per share is calculated by dividing the loss 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, 2019	For the Year Ended March 31, 2018
Calculated as follows:		
(a) Loss attributable to equity share holders (Rs in Lakh)	(656.69)	(161.51)
(b) Weighted Number of equity shares outstanding during the year for calculating basic and diluted earnings per share (Nos)	5,12,10,959	1,28,76,712
(c) Basic and Diluted EPS (Rs.)	(1.28)	(1.25)
(d) Nominal value per share (Rs.)	10.00	10.00

31 - LEASE TRANSACTION

A) Operating lease

(Rs. in lakh)

The company has taken certain premises on non-cancellable lease basis. The agreements are executed for periods ranging from 33 to 60 months with a non-cancellable period at the beginning of the agreement ranging from 12 to 24 months and having a renewable clause.

The future minimum rental payments in respect of non-cancellable lease for premise are as follows:

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Not later than one year	2.95	6.02	-
Later than one year and not later than five years	-	2.60	-
Later than five years	-	-	-
TOTAL	2.95	8.62	-

Lease payments recognised in the Statement of profit and loss for the current year is Rs. 73.74 Lakh (Previous year Rs. 3.98 Lakh) (including Goods and Service Tax to the extent of credit not availed).

B) Finance lease

(Rs. in lakh)

The company has taken a vehicle on finance lease for a period of 60 months. The company's obligation under finance lease is secured by the minimum lease rentals outstanding as at the year end as under:

Particulars	Total Minimum lease payment outstanding as at March 31, 2019	Lease finance charges not due	Present value of the minimum lease payment as at March 31, 2019
Not later than one year	2.49	1.14	1.35
Later than one year and not later than five years	8.08	1.94	6.14
Later than five years	-	-	-
TOTAL	10.57	3.08	7.49

The Company has option to purchase the vehicle for a nominal amount - Rs. 0.60 lakh at the end of lease term.



JM FINANCIAL HOME LOANS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

32 - SEGMENTAL REPORTING

The Company is primarily engaged into business of providing loans for purchase or construction of residential houses. Hence it has only one reportable segment as per Indian Accounting Standard 108 "Operating Segments". The company has its operations within India and all revenues are generated within India.

33 - ESOP

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.

April 12, 2018 19,848 Stock Options

The option shall be eligible for vesting as per following schedule:

Vesting Date	Series	No. of Stock Options	Status	Exercise Period	Exercise Price per Option
					(In Rupees)
12th April 2019	Series - XI	6,616	Vested	Seven years from the date of Grant	1
12th April 2020	Series - XI	6,616	Unvested	Seven years from the date of Grant	1
12th April 2021	Series - XI	6,616	Unvested	Seven years from the date of Grant	1

The current status of the stock options granted to the Employees is as under:

Particulars	Number of outstanding options	
	Current year	Previous year
Outstanding at the beginning of the year	-	-
Granted during the year	19,848	-
Transfer in during the year	-	-
Transfer out during the year	-	-
Lapsed/ forfeited during the year	2,205	-
Exercised during the year	-	-
Outstanding at the end of the year	17,643	-
Exercisable at the end of the year	-	-

The charge on account of the above scheme is included in employee benefit expense aggregating Rs.13.62 lakhs (Previous year nil). Since the options are granted by JM Financial Limited (the ultimate holding company), basic and diluted earnings per share of the Company would remain unchanged.



JM FINANCIAL HOME LOANS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

34 - EMPLOYEE BENEFITS

Defined contribution plans

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

The Company's contribution to Provident Fund aggregating Rs. 34 Lakh (2018: Rs 7 Lakh; 2017: Rs.Nil) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense

Defined benefit obligation

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

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

Interest Rate Risk:

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

Longevity Risks:

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

Salary Risks:

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

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

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Discount rate	7.55% p.a.	7.85% p.a.	-
Expected rate of salary escalation	7.00% p.a.	7.00% p.a.	-
Mortality rate	Indian Assured Lives Mortality 2012-14	Indian Assured Lives Mortality 2006-08	

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

(Rs. in lakh)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended April 01, 2017
Present value of defined benefit obligation	13.19	4.65	-
Fair value of plan assets	-	-	-
Net liability	13.19	4.65	-



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

(Rs. in lakh)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current service cost	7.28	0.70
Past service cost	-	-
Net interest cost	0.37	-
Components of defined benefits costs recognised in profit or loss.	7.65	0.70
Remeasurements on the net defined benefit liability :		
- Actuarial (gain) from change in demographic assumptions	(0.00)#	-
- Actuarial loss from change in financial assumptions	0.57	-
- Actuarial loss from change in experience adjustments	0.33	-
Total amount recognised in other comprehensive income	0.89	-
TOTAL	8.54	0.70

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

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

(Rs. in lakh)

Particulars	For the year ended March 31 2019	For the year ended March 31 2018	For the year ended April 01, 2017
Opening defined benefit obligation	4.65	-	-
Current service cost	7.28	0.70	-
Past service cost	-	-	-
Interest cost	0.36	-	-
Remeasurements (gains)/losses:			
- Actuarial (gain)/loss from change in demographic assumptions	(0.00)#	-	-
- Actuarial (gain)/loss from change in financial assumptions	0.57	-	-
- Actuarial (gain)/loss from change in experience adjustments	0.33	-	-
Liabilities assumed *	-	3.94	-
Benefits paid	-	-	-
Closing defined benefit obligation	13.19	4.65	-

*On account of business combination or inter group transfer

Denotes amount less than Rs. 500

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

Particulars	March 31, 2019		March 31, 2018		April 01, 2017	
	Decrease	Increase	Decrease	Increase	Decrease	Increase
Discount rate (- / +0.50%)	14.22	12.25	4.99	4.33	-	-
% change compared to base due to sensitivity	7.80%	-7.08%	7.48%	-6.83%	-	-
Salary growth rate (- / 0.50%)	12.25	14.22	4.32	4.99	-	-
% change compared to base due to sensitivity	-7.14%	7.80%	-6.92%	7.51%	-	-

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.



Projected benefits payable :

(Rs. in lakh)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Expected benefits for year 1	0.03	0.01
Expected benefits for year 2	0.19	0.01
Expected benefits for year 3	0.25	0.11
Expected benefits for year 4	0.61	0.14
Expected benefits for year 5	0.80	0.29
Expected benefits for year 6	0.75	0.28
Expected benefits for year 7	0.74	0.25
Expected benefits for year 8	0.75	0.25
Expected benefits for year 9	0.76	0.26
Expected benefits for year 10 and above	44.96	15.56

The weighted average duration of the payment of these cash flows is 14.85 years (FY 2017-18 - 14.29 years)



JM FINANCIAL HOME LOANS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

35. RELATED PARTY DISCLOSURE

Names of Related Parties and description of Relationship

(i) Names of related parties and description of relationship where control exists :

Ultimate Holding Company

JM Financial Limited

Holding Company

JM Financial Products Limited

(ii) Names of related parties and description of relationship where transactions have taken place :

(a) Ultimate Holding Company

JM Financial Limited

(b) Holding Company

JM Financial Products Limited

(c) Fellow Subsidiaries

JM Financial Asset Management Limited

JM Financial Services Limited

JM Financial Properties and Holdings Limited

JM Financial Asset Reconstruction Company Limited

(d) Enterprise over which any person described in point (f) below is able to exercise significant influence

J.M. Financial and Investment Consultancy Services Private Limited

(e) Key Management Personnel

Mr. Manish Sheth

(f) Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise, and relatives of any such individual:

Mr. Nimesh Kampani

(iii) Details of transactions with related parties

(Rs. in lakh)

Name of the related party	Nature of relationship	March 31, 2019	March 31, 2018
JM Financial Limited			
Reimbursement of Expenses	(ii) (a)	0.62	0.38
Reimbursement of ESOP Expenses		13.63	-
JM Financial Products Limited			
Inter Corporate Deposits taken		7,165.00	-
Inter Corporate Deposits repaid		7,165.00	-
Interest expenses on inter corporate deposits taken	(ii) (b)	53.28	-
Subscription to Right Shares		8,680.00	200.00
Space Cost reimbursed		1.23	-
Transfer of Fixed Assets from the related party		-	12.25
JM Financial Asset Management Limited			
Rent paid	(ii) (c)	0.65	0.60
JM Financial Services Private Limited			
Transfer of Fixed Assets to the related party	(ii) (c)	1.48	-
Referral fees		12.50	-
Space Cost reimbursed		0.99	-
JM Financial Properties and Holdings Limited			
Employee related Transfers	(ii) (c)	-	3.94
JM Financial Asset Reconstruction Company Limited			
Inter Corporate Deposits Placed	(ii) (c)	-	600.00
Inter Corporate Deposits Repaid		-	600.00
Interest Received		-	0.38
J.M. Financial and Investment Consultancy Services Private Limited			
Rent Paid	(ii) (d)	4.39	1.44
Security Deposit		-	1.80
Manish Sheth			
Subscription to Equity Shares issued on Private Placement	(ii) (e)	120.00	-



(iv) Balances of related parties:

(Rs. in lakh)

Name of the related party	Nature of relationship	March 31, 2019	March 31, 2018	April 1, 2017
Payables				
JM Financial Limited	(ii) (a)	-	0.41	-
Security Deposits Given				
J M Financial and Investment Consultancy Services Private Limited	(ii) (d)	1.80	1.80	-

35.1 There are no provisions for doubtful debts / advances or amounts written off or written back for debts due from/ due to related parties.

35.2 The transactions disclosed above are exclusive of GST.

35.3 The Company enters into transactions, arrangements and agreements involving directors, senior management and their business associates, or close family members, in the ordinary course of business under the same commercial and market terms, interest and commission rates that apply to non-related parties.



JM FINANCIAL HOME LOANS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

36 - MATURITY ANALYSIS OF ASSETS AND LIABILITIES

(Rs. in lakh)

Sr. No.	Particulars	March 31, 2019			March 31, 2018			April 01, 2017		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	Assets									
(1)	Financial Assets									
(a)	Cash and cash equivalents	463.61	-	463.61	1,259.42	-	1,259.42	1,185.81	-	1,185.81
(b)	Other bank balances	5.00	-	5.00	-	-	-	-	-	-
(c)	Loans	719.00	19,420.81	20,139.81	40.98	1,723.90	1,764.88	-	-	-
(d)	Other financial assets	43.51	40.15	83.66	2.30	25.46	27.76	14.16	-	14.16
	Total Financial Assets	1,231.12	19,460.96	20,692.08	1,302.70	1,749.35	3,052.06	1,199.97	-	1,199.97
(2)	Non-financial Assets									
(a)	Current tax Assets (net)	-	10.00	10.00	-	6.95	6.95	-	-	-
(b)	Deferred tax Assets (net)	-	6.50	6.50	-	6.50	6.50	-	3.17	3.17
(c)	Property, Plant and Equipment	-	330.51	330.51	-	23.31	23.31	-	-	-
(d)	Other intangible assets	-	128.80	128.80	-	70.99	70.99	-	-	-
(e)	Other non-financial assets	74.84	0.24	75.08	68.84	0.00	68.84	-	-	-
	Total Non-Financial Assets	74.84	476.06	550.89	68.84	107.74	176.59	-	3.17	3.17
	Total Assets	1,305.95	19,937.02	21,242.97	1,371.53	1,857.10	3,228.65	1,199.97	3.17	1,203.14
	LIABILITIES									
(1)	Financial Liabilities									
(a)	Trade payables									
	- Total outstanding dues of micro and small enterprises	1.52	-	1.52	1.30	-	1.30	-	-	-
	- Total outstanding dues of creditors other than micro and small enterprises	111.91	-	111.91	73.97	-	73.97	1.05	-	1.05
(b)	Debt Securities	264.98	5,610.64	5,875.62	-	-	-	-	-	-
(c)	Borrowings (Other than debt securities)	985.97	2,800.00	3,785.97	-	-	-	-	-	-
(d)	Other financial liabilities	98.37	107.47	205.84	80.24	0.02	80.25	-	-	-
	Total Financial Liabilities	1,462.76	8,518.11	9,980.86	155.51	0.02	155.52	1.05	-	1.05
(2)	Non-Financial Liabilities									
(a)	Provisions	32.85	13.16	46.01	13.84	4.63	18.47	-	-	-
(b)	Current tax liabilities (net)	-	-	-	-	-	-	-	1.71	1.71
(c)	Deferred tax liabilities (net)	-	-	-	-	-	-	-	-	-
(d)	Other non-financial liabilities	34.92	-	34.92	15.90	-	15.90	-	0.12	0.12
	Total Non-Financial Liabilities	67.77	13.16	80.93	29.74	4.63	34.37	-	1.83	1.83
	Total Liabilities	1,530.53	8,531.27	10,061.79	185.25	4.65	189.89	1.05	1.83	2.88



JM FINANCIAL HOME LOANS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

37 - FIRST-TIME IND AS ADOPTION RECONCILIATIONS

37.1 Reconciliation of total equity as at March 31, 2018 and April 01, 2017 and profit or loss for the year ended March 31, 2018:

(Rs. in lakh)

Particulars	Note	Net profit Reconciliation	Equity Reconciliation	
		Year ended March 31, 2018	As at March 31, 2018	As at April 1, 2017
Net loss / equity as per previous GAAP		(138.50)	3,061.76	1,200.26
IndAS Adjustments:				
Measurement of Financial assets at amortised cost	a	(20.29)	(20.29)	-
Impairment of financial instruments	b	(2.72)	(2.72)	-
Actuarial loss on Employee Benefits		-	-	-
		(23.01)	(23.01)	-
Net loss for the year as per Ind AS		(161.51)	3,038.76	1,200.26
Other comprehensive income (net of tax)		-	-	-
Total Comprehensive loss / Equity as per Ind AS		(161.51)	3,038.76	1,200.26

37.2 Effect of Ind AS adoption on the Statement of Cash Flows for the year ended March 31, 2018:

(Rs. in lakh)

Particulars	As per Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance sheet
Net cash flow from operating activities	(1,897.19)	-	(1,897.19)
Net cash flow (used in) investing activities	(29.20)	-	(29.20)
Net cash flow (used in) financing activities	2,000.00	-	2,000.00
Net (decrease) / increase in cash and cash equivalents	73.61	-	73.61
Cash and cash equivalents at the beginning of the year	1,185.81	-	1,185.81
Cash and cash equivalents at the end of the year	1,259.42	-	1,259.42

The cash flow adjustments are primarily on account of Ind AS reclassification.

Notes :

a) Under previous GAAP, loans were carried at cost whereas under IND AS loans are measured based on entity's business model for managing the financial assets and contractual cash flow characteristics of the financial asset. The loans that meet the business model and contractual cash flow tests are measured at amortised cost and interest income is recognised as per effective interest rate method.

b) Under previous GAAP, provision for standard assets / doubtful loans was calculated using incurred loss model. Under Ind AS, the provision on financial assets and commitments, are determined using the expected credit loss model.



JM FINANCIAL HOME LOANS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

38 - FINANCIAL INSTRUMENTS

38.1 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 (total borrowings net of cash and cash equivalents) to equity ratio.

	(Rs. in lakh)		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Gross debt	9,661.59	-	-
Less:			
Cash and cash equivalents	463.61	1,259.42	1,185.81
Other bank deposits	5.00	-	-
Adjusted net debt	9,192.98	-	-
Total equity	11,181.18	3,038.76	1,200.26
Adjusted net debt to equity ratio	0.82	NA	NA

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 NHB. Refer Note 41

A Fair Value

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 a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

1) Accounting classification and fair values

As at March 31, 2019	Carrying Value	Fair Value			
	Amortised Cost	Level 1	Level 2	Level 3	Total
Financial assets					
Cash and cash equivalents	463.61	-	-	-	-
Bank balances other than above	5.00	-	-	-	-
Loans	20,139.81	-	-	-	-
Investments	-	-	-	-	-
Other Financial Assets	83.66	-	-	-	-
TOTAL	20,692.08	-	-	-	-
Financial liabilities					
Debt Securities	5,875.62	-	Note (a)	-	-
Borrowings	3,785.97	-	-	-	-
Trade payables	113.43	-	-	-	-
Other Financial Liabilities	205.84	-	-	-	-
TOTAL	9,980.87	-	-	-	-



As at March 31, 2018	Carrying Value	Fair Value			
	Amortised Cost	Level 1	Level 2	Level 3	Total
Financial assets					
Cash and cash equivalents	1,259.42	-	-	-	-
Bank balances other than above	-	-	-	-	-
Loans	1,764.88	-	-	-	-
Investments	-	-	-	-	-
Other Financial Assets	27.76	-	-	-	-
TOTAL	3,052.06	-	-	-	-
Financial liabilities					
Debt Securities	-	-	Note (a)	-	-
Borrowings	-	-	-	-	-
Trade payables	75.27	-	-	-	-
Other Financial Liabilities	80.25	-	-	-	-
TOTAL	155.52	-	-	-	-

As at April 01, 2017	Carrying Value	Fair Value			
	Amortised Cost	Level 1	Level 2	Level 3	Total
Financial assets					
Cash and cash equivalents	1,185.81	-	-	-	-
Bank balances other than above	-	-	-	-	-
Loans	-	-	-	-	-
Investments	-	-	-	-	-
Other Financial Assets	14.16	-	-	-	-
TOTAL	1,199.97	-	-	-	-
Financial liabilities					
Debt Securities	-	-	Note (a)	-	-
Borrowings	-	-	-	-	-
Trade payables	1.05	-	-	-	-
Other Financial Liabilities	-	-	-	-	-
TOTAL	1.05	-	-	-	-

Note (a)

For financial assets and liabilities measured at amortised cost, the company considers that the carrying amount recognised in the financial statements approximate their fair values, except as under:

Fixed rate debt securities	Carrying value			Fair Value		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Debt securities	5,875.62	-	-	5,524.33	-	-

Note : Fair value is determined by discounting the contractual cashflows using current market interest rates

B. Financial risk management

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

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

Risk management framework

The Company has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports to the board of directors on its activities

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

i) 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. In its lending operations, the Company is principally exposed to credit risk.

The Company has a systematic credit evaluation process monitoring the performance of its asset portfolio on a regular and continual basis to detect any material development, and constantly evaluate the changes and developments in sectors in which it has substantial exposure. The Company also undertakes periodic review of its entire asset portfolio with a view to determine the portfolio valuation, identify potential areas of action and devise appropriate strategies thereon.

In performing its credit assessment, the Company relies largely on information furnished by or on behalf of its borrowers, including financial information, based on which the Company performs its credit assessment. Any such information if materially misleading may increase the risk of default and could adversely impact the financial condition, financial results and/or operations of the Company



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	Non-performing assets	Lifetime ECL – credit-impaired

The key elements in calculation of ECL are as follows:

PD - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. The PD has been determined based on comparative external ratings.

EAD - The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, accrued interest from missed payments and loan commitments.

LGD - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The LGD is determined based on valuation of collaterals and other relevant factors.

For PD the Group has relied upon the PD data from external rating agencies. For Loss Given Default (LGD) the Group has relied on internal and external information.

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances.

	(Rs. In lakh)		
	March 31, 2019	March 31, 2018	April 01, 2017
Internal Rating Grade			
Stage 1	20,274.30	1,772.06	-
Stage 2	-	-	-
Stage 3	-	-	-

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans:

	(Rs. In lakh)		
	2018-19		
	Stage 1	Stage 2	Stage 3
Gross carrying amount opening balance	1,772.06	-	-
New assets originated or purchased	18,696.60	-	-
Assets derecognised or repaid (excluding write offs)	(194.36)	-	-
Transfers to Stage 1	-	-	-
Transfers to Stage 2	-	-	-
Transfers to Stage 3	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-
Amounts written off	-	-	-
Gross carrying amount closing balance	20,274.30	-	-

	(Rs. In lakh)		
	2017-18		
	Stage 1	Stage 2	Stage 3
Gross carrying amount opening balance	-	-	-
New assets originated or purchased	1,786.27	-	-
Assets derecognised or repaid (excluding write offs)	(14.21)	-	-
Transfers to Stage 1	-	-	-
Transfers to Stage 2	-	-	-
Transfers to Stage 3	-	-	-
Gross carrying amount closing balance	1,772.06	-	-



(Rs. In lakh)			
	2018-19		
	Stage1	Stage 2	Stage 3
ECL allowance - opening balance	7.18	-	-
New assets originated or purchased	128.64	-	-
Assets derecognised or repaid (excluding write offs)	(1.34)	-	-
Transfers to Stage 1	-	-	-
Transfers to Stage 2	-	-	-
Transfers to Stage 3	-	-	-
ECL allowance - closing balance	134.49	-	-

(Rs. In lakh)			
	2017-18		
	Stage1	Stage 2	Stage 3
ECL allowance - opening balance			
New assets originated or purchased	7.19	-	-
Assets derecognised or repaid (excluding write offs)	(0.01)	-	-
Transfers to Stage 1	-	-	-
Transfers to Stage 2	-	-	-
Transfers to Stage 3	-	-	-
ECL allowance - closing balance	7.18	-	-

ii) Liquidity risk

Liquidity risk is the current and prospective risk arising out of an inability to meet financial commitments as they fall due, through available cash flows or through the sale of assets at fair market value. It includes both, the risk of unexpected increases in the cost of funding an asset portfolio at appropriate maturities and the risk of being unable to liquidate a position in a timely manner at a reasonable price.

The Company manages liquidity risk by maintaining sufficient cash and by having access to funding through an adequate amount of committed credit lines. Given the need to fund diverse products, the Company maintains flexibility in funding by maintaining availability under committed credit lines to meet obligations when due. Management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position.

We manage liquidity risk in accordance with our Asset Liability Management Policy. This policy is framed as per the current regulatory guidelines and is approved by the Board of Directors. The Asset Liability Management Policy is reviewed periodically to incorporate changes as required by regulatory stipulation or to realign the policy with changes in the economic landscape. The Asset Liability Committee (ALCO) of the Company formulates and reviews strategies and provides guidance for management of liquidity risk within the framework laid out in the Asset Liability Management Policy.

The Company has undrawn lines of credit of Rs. 4,216.00 Lakh, Rs. Nil and Rs. Nil as of March 31, 2019, March 31, 2018 and April 01, 2017 respectively, from its bankers for working capital requirements.

Exposure to liquidity risk

The following are the details of Company's remaining contractual maturities of financial liabilities and assets at the reporting date. The amounts are gross and undiscounted.

(Rs in lakh)					
Contractual cash flows					
March 31, 2019	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade Payables	113.43	113.43	-	-	-
Debt Securities	5,875.62	264.98	2,491.28	(3.60)	3,122.96
Borrowings	3,785.97	985.97	700.00	2,100.00	-
Other financial liabilities	205.84	98.37	3.40	2.73	101.33
TOTAL	9,980.86	1,462.75	3,194.68	2,099.13	3,224.29

Contractual cash flows					
March 31, 2018	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial Assets					
Cash and Cash Equivalents	463.61	463.61	-	-	-
Bank balances other than (a) above	5.00	5.00	-	-	-
Loans	20,139.81	719.00	1,412.43	1,715.54	16,292.83
Other financial assets	83.66	43.51	1.80	38.35	-
TOTAL	20,692.08	1,231.12	1,414.23	1,753.90	16,292.83

Contractual cash flows					
March 31, 2018	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade Payables	75.27	75.27	-	-	-
Debt Securities	-	-	-	-	-
Borrowings	-	-	-	-	-
Other financial liabilities	80.25	80.25	-	-	-
TOTAL	155.52	155.52	-	-	-



Financial Assets					
Cash and Cash Equivalents	1,259.42	1,259.42	-	-	-
Bank balances other than (a) above	-	-	-	-	-
Loans	1,764.88	40.98	96.12	123.49	1,504.29
Other financial assets	27.76	2.30	1.80	23.66	-
TOTAL	3,052.05	1,302.70	97.92	147.15	1,504.29

Contractual cash flows					
April 01, 2017	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade Payables	1.05	1.05	-	-	-
Debt Securities	-	-	-	-	-
Borrowings	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
TOTAL	1.05	1.05	-	-	-

Financial Assets					
Cash and Cash Equivalents	1,185.81	1,185.81	-	-	-
Bank balances other than (a) above	-	-	-	-	-
Loans	-	-	-	-	-
Other financial assets	14.16	14.16	-	-	-
TOTAL	1,199.97	1,199.97	-	-	-

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

iii) Market risk

The Company is exposed to interest rate risk as it has assets 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.

iv) Interest rate risk

The Company's interest income from lending is dependent upon interest rates and their movement.

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

(Rs in lakh)			
Particulars	March 31, 2019	March 31, 2018	April 01, 2017
Financial assets			
Fixed-rate instruments	3,509.11	-	-
Floating-rate instruments	16,632.00	1,763.58	-
Total	20,141.11	1,763.58	-
Financial liabilities			
Fixed-rate instruments	9,661.60	-	-
Floating-rate instruments	-	-	-
TOTAL	9,661.60	-	-

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.

(Rs in lakh)				
Particulars	March 31, 2019		March 31, 2018	
	100 bps higher	100 bps lower	100 bps higher	100 bps lower
Floating rate borrowings	-	-	-	-
Floating rate loans	166.32	166.32	17.64	17.64
TOTAL	166.32	166.32	17.64	17.64



NHB disclosures:

Note: The below disclosures required pursuant to the NHB master directions and circulars are prepared after giving effect required to comply with the extant provisions of National Housing Bank directions including framework on Prudential Norms and other related circulars.

- 39 Provision in respect of standard, sub-standard, doubtful and loss assets are recorded in accordance with Companies policy as stated in note

	(Rs. in lakh)			
	Housing loans	Non-housing loans	Housing loans	Non-housing loans
	For the year ended March 31, 2019		For the period ended March 31, 2018	
Standard Asset				
Total outstanding amount	12,503.72	7,890.01	1,691.47	100.88
Provisions	31.06	31.35	4.21	0.25
Sub-standard assets				
Total outstanding amount	-	-	-	-
Provisions	-	-	-	-
Doubtful asset				
Total outstanding amount	-	-	-	-
Provisions	-	-	-	-
Total				
Total outstanding amount	12,503.72	7,890.01	1,691.47	100.88
Provisions	31.06	31.35	4.21	0.25

- 40 Disclosure pursuant to circular no. NHB CND/DRS/POI circular 61/2013-14 dated April 7, 2014 issued by NHB.

	(Rs. in lakh)	
	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of the year		
a) Statutory reserves (as per Section 29C of The National Housing Bank Act, 1987)	-	-
b) Amount of special reserve under Section 36(1)(viii) of the Income Tax Act, 1961 taken into account for the purpose of statutory reserve under Section 29C of the NHB Act, 1987	-	-
Addition / appropriation / withdrawals during the year		
Add:-		
a) Amount transferred as per Section 29C of The National Housing Bank Act, 1987.	-	-
b) Amount of special reserve under Section 36(1)(viii) of the Income Tax Act, 1961 taken into account for the purpose of statutory reserve under Section 29C of the NHB Act, 1987	-	-
Less:-		



a) Amount appropriated as per Section 29C of The National Housing Bank Act, 1987.	-	-
b) Amount withdrawn from special reserve under Section 36(1)(viii) of the Income Tax Act, 1961 taken into account for the purpose of statutory reserve under Section 29C of the NHB Act, 1987	-	-
Balance at the end of the year		
a) Statutory reserves (as per Section 29C of The National Housing Bank Act, 1987)	-	-
b) Amount of special reserve under Section 36(1)(viii) of the Income Tax Act, 1961 taken into account for the purpose of statutory reserve under Section 29C of the NHB Act, 1987	-	-
Total	-	-

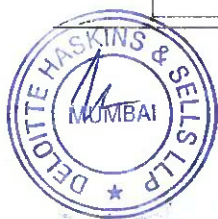
41 Disclosure pursuant to circular no. NHB/ND/DRS/POL-No.35/2010-11 dated October 11, 2010 and Notification No. NHB.HFC.CG – DIR.1/MD&CEO/2016 dated February 9, 2017 issued by NHB.

I. Capital Risk Asset Ratio (CRAR)

	As at March 31, 2019	As at March 31, 2018
CRAR (%)	77.04%	187.65%
CRAR – Tier I Capital (%)	76.13%	187.37%
CRAR – Tier II Capital (%)	0.91%	0.28%

II. Exposure to Real Estate Sector

	(Rs. in lakh)	
	As at March 31, 2019	As at March 31, 2018
Category		
a) Direct Exposure		
(a) Residential Mortgage: Lending fully secured by mortgage on residential property that is or will be occupied by the borrower:		
(I) Housing Loan upto Rs. 15 lakhs	8,474.25	1,533.51
(II) Housing Loan more than Rs. 15 lakhs	3,949.28	212.49
(i) Commercial real estate: Lending secured by mortgages on commercial real estates. Exposure would also include non-fund based (NFB) Limits.	-	-
(ii) Investment in mortgage backed securities (MBS) and other securitised exposures:		
(a) Residential	-	-
(b) Commercial real estates	-	-
b) Indirect Exposure Fund based and non fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-



III. Asset Liability Management

Maturity Pattern of Assets and liabilities as at March 31, 2019: -

(Rs. in lakh)

	Liabilities		Assets	
	Borrowings from banks	Market Borrowings	Advances	Investment
1 day to 30/31 days (1 month)	-	-	58.69	-
Over one month to 2 months	-	-	47.35	-
Over 2 to 3 months	-	-	47.89	-
Over 3 to 6 months	-	-	146.53	-
Over 6 months to 1 year	700.00	-	306.74	-
Over 1 to 3 years	1,400.00	2,500.00	1,454.94	-
Over 3 to 5 years	1,400.00	-	1,757.64	-
Over 5 to 7 years	-	630.00	2,193.98	-
Over 7 to 10 years	-	2,500.00	4,667.50	-
Over 10 years	-	-	9,578.92	-
Grand Total	3,500.00	5,630.00	20,260.19	-

42 Disclosure pursuant to Notification no. NHB.HFC.DIR.1 /CMD/2010 dated June 10, 2010 issued by NHB.

I. Penalty

(Rs. in lakh)

	As at March 31, 2019	As at March 31, 2018
Penalty, if any, levied by National Housing Bank	-	-

II. Adverse remarks

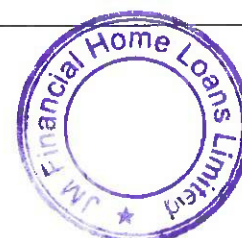
(Rs. in lakh)

	As at March 31, 2019	As at March 31, 2018
Adverse remarks, if any, given by National Housing Bank	-	-

III. % of outstanding loans granted against collateral of gold jewellery

(Rs. in lakh)

	As at March 31, 2019	As at March 31, 2018
Percentage of outstanding loans granted against the collateral of gold jewellery to their outstanding total assets	-	-



43 Disclosure pursuant to Notification No. NHB.hfc.CG-DIR.1/MD & CEO/2016 dated February 9, 2017 issued by NHB for investments

	(Rs. in lakh)	
	As at March 31, 2019	As at March 31, 2018
(a) Value of Investments		
(i) Gross Value of Investments:		
a) In India	-	-
b) Outside India	-	-
(ii) Provision for depreciation		
a) In India	-	-
b) Outside India	-	-
(iii) Net value of Investments		
a) In India	-	-
b) Outside India	-	-
(b) Movements of provisions held towards depreciation in investments		
(III) Opening balance	-	-
(IV) Add:- Provisions made during the year	-	-
(V) Less:- Write-off/Written back of excess provision during the year	-	-
(VI) Closing balance	-	-

44 Disclosure Pursuant to Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by NHB for Single borrower/ Group borrower limit exceeded by HFC.

	(Rs. in lakh)	
	As at March 31, 2019	As at March 31, 2018
Amount outstanding for Single Borrower limit	-	-
Amount outstanding for Group Borrower limit	-	-

45 Disclosure Pursuant to Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by NHB for Provisions and Contingencies.

	(Rs. in lakh)	
	As at March 31, 2019	As at March 31, 2018
1. Provision for depreciation on investment	-	-
2. Provision made towards income tax (net of reversal of tax of earlier years)	-	-
3. Provisions towards NPAs	-	-
4. Provision for standard assets	62.40	4.46
5. Other provisions and contingencies		
a. Gratuity	13.19	4.65
b. Compensated absence	32.82	13.83
c. Provision for expenses	66.24	24.62



- 46 Disclosure Pursuant to Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by NHB for concentration of NPAs.

(Rs. in lakh)

	As at March 31, 2019	As at March 31, 2018
Total Exposure to top ten NPA accounts	-	-

- 47 Disclosure Pursuant to Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by NHB for sector wise NPA's Provisions and Contingencies

(Rs. in lakh)

	As at March 31, 2019	As at March 31, 2018
a. Housing Loans:		
(I) Individuals (in %) (out of total advances in that sector)	-	-
b. Non - Housing Loans:		
(I) Individuals (in %) (out of total advances in that sector)	-	-

- 48 Disclosure Pursuant to Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by NHB for movement of NPAs

(Rs. in lakh)

	As at March 31, 2019	As at March 31, 2018
(I) Net NPAs to Net Advances (%)	-	-
(II) Movement of Gross NPAs		
(a) Opening Balance	-	-
(b) Additions during the year	-	-
(c) Closing balance	-	-
(III) Movement of Net NPAs		
(a) Opening Balance	-	-
(b) Additions during the year	-	-
(c) Closing balance	-	-
(IV) Movement of provisions for NPAs		
(a) Opening Balance	-	-
(b) Additions during the year	-	-
(c) Closing balance	-	-

- 49 Disclosure Pursuant to Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by NHB for overseas assets.

(Rs. in lakh)

	As at March 31, 2019	As at March 31, 2018
Overseas assets	-	-



50 Disclosure Pursuant to Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by NHB for customer complaints

	(Rs. in lakh)	
	As at March 31, 2019	As at March 31, 2018
(a) No. of complaints pending at the beginning of the year	-	-
(b) No. of complaints received during the year	2	1
(c) No. of complaints redressed during the year	2	1
(d) No. of complaints pending at the end of the year	-	-

51 Disclosure Pursuant to Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by NHB for Exposure to Capital Market.

	(Rs. in lakh)	
	As at March 31, 2019	As at March 31, 2018
(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;	-	-
(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;	-	-
(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;	-	-
(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;	-	-
(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	-	-



52 Disclosure Pursuant to Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by NHB for Securitisation.

(Rs. in lakh)

	As at March 31, 2019	As at March 31, 2018
The amount of securitised assets as per books of the SPVs sponsored*	-	-

* During the year the Company has not entered into any securitisation deal. Accordingly no disclosure is required pursuant to Notification No. NHB/HFCCG-DIR.1 /MD&CEO/2016

53 Disclosure Pursuant to Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by NHB for Assignment transactions undertaken by HFCs.

(Rs. in lakh)

	As at March 31, 2019	As at March 31, 2018
Aggregate value of accounts assigned *	-	-

* During the year the Company has not entered in any assignment deal, accordingly no disclosure is made pursuant to Notification No. NHB/HFCCG-DIR.1 /MD&CEO/2016.

54 Disclosure Pursuant to Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by NHB for purchase and sale of non-performing financial assets.

(Rs. in lakh)

	As at March 31, 2019	As at March 31, 2018
No. of accounts purchased / sold during the year *	-	-

* During the year the Company has not entered in deal of purchase and sale of NPAs from/to other HFCs, accordingly no disclosure is made pursuant to Notification No. NHB/HFCCG-DIR.1/MD&CEO/2016.

55 Disclosure Pursuant to Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by NHB for registration obtained from other financial regulator

(Rs. in lakh)

	As at March 31, 2019	As at March 31, 2018
Registration from other financial regulator, if any	-	-

56 Disclosure Pursuant to Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by NHB for unsecured advances

(Rs. in lakh)

	As at March 31, 2019	As at March 31, 2018
Amount of unsecured advances given against rights, licenses, authorisations etc	-	-

57 Disclosure Pursuant to Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by NHB for details of financing parent company products.

(Rs. in lakh)

	As at March 31, 2019	As at March 31, 2018
Details of financing of parent company products, if any	-	-



58 Disclosure Pursuant to Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by NHB for Concentration of Public Deposits.

(Rs. in lakh)

	As at March 31, 2019	As at March 31, 2018
Total Deposits of twenty largest depositors	-	-
Percentage of Deposits of twenty largest depositors to total deposits of the HFC	-	-

59 Disclosure Pursuant to Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by NHB for Concentration of Loans & Advances

(Rs. in lakh)

	As at March 31, 2019	As at March 31, 2018
Total Loans & Advances of twenty largest borrowers	4,809.76	342.81
Percentage of Loans & Advances of twenty largest borrowers to total advances of the HFC	23.74%	19.22%

60 Disclosure Pursuant to Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by NHB for Concentration of all Exposure (including off-balance sheet exposure).

(Rs. in lakh)

	As at March 31, 2019	As at March 31, 2018
Total Exposure to twenty largest borrowers / customers	5,082.58	538.30
Percentage of exposure to twenty largest borrowers / customers to total exposure of the HFC on borrowers / customers.	22.47%	13.48%

61 Disclosure Pursuant to Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by NHB for Forward rate agreement / Interest rate swap.

(Rs. in lakh)

	As at March 31, 2019	As at March 31, 2018
(I) The notional principal of swap agreements	-	-
(II) Losses which would be incurred if counter parties foiled to fulfill their obligations under the agreements	-	-
(III) Collateral required by the HFC upon entering into swaps	-	-
(IV) Concentration of Credit risk arising from the swaps.	-	-
(V) The fair value of the swap book	-	-

62 Disclosure Pursuant to Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by NHB

a) For Exchange traded interest rate derivative

(Rs. in lakh)

	As at March 31, 2019	As at March 31, 2018
(I) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument wise)	-	-
(II) Notional principal amount of exchange traded IR derivatives outstanding (Instrument-wise)	-	-



(III) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	-	-
(IV) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	-	-

b) For Disclosure on Risk exposure in derivative

	(Rs. in lakh)	
	As at March 31, 2019	As at March 31, 2018
(I) Derivatives (Notional Principal Amount)	-	-
(II) Marked to Market Positions (1)		
(a) Assets	-	-
(b) Liability	-	-
(II) Credit exposure	-	-
(IV) Unhedged exposure	-	-

63 Disclosure Pursuant to Notification No. NHB.HFC.CG-DIR.1/MD&CE0/2016 dated February 9, 2017 issued by NHB for rating assigned by rating agency during the year.

The Company has obtained credit rating from two credit rating agencies during the year.

Facilities	Amount (Rs In Crore)	CARE	ICRA
Non-Convertible Debenture	100	CARE AA	(ICRA) AA (Stable)
Commercial Paper	100	CARE A1+	(ICRA) A1+
Bank Lines	100	-	(ICRA) AA (Stable)

64 The financial statements were approved for issue by the Board of Directors on April 23, 2019.

For JM Financial Home Loans Limited



[Signature]
V P Shetty
Chairman
DIN : 00021773

[Signature]
Manish Sheth
Managing Director & CEO
DIN : 00109227

[Signature]
Rajesh Shah
Chief Financial Officer
Place : Mumbai
Date: April 23, 2019

[Signature]
P. P. Shah
Priya Shah
Company Secretary

DECLARATION

We, the Directors of the Company, hereby certify and declare that all the applicable legal requirements in connection with the Tranche III Issue including the relevant provisions of the Companies Act, 2013, as amended, the relevant provisions of Companies Act, 1956 and the rules prescribed thereunder, as applicable, on the date of this Tranche III Prospectus and the guidelines issued by the Government of India or the regulations, guidelines and the circulars issued by 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, have been complied with. We further certify that the disclosures made in this Tranche III Prospectus are true and correct and in conformity with the Companies Act, 1956, as amended, and the relevant provisions of the Companies Act, 2013, as amended, to the extent applicable as on the date of this Tranche III Prospectus, Schedule I of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended, the Securities and Exchange Board of India Act, 1992, as amended, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and no statement made in this Tranche III Prospectus is contrary to the provisions of the Companies Act, 2013, as amended and the relevant provisions of the Companies Act, 1956, applicable as on the date of this Tranche III Prospectus, 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.

We further certify that all the disclosures and statements in this Tranche III Prospectus 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, misleading and that this Tranche III Prospectus does not contain any misstatements.

SIGNED BY ALL DIRECTORS:

Mr. E A Kshirsagar : Sd/-
(*Independent Director*)

Mr. M R Umarji : Sd/-
(*Non- Executive Director*)

Mr. Atul Mehra : Sd/-
(*Non-Executive Director*)

Mr. Subodh Shinkar : Sd/-
(*Non-Executive Director*)

Mr. Vishal Kampani : Sd/-
(*Managing Director*)

Date: February 10, 2020

Place: Mumbai

DECLARATION

I, the Director of the Company, hereby certify and declare that all the applicable legal requirements in connection with the Tranche III Issue including the relevant provisions of the Companies Act, 2013, as amended, the relevant provisions of Companies Act, 1956 and the rules prescribed thereunder, as applicable, on the date of this Tranche III Prospectus and the guidelines issued by the Government of India or the regulations, guidelines and the circulars issued by 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, have been complied with. I further certify that the disclosures made in this Tranche III Prospectus are true and correct and in conformity with the Companies Act, 1956, as amended, and the relevant provisions of the Companies Act, 2013, as amended, to the extent applicable as on the date of this Tranche III Prospectus, Schedule I of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended, the Securities and Exchange Board of India Act, 1992, as amended, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and no statement made in this Tranche III Prospectus is contrary to the provisions of the Companies Act, 2013, as amended and the relevant provisions of the Companies Act, 1956, applicable as on the date of this Tranche III Prospectus, 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.

I further certify that all the disclosures and statements in this Tranche III Prospectus 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, misleading and that this Tranche III Prospectus does not contain any misstatements.

Mr. Dharendra Singh
(*Independent Director*)

: Sd/-

Date: February 10, 2020

Place: Greater Noida

DECLARATION

I, the Director of the Company, hereby certify and declare that all the applicable legal requirements in connection with the Tranche III Issue including the relevant provisions of the Companies Act, 2013, as amended, the relevant provisions of Companies Act, 1956 and the rules prescribed thereunder, as applicable, on the date of this Tranche III Prospectus and the guidelines issued by the Government of India or the regulations, guidelines and the circulars issued by 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, have been complied with. I further certify that the disclosures made in this Tranche III Prospectus are true and correct and in conformity with the Companies Act, 1956, as amended, and the relevant provisions of the Companies Act, 2013, as amended, to the extent applicable as on the date of this Tranche III Prospectus, Schedule I of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended, the Securities and Exchange Board of India Act, 1992, as amended, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and no statement made in this Tranche III Prospectus is contrary to the provisions of the Companies Act, 2013, as amended and the relevant provisions of the Companies Act, 1956, applicable as on the date of this Tranche III Prospectus, 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.

I further certify that all the disclosures and statements in this Tranche III Prospectus 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, misleading and that this Tranche III Prospectus does not contain any misstatements.

Mr. V P Shetty
(*Non- Executive Chairman*)

: Sd/-

Date: February 10, 2020

Place: Bangalore

DECLARATION

I, the Director of the Company, hereby certify and declare that all the applicable legal requirements in connection with the Tranche III Issue including the relevant provisions of the Companies Act, 2013, as amended, the relevant provisions of Companies Act, 1956 and the rules prescribed thereunder, as applicable, on the date of this Tranche III Prospectus and the guidelines issued by the Government of India or the regulations, guidelines and the circulars issued by 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, have been complied with. I further certify that the disclosures made in this Tranche III Prospectus are true and correct and in conformity with the Companies Act, 1956, as amended, and the relevant provisions of the Companies Act, 2013, as amended, to the extent applicable as on the date of this Tranche III Prospectus, Schedule I of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended, the Securities and Exchange Board of India Act, 1992, as amended, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and no statement made in this Tranche III Prospectus is contrary to the provisions of the Companies Act, 2013, as amended and the relevant provisions of the Companies Act, 1956, applicable as on the date of this Tranche III Prospectus, 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.

I further certify that all the disclosures and statements in this Tranche III Prospectus 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, misleading and that this Tranche III Prospectus does not contain any misstatements.

Ms. Roshini Bakshi
(*Independent Director*)

: Sd/-

Date: February 10, 2020

Place: Jakarta



ICRA

ICRA Limited

CONFIDENTIAL

Ref: MUM/2019-20/2218
February 04, 2020

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. 2,000 crore Non-convertible Debenture (NCD) Programme¹ of JM Financial Products Limited

Please refer to your request for revalidating the rating letter issued for the captioned programme.

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 **January 14, 2020** stands. Instruments with this 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 Ref MUM/2019-20/1964 dated January 14, 2020.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

Yours faithfully,
For ICRA Limited

KARTHIK SRINIVASAN
Senior Vice President
karthiks@icraindia.com

SHREEKIRAN RAO
Assistant Vice President
shreekiran.rao@icraindia.com

¹ Public issue of secured and unsecured non-convertible debentures

CONFIDENTIAL

Ref: MUM/19-20/1964
Date: January 14, 2020

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 Credit Rating for Rs. 2,000 crore NCD Programme¹ of JM Financial Products Limited

In terms of the Rating Agreement executed between JM Financial Products Limited and ICRA Limited (ICRA), ICRA is required to review the rating, on an annual basis, or as and when the circumstances so warrant.

Please note that the Rating Committee of ICRA, after due consideration of the latest development in your company, has reaffirmed the rating of your non-convertible debenture (NCD) programme at **[ICRA]AA (pronounced as [ICRA]double A)**. The Outlook on the long-term rating is **Stable**. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

In any of your publicity material or other document wherever you are using our above rating, it should be stated as **[ICRA]AA(Stable)**.

This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating assigned.

ICRA reserves the right to review and/ or, revise the above rating at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the instruments issued by you.

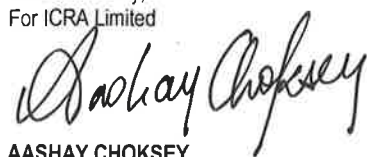
You are requested to furnish a monthly 'No Default Statement (NDS)' (in the format enclosed) on the first working day of every month, confirming the timeliness of payment of all obligations against the rated debt programme. This is in line with requirements as prescribed in circular dated June 30, 2017 on '**Monitoring and Review of Ratings by Credit Rating Agencies(CRAs)**' issued by the Securities and Exchange Board of India

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We thank you for your kind cooperation extended during the course of the rating exercise. Please let us know if you need any clarification.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,
Yours sincerely,
For ICRA Limited



AASHAY CHOKSEY
Assistant Vice President
aashay.choksey@icraindia.com



SHREEKIRAN RAO
Assistant Vice President
shreekiran.rao@icraindia.com

¹ Public issue of secured and unsecured non-convertible debentures



ICRA

ICRA Limited

CONFIDENTIAL

Ref: 2019-20/MUMR/443

July 24, 2019

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. 2,000 crore Non-convertible Debenture (NCD) Programme¹ of JM Financial Products Limited

Please refer to your request for revalidating the rating letter issued for the captioned programme.

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 **March 25, 2019** stands. Instruments with this 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 Ref 2018-19/MUM/1908 dated March 25, 2019.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

Yours faithfully,
For ICRA Limited


KARTHIK SRINIVASAN
Senior Vice President
karthiks@icraindia.com


SHREEKIRAN RAO
Assistant Vice President
shreekiran.rao@icraindia.com

Public issue of secured and unsecured non-convertible debentures

Electric Mansion, 3rd Floor
Appasaheb Marathe Marg
Prabhadevi, Mumbai-400025

Tel. : +91.22.64693300
CIN : L74999DL1991PLC042749

Website : www.icra.in

Email : info@icraindia.com

Helpdesk : +91.124.3341580

Registered Office : 1105, Kailash Building, 11th Floor, 26 Kasturba Gandhi Marg, New Delhi - 110001. Tel. : +91.11.23357940-45

R A T I N G • R E S E A R C H • I N F O R M A T I O N

63574

CONFIDENTIAL

Ref: 2018-19/MUM/1546

Date: January 9, 2019

Mr. Milind Gandhi

Chief Financial Officer

JM Financial Products Limited

5B, 5th Floor, Cnergy,

Appasaheb Marathe Marg, Prabhadevi,

Mumbai – 400 025

Dear Sir,

Re: ICRA Credit Rating for the Rs. 2,000.00 crore Non-Convertible Debenture (NCD) Programme¹ of JM Financial Products Limited

Please refer to the Rating Agreement dated November 29, 2018 for carrying out the rating of the aforesaid **NCD** Programme. The Rating Committee of ICRA, after due consideration, has assigned a **[ICRA]AA** (pronounced as ICRA double A) rating to the captioned NCD Programme. 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 Outlook on the long-term rating is **Stable**.

In any of your publicity material or other document wherever you are using our above rating, it should be stated as **[ICRA]AA (stable)**. We would request if you can sign the acknowledgement and send it to us latest by January 16, 2019 as acceptance on the assigned rating. In case you do not communicate your acceptance/non acceptance of the assigned credit rating, or do not appeal against the assigned credit rating by the aforesaid date, the credit rating will be treated by us as non accepted and shall be disclosed on ICRA's website accordingly. This is in accordance with requirements prescribed in the circular dated June 30, 2017 on '**Monitoring and Review of Ratings by Credit Rating Agencies (CRAs)**' issued by the Securities and Exchange Board of India.

Any intimation by you about the above rating to any Banker/Lending Agency/Government Authorities/Stock Exchange would constitute use of this rating by you and shall be deemed acceptance of the rating.

This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating assigned. ICRA reserves the right to review and/or, revise the above at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the bonds, debentures and/ or other instruments of like nature to be issued by you.

As mentioned above and in accordance with the aforesaid circular issued by SEBI, you are requested to furnish a monthly '**No Default Statement (NDS)**' (in the format enclosed) on the first working day of every month, confirming the timeliness of payment of all obligations against the rated debt programme.

1/-

¹ Public issue of non-convertible debenturesElectric Mansion, 3rd Floor
Appasaheb Marathe Marg
Prabhadevi, Mumbai 400025Tel. : +91.22.61693300
CIN : L74999DL1991PLC042749Website : www.icra.in
Email : info@icraindia.com
Helpdesk : +91.124.2866928Registered Office : 1105, Kailash Building, 11th Floor, 26 Kasturba Gandhi Marg, New Delhi – 110001. Tel. : +91.11.23357940-45**RATING • RESEARCH • INFORMATION****34204**



...2...

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.


Enclosed herewith is a copy of the rationale of the assigned rating for your reference. Please respond with your comments if any within the aforesaid timeline of January 16, 2019.

We thank you for your kind cooperation extended during the course of the rating exercise. Should you require any clarification, please do not hesitate to get in touch with us.

We look forward to your communication and assure you of our best services.

With kind regards,
For ICRA Limited


KARTHIK SRINIVASAN
Senior Vice president
karthiks@icraindia.com


SHREEKIRAN RAO
Assistant Vice President
shreekiran.rao@icraindia.com

Encl: Rating Rationale

Acknowledgement

(To be signed and returned to ICRA Limited)

I, <Name of the person>, <Designation> on behalf of the <Company/ Client name> hereby accept and acknowledge the above assigned credit rating.

For <Company/ Client Name>

Name:

Date:

Note: Please return a copy of the above communication along with the acknowledgement to ICRA Limited at 4th Floor, Electric Mansion, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400025

January 20, 2020

JM Financial Products Limited: Ratings reaffirmed

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible Debenture (NCD) Programme	2,338.10	2,338.10	[ICRA]AA (Stable); reaffirmed
NCD Programme (Public Issue)	2,000.00	2,000.00	[ICRA]AA (Stable); reaffirmed
Long-term Market Linked Debentures (Principal Protected) {MLD (PP)} Programme	500.00	500.00	PP-MLD[ICRA]AA (Stable); reaffirmed
Long-term, Bank Lines (Cash Credit)	2,500.00	249.00	[ICRA]AA (Stable); reaffirmed
Long-term, Bank Lines (Term Loan)	0.00	1,325.00	[ICRA]AA (Stable); reaffirmed
Long-term, Bank Lines (Unallocated)	0.00	926.00	[ICRA]AA (Stable); reaffirmed
Commercial Paper (CP) Programme	4,500.00	4,500.00	[ICRA]A1+; reaffirmed
CP Programme (IPO Financing)	3,000.00	3,000.00	[ICRA]A1+; reaffirmed
Total	14,838.10	14,838.10	

*Instrument details are provided in Annexure-1

Rationale

The reaffirmation of the ratings factors 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, the inherent risk profile of key segments like real estate and promoter funding, and the portfolio concentration in the wholesale lending segment (~87% of the total book as on September 30, 2019), which could result in a sharp deterioration in the asset quality in case of slippages. The risks are further aggravated by the current environment, given the continued slowdown in the real estate sector coupled with the liquidity squeeze faced by developers and financiers. The asset quality, though healthy, moderated in recent quarters with the gross non-performing assets (GNPAs) increasing to 1.27% of the loan book as on September 30, 2019 from 0.68% as on March 31, 2019. The SMA-2 accounts also increased to 2.40% of the loan book as on September 30, 2019 from 1.2% as on March 31, 2019. Further, a sizeable share of the loans are under moratorium, typical of the industry, which has also helped support the asset quality.

Going forward, the Group's ability to maintain a healthy portfolio quality would remain critical. The presence of adequate collateral along with the company's conservative underwriting norms, adequate risk management systems, and proactive monitoring and resolution process provide comfort. ICRA has also favourably factored in

the Group's healthy capitalisation profile, with the leverage being lower than that of its peers, which provides it with the financial flexibility as well as the ability to absorb losses, if needed. The ratings also take into account the risks associated with the distressed assets business, given the nature of the underlying assets, focus on large ticket exposures, protracted resolution process and the uncertainty associated with the same.

While reaffirming the ratings, ICRA has also noted the increased challenges in resource mobilisation stemming from the current operating environment and the risk-averse sentiment of investors towards non-banks, particularly wholesale-oriented entities. This has resulted in an increase in the Group's cost of funds (~90 bps YoY increase in Q2 FY2020) and the same is expected to limit the Group's growth potential in the lending business in the near to medium term. Following the onset of liquidity crises for NBFCs, there has been a change in the company's debt maturity profile with the share of short-term debt declining to ~18% as on September 30, 2019 from ~41% as on September 30, 2018.

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. ICRA takes comfort from the Group's adequate liquid assets and its ability to raise funds from the market when required, as demonstrated in the past. Going forward, the Group's ability to scale up its operations, while keeping the asset quality under check, maintaining healthy profitability and capitalisation and managing its 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 it 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 45%, 35%, 15% and 3%, respectively, in FY2019.

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 has emerged as a key contributor to revenues. On an overall basis, the Group's loan book contracted marginally to Rs. 13,810 crore as on September 30, 2019 from Rs. 14,107 crore as on March 31, 2019. The loan book contracted from the peak level of Rs. 17,108 crore as on September 30, 2018 due to the liquidity issues prevailing in the industry over the past year. With the decline in the granular capital markets loan book exceeding the decline in the portfolio, the share of wholesale loans in the total portfolio increased further. As on September 30, 2019, wholesale mortgage, corporate lending, capital markets lending, and retail mortgage accounted for 66%, 21%, 8% and 5% of the loan book, respectively. 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 operating income¹ (~39% in FY2019 compared to ~47% in FY2018).

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 company and net of goodwill on consolidation) of Rs. 7,427 crore and a capital adequacy ratio (CRAR) of 30.3% as on June 30, 2019 (net worth of Rs. 7,229 crore and CRAR of 31.5% as of March 31, 2019). Total borrowings at the consolidated level increased marginally to Rs. 14,270 crore (excluding debt of Rs. 740 crore for the IPO financing book) as on June 30, 2019 from Rs. 13,991 crore as on March 31, 2019 (peak debt of Rs. 17,794 crore as on September 30, 2018).

JMFL and JM Financial Asset Reconstruction Company Limited (JMFARC) raised equity capital of Rs. 650 crore and Rs. 280 crore (via rights issue; Rs. 80 crore from external investors), respectively, in Q4 FY2018, while JM Financial Credit Solutions Limited (JMFCSL) raised equity capital of Rs. 650 crore from external investors in FY2019, thereby supporting the overall capitalisation levels and helping the Group maintain a low leverage. The consolidated gearing was low at 1.8 times as on September 30, 2019 (1.9 times as on March 31, 2019) compared to 2.5 times as on March 31, 2018. The Group's capitalisation profile remains healthy, with lower leverage compared to peers, and provides adequate cushion against losses, should there be a requirement. With the Group planning to curtail the wholesale lending in the near term and increasing its focus on retail lending, the leverage is expected to remain stable over the near term. Over the medium to longer term, the management intends to cap the gearing at 3 times for the real estate lending business (JMFCSL: gearing of 1.77 times as on September 30, 2019) and 2 times for the distressed credit business (JMFARC: 1.69 times as on September 30, 2019).

Adequate profitability indicators despite a moderation in FY2019 and H1 FY2020 – The Group's total income declined by 6.6% to Rs. 1,708 crore in H1 FY2020 from Rs. 1,828 crore in H1 FY2019 owing to a moderation in the performance of the agency-based businesses (brokerage and investment banking) and distressed assets business (significantly lower resolution), while the interest income grew marginally by ~2% on a YoY basis. The net interest margins (NIMs) remained stable in H1 FY2020 with the transmission of the increase in the cost of funds to borrowers. However, the contraction in the loan book, volatility in the capital markets, decline in deal closures in the investment banking business and slower-than-expected resolution performance had a bearing on the Group's profitability level though it remained adequate. JMFL reported a consolidated net profit of Rs. 572 crore in FY2019 and Rs. 257 crore in H1 FY2020, with adequate return on assets (RoA)² of 3.7% in FY2019 (4.0% in FY2018) and 3.5% in H1 FY2020. The return on equity (RoE)¹ moderated to 12.8% in FY2019 (15.0% in FY2018) and 10.6% in H1 FY2020.

Credit challenges

Fund-raising challenges for non-bank financiers impacting business; ability to maintain asset and liability profile remains critical – The operating environment for non-banking finance companies (NBFCs) and housing finance companies (HFCs), especially for entities with sizeable real estate exposure, has remained challenging since September 2018. The risk-averse sentiments 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. The cost of

¹ Operating income excludes net gain on derecognition of financial assets and investments carried at fair value

² RoA and RoE are as per ICRA calculations

funds has increased by ~90 bps since Q2 FY2019. This 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. 2,600 crore in H1 FY2020, the same was largely used for meeting debt repayment obligations and reducing commercial paper (CP) borrowings.

Following the onset of the liquidity crisis for NBFCs, there has been a change in JMFL's debt maturity profile. As on September 30, 2019, the share of short-term debt in the total borrowings was ~18% compared to ~41% as on September 30, 2018. ICRA also notes that these short-term liabilities, predominantly in the form of CP, are largely matched by assets of similar maturity such as capital market 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 cash equivalents of Rs. 2,856 crore, including undrawn bank lines of Rs. 821 crore, as on September 30, 2019) 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, though it remains healthy – The Group's loan portfolio largely comprises wholesale lending (~87% of the total book as on September 30, 2019), 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 current environment, given the continued slowdown in the real estate sector and the liquidity squeeze faced by developers and financiers.

The Group's asset quality, which remained stable with gross NPA of less than 1% over the last few years, witnessed some deterioration in H1 FY2020. Due to a few lumpy slippages in the real estate lending segment, the GNPA and NNPA increased to 1.27% and 1.11%, respectively, as on September 30, 2019 from 0.68% and 0.55%, respectively, as on March 31, 2019. The SMA 2 assets stood at 2.40% of the loan book as on September 30, 2019 compared to 1.25% as on March 31, 2019. In ICRA's view, despite the moderation in recent quarters, the Group's asset quality indicators remain comfortable. The Group's ability to maintain a healthy asset quality in the currently challenging operating environment for the real estate sector will be critical from a credit perspective. The presence of adequate collateral along with the company'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 JMFARC, is one of the prominent players in the asset reconstruction business, with distressed credit AUM of Rs. 14,037 crore as on September 30, 2019. 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 the promoters. This, along with the company's strategy of focussing on resolution through the revival of operations and debt restrictions and the inherent risks in the industry, given the nature of the underlying asset class, can result in a protracted process and lumpy cashflows. The presence in the corporate and SME portfolios consisting of multiple borrowers provides some diversification to the AUM.

Liquidity position: Adequate

As on September 30, 2019, JMFL, on a consolidated basis, had total liquidity of Rs. 2,856 crore, comprising Rs. 2,035-crore cash and liquid investments and Rs. 821-crore undrawn bank lines. As per the asset-liability statements

for the key lending entities in the Group as on September 30, 2019, the cumulative cashflow position over the near term remained comfortable. The liquidity profile, thus, remains adequate in comparison to the near-term maturities.

Rating sensitivities

Positive triggers – ICRA could upgrade the rating 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 profile and asset quality level.

Negative triggers – The ratings or the outlook could be revised if the asset quality deteriorates significantly, with the reported gross NPA increasing above 3% 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 profitability, reduction in 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
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, 2019, JMFL had 10 subsidiaries, five 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

JM Financial Products Limited (JMFPL) is a non-deposit accepting systemically important non-banking finance company (NBFC-ND-SI) registered with the Reserve Bank of India (RBI). The company offers a broad suite of products which are customised to suit the needs of corporates, SMEs and individuals. The company broadly operates under four verticals namely structured financing, real estate financing, capital market financing and SME financing. Further, the Company forayed into housing finance business through its subsidiary JM Financial Home Loans Limited (JMFHL). JMFHL has been granted a license to operate as a housing finance company by the National Housing Bank (NHB) in FY2018. JMFPL had a loan book of Rs. 4,931 crore as on September 30, 2019, ~32% lower compared to Rs. 7,200 crore as on September 30, 2018.

JMFPL reported a net profit of Rs. 204 crore on a total income³ of Rs. 934 crore in FY2019 compared to a net profit of Rs. 204 crore on a total income of Rs. 888 crore in FY2018. In H1 FY2020, JMFPL reported a net profit of Rs. 93 crore on a total income of Rs. 439 crore.

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 of the operating companies in the Group and is also engaged in investment banking and the management of private equity funds. As of September 30, 2019, the consolidated loan book stood at Rs. 13,810 crore, the distressed credit business assets under management (AUM) at Rs. 14,037 crore, the wealth management AUM at Rs. 46,818 crore and the mutual fund average AUM (AAUM) at Rs. 6,488 crore. The Group is headquartered in Mumbai and has a presence in 356 locations across 123 cities in India. JMFL's equity shares are listed in India on the BSE and the NSE.

In FY2019, JMFL reported a consolidated net profit (net of non-controlling interest) of Rs. 572 crore on a total income of Rs. 3,579 crore compared with a consolidated net profit of Rs. 601 crore on a total income of Rs. 3,097 crore in FY2018. In H1 FY2020, JMFL reported a consolidated net profit of Rs. 257 crore on a total income of Rs. 1,708 crore.

Key financial indicators of JMFL (consolidated)

	FY2018 Ind AS	FY2019 Ind AS
Total Income	3,097	3,579
Profit after Tax (PAT ⁴)	601	572
Tangible Net Worth ⁵	4,502	5,079
Non-controlling Interests	1,395	2,150
Total Loan Book	14,772	14,107
Total Assets ⁵	22,154	22,583
Return on Average Assets (ROA)	4.0%	3.7%
PAT/ Average Net Worth (ROE)	15.0%	12.8%
Gearing (times)	2.54	1.94

Source: JM Financial Limited and ICRA research; Amounts in Rs. crore; All ratios are as per ICRA calculations

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

³ Adjusted for net loss, if any, on fair value changes and net of any write back of doubtful loans

⁴ Including share in profit of associates and net of minority interest

⁵ Net of goodwill on consolidation

Rating history for last three years

	Instrument	Current Rating (FY2020)										Rating History for the Past 3 Years																			
		Type	Amount Rated	Amount Outstanding*	Current Rating	Earlier Rating						FY2019						FY2018								FY2017					
						20-Jan-2020	6-Aug-2019	2-Jul-2019	3-Jun-2019	17-May-2019	17-Apr-2019	1-Apr-2019	14-Jan-2019	4-Sep-2018	27-Jul-2018	2-Jul-2018	10-May-2018	18-Apr-2018	9-Mar-2018	5-Feb-2018	15-Jan-2018	8-Dec-2017	7-Nov-2017	17-Oct-2017	10-Oct-2017	26-Jul-2017	6-Jul-2017	24-Mar-2017	31-Jan-2017	12-Jan-2017	11-Nov-2016
1	NCD Programme	Long Term	2,338.10	1,498.40	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICR]A]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICR]A]AA (stable)	[ICRA]AA (stable)	[ICR]A]A A (stable)	[ICR]A]A A (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICR]A]A A (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICR]A]A A (stable)	[ICRA]AA (stable)	[ICR]A]A A (stable)	[ICRA]AA (stable)
2	NCD Programme (Public Issue)	Long Term	2,000.00	515.10	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICR]A]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICR]A]AA (stable)	[ICRA]AA (stable)	[ICR]A]A A (stable)	[ICR]A]A A (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICR]A]A A (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICR]A]A A (stable)	[ICRA]AA (stable)	[ICR]A]A A (stable)	[ICRA]AA (stable)
3	MLD (PP) Programme	Long Term	500.00	163.40	PP-MLD[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICR]A]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICR]A]AA (stable)	[ICRA]AA (stable)	[ICR]A]A A (stable)	[ICR]A]A A (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICR]A]A A (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICR]A]A A (stable)	[ICRA]AA (stable)	[ICR]A]A A (stable)	[ICRA]AA (stable)
4	Long-term, Bank Lines (Cash Credit)	Long Term	249.00	NA	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICR]A]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICR]A]AA (stable)	[ICRA]AA (stable)	[ICR]A]A A (stable)	[ICR]A]A A (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICR]A]A A (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICR]A]A A (stable)	[ICRA]AA (stable)	[ICR]A]A A (stable)	[ICRA]AA (stable)
5	Long-term, Bank Lines (Term Loan)	Long Term	1,325.00	NA	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICR]A]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICR]A]AA (stable)	[ICRA]AA (stable)	[ICR]A]A A (stable)	[ICR]A]A A (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICR]A]A A (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICR]A]A A (stable)	[ICRA]AA (stable)	[ICR]A]A A (stable)	[ICRA]AA (stable)
6	Long-term, Bank Lines (Unallocated)	Long Term	926.00	NA	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICR]A]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICR]A]AA (stable)	[ICRA]AA (stable)	[ICR]A]A A (stable)	[ICR]A]A A (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICR]A]A A (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICR]A]A A (stable)	[ICRA]AA (stable)	[ICR]A]A A (stable)	[ICRA]AA (stable)
7	CP Programme	Short Term	4,500.00	-	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICR]A]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICR]A]A1+	[ICRA]A1+	[ICR]A]A1+	[ICR]A]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICR]A]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICR]A]A1+	[ICRA]A1+	[ICR]A]A1+	[ICRA]A1+
8	CP Programme (IPO Financing)	Short Term	3,000.00	-	[ICRA]A1+	[ICRA]A1+																									

*Amount in Rs. crore; * amount outstanding as on December 31, 2019*

Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the 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
INE523H07445	NCD	21-Jul-16	0.00%	2-Jul-19	2.8	[ICRA]AA (stable)
INE523H07452	NCD	21-Jul-16	0.00%	23-Jul-19	6.3	[ICRA]AA (stable)
INE523H07478	NCD	6-Sep-16	0.00%	6-Aug-19	11.0	[ICRA]AA (stable)
INE523H07486	NCD	6-Sep-16	0.00%	27-Aug-19	5.7	[ICRA]AA (stable)
INE523H07569	NCD	12-Jan-17	0.00%	12-May-20	63.0	[ICRA]AA (stable)
INE523H07577	NCD	12-Jan-17	0.00%	4-May-20	1.8	[ICRA]AA (stable)
INE523H07585@	NCD	23-Jan-17	0.00%	7-Apr-20	9.6	[ICRA]AA (stable)
INE523H07627	NCD	27-Feb-17	0.00%	1-Jul-20	27.5	[ICRA]AA (stable)
INE523H07718	NCD	22-Mar-17	0.00%	6-May-20	2.0	[ICRA]AA (stable)
INE523H07775	NCD	26-May-17	0.00%	12-May-20	20.0	[ICRA]AA (stable)
INE523H07833	NCD	20-Jul-17	0.00%	2-Sep-20	14.7	[ICRA]AA (stable)
INE523H07841	NCD	25-Jul-17	8.70%	25-Jul-19	200.0	[ICRA]AA (stable)
INE523H07858	NCD	28-Jul-17	8.90%	28-Jul-20	150.0	[ICRA]AA (stable)
INE523H07866	NCD	28-Sep-17	8.80%	28-Sep-20	120.0	[ICRA]AA (stable)
INE523H07874#	NCD	15-Nov-17	8.81%	13-Nov-20	300.0	[ICRA]AA (stable)
INE523H07882	NCD	21-Nov-17	0.00%	30-Apr-21	173.9	[ICRA]AA (stable)
INE523H07916	NCD	8-Dec-17	0.00%	6-Apr-21	54.6	[ICRA]AA (stable)
INE523H07940	NCD	7-Feb-18	9.34%	23-Apr-21	209.8	[ICRA]AA (stable)
INE523H07981	NCD	24-Aug-18	9.42%	25-Feb-20	75.0	[ICRA]AA (stable)
INE523H07999	NCD	7-Sep-18	364-day T-bill linked	30-Jun-22	150.0	[ICRA]AA (stable)
INE523H07AB3	NCD	14-Sep-18	0.00%	11-Aug-21	16.5	[ICRA]AA (stable)
INE523H07AC1	NCD	14-Sep-18	0.00%	13-Sep-21	40.0	[ICRA]AA (stable)
INE523H07AD9	NCD	14-Sep-18	0.00%	4-Apr-22	65.0	[ICRA]AA (stable)
INE523H07AE7	NCD	27-Sep-18	0.00%	29-Sep-22	45.0	[ICRA]AA (stable)
INE523H07AR9	NCD	18-Oct-19	10%	18-Oct-22	50.0	[ICRA]AA (Stable)
NA	NCD *	NA	NA	NA	523.9	[ICRA]AA (stable)
INE523H07AG2	NCD^	21-May-19	9.90%	21-May-21	44.3	[ICRA]AA (stable)
INE523H07AH0	NCD^	21-May-19	0.00%	21-May-21	9.5	[ICRA]AA (stable)
INE523H07AI8	NCD^	21-May-19	10.20%	21-May-22	138.2	[ICRA]AA (stable)
INE523H07AJ6	NCD^	21-May-19	0.00%	21-May-22	27.9	[ICRA]AA (stable)
INE523H07AK4	NCD^	21-May-19	10.04%	21-May-24	66.9	[ICRA]AA (stable)
INE523H07AL2	NCD^	21-May-19	10.50%	21-May-24	100.1	[ICRA]AA (stable)
INE523H07AM0	NCD^	11-Sep-19	10.20%	11-Nov-22	64.1	[ICRA]AA (stable)
INE523H07AN8	NCD^	11-Sep-19	0.00%	11-Nov-22	10.9	[ICRA]AA (stable)
INE523H07AO6	NCD^	11-Sep-19	10.30%	11-Sep-24	29.5	[ICRA]AA (stable)
INE523H07AP3	NCD^	11-Sep-19	9.85%	11-Sep-24	15.4	[ICRA]AA (stable)
INE523H07AQ1	NCD^	11-Sep-19	0.00%	11-Sep-26	8.3	[ICRA]AA (stable)
NA	NCD (Public Issue) *	NA	NA	NA	1,484.9	[ICRA]AA (stable)
INE523H07395	MLD (PP)	9-Jun-16	-	11-Jun-19	5.0	PP-MLD[ICRA]AA (Stable)
INE523H07783	MLD (PP)	26-May-17	10-yr G-	29-Sep-20	50.0	PP-MLD[ICRA]AA (Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE523H07908	MLD (PP)	28-Nov-17	Sec linked 10-yr G-Sec linked	29-Nov-19	55.0	PP-MLD[ICRA]AA (Stable)
INE523H07924	MLD (PP)	14-Dec-17	10-yr G-Sec linked	14-Dec-20	17.4	PP-MLD[ICRA]AA (Stable)
INE523H07932	MLD (PP)	29-Dec-17	-	29-Jan-19	7.5	PP-MLD[ICRA]AA (Stable)
INE523H07957	MLD (PP)	14-Feb-18	-	16-Dec-19	25.0	PP-MLD[ICRA]AA (Stable)
INE523H07965	MLD (PP)	22-Mar-18	-	16-Sep-19	29.0	PP-MLD[ICRA]AA (Stable)
INE523H07AA5	MLD (PP)	6-Sep-18	G-Sec linked	28-Feb-20	25.0	PP-MLD[ICRA]AA (Stable)
INE523H07AF4	MLD (PP)	3-Jan-19	10-yr Govt bond linked	3-Jul-20	21.0	PP-MLD[ICRA]AA (Stable)
INE523H07AS7	MLD (PP)	22-Nov-19	10-yr G-Sec linked	22-Nov-21	50.0	PP-MLD[ICRA]AA (Stable)
NA	MLD (PP) *	-	-	-	215.1	PP-MLD[ICRA]AA (Stable)
NA	Term Loan	2016-17	NA	2020-2021	1325.0	[ICRA]AA (Stable)
NA	Cash Credit	NA	NA	NA	249.0	[ICRA]AA (Stable)
NA	Unallocated *	NA	NA	NA	926.0	[ICRA]AA (Stable)
NA	CP Programme	NA	NA	7-365 days	4,500.0	[ICRA]A1+
NA	CP Programme (IPO Financing)	NA	NA	7-30 days	3,000.0	[ICRA]A1+

*Proposed; Source: JM Financial Products Limited

outstanding amount is Rs. 260 crore due to Rs. 40 crore partial redemption through buy back

@ Outstanding amount is Rs. 4.6 crore due to Rs. 5 crore partial redemption through buy back

^ Public issue of NCD

Annexure-2: List of entities considered for consolidated analysis

Company Name	Ownership / Relationship with rated entity	Consolidation Approach
JM Financial Limited	Parent	
JM Financial Asset Management Limited	Fellow Subsidiary	
CR Retail Malls (India) Limited	Fellow Subsidiary	
JM Financial Services Limited	Fellow Subsidiary	
JM Financial Capital Limited	Subsidiary of a Fellow Subsidiary	
JM Financial Credit Solutions Limited	Fellow Subsidiary	
JM Financial Home Loans Limited	Subsidiary	
JM Financial Institutional Securities Limited	Subsidiary of a Fellow Subsidiary	
Infinite India Investment Management Limited	Fellow Subsidiary	ICRA has taken a consolidated view of the parent and its subsidiaries
JM Financial Asset Reconstruction Company Limited	Fellow Subsidiary	
JM Financial Overseas Holding Private Limited	Fellow Subsidiary	
JM Financial Securities Inc.	Subsidiary of a Fellow Subsidiary	
JM Financial Singapore Pte Ltd	Subsidiary of a Fellow Subsidiary	
JM Financial Commtrade Limited	Subsidiary of a Fellow Subsidiary	
JM Financial Properties and Holdings Limited	Fellow Subsidiary	
Astute Investments	Partnership Firm of Fellow Subsidiaries	
JM Financial Trustee Company Private Limited	Associate of JMFL	
J.M. Financial & Investment Consultancy Private Limited	Related Party *	

* Owned by the promoters of JMFL

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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.

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JMFPPL/214130/NCD/041600308/4
January 21, 2020

Mr. Nishit Shah
Chief Financial Officer
JM Financial Products Limited
7th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi,
Mumbai - 400025
Tel: 022 6630 3030

Dear Mr. Nishit Shah,

Re: CRISIL Rating for the Rs.2000 Crore Non Convertible Debentures* of JM Financial Products Limited

All ratings assigned by CRISIL are kept under continuous surveillance and review.

Please refer to our rating letters dated October 14, 2019 bearing Ref. no: JMFPPL/214130/NCD/041600308/3

Please find in the table below the rating outstanding for your company.

Instrument	Rated Amount (Rs. in Crore)	Rating Outstanding
Non-Convertible Debentures	2000	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 will be necessary.

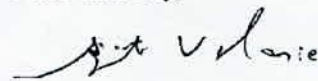
As per our Rating Agreement, CRISIL would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL reserves the right to withdraw or revise the ratings assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information or other circumstances, which CRISIL believes, may have an impact on the rating.

As per the latest 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 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 for any clarifications you may have at debtissue@crsil.com

Should you require any clarifications, please feel free to get in touch with us.

With warm regards,

Yours sincerely,


Ajit Velonie
Director - CRISIL Ratings


Nivedita Shibu
Associate Director - CRISIL Ratings



*For public Issue

A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy, sell, or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. All CRISIL ratings are under surveillance. CRISIL or its associates may have other commercial transactions with the company/entity. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this product. CRISIL Ratings rating criteria are available without charge to the public on the CRISIL web site, www.crsil.com. For the latest rating information on any instrument or any company rated by CRISIL, please contact Customer Service Helpdesk at 1800-267-1301.

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JMFPPL/214130/NCD/041600308/2
July 30, 2019

Mr. Nishit Shah
Chief Financial Officer
JM Financial Products Limited
1st Floor, B Wing Suashish IT Park,
Plot No 68E Off Dattapada Road, Opp. Tata Steel
Borivali East
Mumbai - 400066
Tel: 022 61667000

Dear Mr. Nishit Shah,

Re: CRISIL Rating for the Rs.2000 Crore Non Convertible Debentures* of JM Financial Products Limited

All ratings assigned by CRISIL are kept under continuous surveillance and review.

Please refer to our rating letters dated April 01, 2019 bearing Ref. no: JMFPPL/214130/NCD/041600308/1

Please find in the table below the rating outstanding for your company.

Instrument	Rated Amount (Rs. in Crore)	Rating Outstanding
Non-Convertible Debentures	2000	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 will be necessary.

As per our Rating Agreement, CRISIL 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 reserves the right to withdraw or revise the ratings assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information or other circumstances, which CRISIL believes, may have an impact on the rating.

As per the latest 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@crisil.com. This will enable CRISIL 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 for any clarifications you may have at debtissue@crisil.com

Should you require any clarifications, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Subha Sri Narayanan

Subha Sri Narayanan
Director - CRISIL Ratings

Nivedita Shibu

Nivedita Shibu
Associate Director - CRISIL Ratings



**For public Issue*

A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy, sell, or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. All CRISIL ratings are under surveillance. CRISIL or its associates may have other commercial transactions with the company/entity. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this product. CRISIL Ratings rating creditworthiness of the company rated by CRISIL, please contact Customer Service Helpdesk at 1800-267-1201.

An S&P Global Company

Rating Rationale

January 30, 2020 | Mumbai

JM Financial Products Limited

Ratings Reaffirmed

Rating Action

Total Bank Loan Facilities Rated	Rs.500 Crore
Long Term Rating	CRISIL AA/Stable (Reaffirmed)

Rs.2000 Crore Non Convertible Debentures	CRISIL AA/Stable (Reaffirmed)
Non-Convertible Debentures Aggregating Rs.167.40 Crore (Reduced from Rs.1570 Crore)	CRISIL AA/Stable (Reaffirmed)
Rs.3000 Crore Commercial Paper (Reduced from Rs.4500 crore)	CRISIL A1+ (Reaffirmed)

1 crore = 10 million

Refer to annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL has reaffirmed its ratings on JM Financial Products Limited (JMFPL) bank facilities, non-convertible debentures (NCDs) and commercial paper programme at 'CRISIL AA/Stable/CRISIL A1+'.

CRISIL has also withdrawn its rating on NCDs of Rs 1402.6 crore - of which, Rs 910.2 crore has been redeemed and balance Rs 492.4 crore are unutilized. CRISIL's rating on Rs 1500 crore commercial paper programme has also been withdrawn. The withdrawals is in line with CRISIL's policy on withdrawal.

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.

Since September 2018, the operating environment for non-banking financiers {non-banking financial companies (NBFCs) including housing finance companies (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. However, over this period, JM Financial group has managed to raise long term funds aggregating over Rs 5,000 crores. 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.

The group's loan book has reduced since September 2018 and currently stands at Rs. 12,662 crore as on December 31, 2019 compared to Rs 16,138 crore as on December 31, 2018, registering a de-growth of 22%. The de-growth is mainly attributed to wholesale and capital market book.

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. At a group level, GNPA has been low (GNPA of 1.56% as of December-2019) over the last 3 years, while the SMA-2 accounts in the book stood at 1.18% of the loans as on December 31, 2019 compared to 3.61% as on June 30, 2019. In its base case, CRISIL does not expect any material increase in GNPA from current levels. Nevertheless, with a portion of the book still under moratorium, ability to get timely refinance/exits especially in the current environment and maintain asset quality metrics remains a key monitorable.

Capitalisation metrics remain healthy with networth (including minority interest) of around Rs 7,825 crore as on December 31, 2019 with overall CAR at 35.0% as on December 31, 2019 (31.5% as on March 31, 2019). Over the past five fiscals, the peak gearing for the company was at 2.6 times in March 2018 and currently stands at 1.7 times as on December 31, 2019. The cash and cash equivalents held in the group amount to Rs.3,218 crore as of December 2019. The Net Debt to Equity as of December 2019 on a consolidated basis stood at 1.3x. The capitalization has been possible by proactive capital raise with JM Financial group raising equity of Rs 1,379.4 crores in fiscal 2019 which support the capitalisation metrics. This provides cushion to mitigate potential asset-side slippages. CRISIL believes the gearing would remain below 3 times on a steady state basis in the near term.

Earnings profile is comfortable with well diversified revenue stream marked by the diverse presence of the group. For nine

months ended December 2019, revenue stream is diversified with investment banking, wealth management and securities business (IWS), Mortgage lending, distressed credit and Asset Management businesses contributing 49%, 38%, 11% and 2% respectively. Over the past five fiscals, the group reported average 5 year ROA of greater than 4.5% which stood at 3.6% for first nine months of fiscal 2020, providing adequate cushion for any increase in credit costs if any.

Analytical Approach

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of all companies within the JM Financial group, including the NBFC, JM Financial Credit Solutions Ltd where a fund raised by Mr. Vikram Pandit has 48.62% stake. The group also includes JM Financial Asset Reconstruction Company Ltd (JMARC; rated 'CRISIL AA-/Stable/CRISIL A1+') where JM Financial Group has 59.25% stake and is now a subsidiary of JM Financial Limited. This is because of the significant operational and financial integration among the group companies, and their common senior management team and shared brand. All the companies are collectively referred to as the JM Financial group.

Please refer Annexure - Details of Consolidation, 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 network.

Capitalisation metrics remain healthy with network (including minority interest) of around Rs 7,825 crore as on December 31, 2019 with overall CAR at 35.0% as on December 31, 2019 (31.5% as on March 31, 2019). Over the past five fiscals, the peak gearing for the company was at 2.6 times in March 2018 and currently stands at 1.7 times as on December 31, 2019. The cash and cash equivalents held in the group amount to Rs.3,218 crore as of December 2019. The Net Debt to Equity as of December 2019 on a consolidated basis stood at 1.3x. The debt to equity is the lowest amongst the peers. The capitalization has been possible by proactive capital raises with JM Financial group raising equity of Rs 1,379.4 crores in fiscal 2019 which support the capitalization metrics. This provides cushion to mitigate potential asset-side slippages. CRISIL believes the gearing would remain below 3 times on a steady state basis in the near term.

*** Established market position across its businesses**

The group has developed a strong franchise in key operating segments such as investment banking, 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 2,613 crore and a profit of Rs 414 crore for first nine months of fiscal 2020. 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 banking, wealth management and securities business and mortgage lending business and it constituted around 49% and 38% of total revenue, respectively, as on December 31, 2019. Profit after tax (PAT) contribution from these segments has also been high and constituted 58% and 34% of total PAT of the company. The earnings profile for JM group has been comfortable with an average 5 year ROA of greater than 4.5% providing sufficient cushion in the earnings profile to withstand any increase in delinquencies. The group reported a ROA¹ of around 3.6% for first nine months of fiscal 2020 compared to 3.7% for full fiscal 2019. However, CRISIL believes the group might face reduction in revenue and profit on account of stressed economic environment, hence would remain a key monitorable. The group has also forayed into housing finance business through JM Financial Home Loans Limited. JM Financial Home Loans Limited has expanded its branch presence to 27 locations. It has recently entered into a co-lending arrangement with Bank of Baroda. The ability to scale up the home loans business will be a monitorable.

Weakness

*** Asset quality in the wholesale lending business remains inherently vulnerable; albeit risk management processes are comfortable**

Asset quality of the wholesale lending business remains susceptible to the performance of the real estate sector and financial flexibility of borrowers. With rising borrowing cost and slowdown in disbursements by non-banks - mainly to wholesale borrowers, refinancing risks for real estate players has increased. The company has put in place adequate credit appraisal, strong risk management and processes which has supported the asset quality metrics. At a group level, GNPA has been low (GNPA of 1.56% as of December-2019) over the last 3 years, and the SMA-2 accounts in the book improved to 1.18% of the loans as on December 31, 2019 compared to 3.61% as on June 30, 2019. The management too has taken steps in order to reduce concentration risk in the portfolio with focus on growing the individual housing loans portfolio. But, what has really supported the asset quality metrics in the past, has been the ability of the entity to get timely repayments/exits via refinancing and scheduled repayments. Nevertheless, with some portion of the book still under moratorium, ability to get timely refinance/exits especially in the current environment and maintain asset quality metrics remains a key monitorable.

Credit risk profile is supported by strong risk management practices to deal with market, credit, liquidity, operational, and counterparty risks, which mitigate the risk of potential losses in the broking and lending businesses. Track record of low delinquencies and negligible write-offs in the broking and securities-based lending businesses, despite cyclicity in equity markets, underscores the adequacy of the group's risk management systems.

The group has also put in place strong practices to manage inherent risks in the wholesale lending business while growing the lending book. It continues to follow prudent lending policies and has put in place additional controls in recent quarters to manage increased stress in the real estate sector. It focuses on providing funding to select builders/corporates with robust performance track record and with which it has had prior business association. A team of experienced professionals undertakes detailed due diligence, including stress testing, to assess the credit quality of borrowers. The portfolio is regularly monitored, including regular and detailed discussion with borrowers, and end-use monitoring of funds. All the loans are adequately covered by collateral (of 1.5-2.0 times) at all points in time. The group has demonstrated ability to resolve delinquencies in the portfolio at an early stage through identification and quick exit.

*** Potential funding challenges for wholesale-oriented non-banks**

Since September 2018, the operating environment for non-banking financiers {non-banking financial companies (NBFCs) including housing finance companies (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. However, over this period, JM Financial group has managed to raise long term funds aggregating over Rs 5000 crores. 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.

Liquidity Strong

At a group level, as on December 31, 2019, the group had total debt repayment of Rs 3,223 crore (out of which commercial paper stood at Rs 1,540 crore) till June 2020. In addition to scheduled collections, the group had cash and equivalent of Rs 3,218 crore and unutilised bank line of Rs 674 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
- * Weakening of capitalisation metrics with gearing inching beyond 3 times for an extended period of time

About the Company

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

As of December 31, 2019, the consolidated loan book stood at ~Rs. 12,662 crore, distressed credit business AUM at ~Rs. 11,413 crore, wealth management AUM at ~Rs. 46,886 crore, and mutual fund AAUM at ~ Rs. 5,683 crore.

The Group is headquartered in Mumbai and has a presence across 380 locations spread across 134 cities in India. The equity shares of JM Financial Limited are listed in India on the BSE and NSE.

JM Financial Products Ltd is the Non-Banking Finance Company (NBFC) arm of the JM Financial Group. It is a non-deposit accepting systemically important non-banking finance company registered with the Reserve Bank of India. The Company specializes in borrowing and lending activities including Loan against Securities, IPO financing, ESOP financing, Real estate Financing, Structured Financing etc. The Company's financing business runs broadly through two segments - Wholesale Financing and Retail Financing to cater financing to Real Estate developers, corporate financing and sponsored/promoter/ Structured Financing, SME Loans, Loan against Securities and Loan against Property.

¹Return on assets is calculated as profit after tax/average total assets

Key Financial Indicators

Particulars	Unit	Dec-19	Mar-19	Mar-18
Total assets (net of goodwill on consolidation)	Rs. Cr.	22,552	22,583	22,154
Total income	Rs. Cr.	2,613	3,579	3,097
Profit after tax*	Rs. Cr.	614	836	783
Gross NPA	%	1.56	0.68	0.63
Gearing	Times	1.7	1.9	2.6

*Before Minority interest and share of profit of associate

Any other information: Not applicable

Note on complexity levels of the rated instrument:

CRISIL complexity levels are assigned to various types of financial instruments. The CRISIL complexity levels are available on www.crisil.com/complexity-levels. Users are advised to refer to the CRISIL 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)	Rating Outstanding with Outlook
INE523H07585	Non-Convertible Debenture issue	23-Jan-17	Zero Coupon	7-Apr-20	4.60	CRISIL AA/Stable
INE523H07577	Non-Convertible Debenture issue	12-Jan-17	Zero Coupon	4-May-20	1.80	CRISIL AA/Stable
INE523H07718	Non-Convertible Debenture issue	22-Mar-17	Zero Coupon	6-May-20	2.00	CRISIL AA/Stable
INE523H07569	Non-Convertible Debenture issue	12-Jan-17	Zero Coupon	12-May-20	63.00	CRISIL AA/Stable
INE523H07775	Non-Convertible Debenture issue	26-May-17	Zero Coupon	12-May-20	20.00	CRISIL AA/Stable
INE523H07627	Non-Convertible Debenture issue	27-Feb-17	9.0500%	01-Jul-20	5.70	CRISIL AA/Stable
NA	Non-Convertible Debenture issue*	NA	NA	NA	2070.3	CRISIL AA/Stable
NA	Commercial paper programme	NA	NA	7-365 days	3000	CRISIL A1+
NA	Long-Term Bank Facility	NA	NA	NA	200	CRISIL AA/Stable
NA	Cash Credit	NA	NA	NA	200	CRISIL AA/Stable
NA	Proposed Long Term Bank Loan Facility	NA	NA	NA	100	CRISIL AA/Stable

*yet to be issued

Annexure - Details of Rating Withdrawn

ISIN	Name of Instrument	Date of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs.crore)
INE523H07346	Non-Convertible Debenture issue	05-Feb-16	Zero Coupon	01-Feb-19	3
INE523H07353	Non-Convertible Debenture issue	01-Mar-16	Zero Coupon	03-Apr-19	4.4
INE523H07361	Non-Convertible Debenture issue	22-Mar-16	Zero Coupon	22-Apr-19	3.5
INE523H07379	Non-Convertible Debenture issue	11-Apr-16	Zero Coupon	22-Apr-19	5.4
INE523H07387	Non-Convertible Debenture issue	29-Apr-16	Zero Coupon	25-Apr-19	7.8
INE523H07395	Non-Convertible Debenture issue	09-Jun-16	Zero Coupon	11-Jun-19	5
INE523H07403	Non-Convertible Debenture issue^	13-Jun-16	Zero Coupon	13-Dec-17	10
INE523H07411	Non-Convertible Debenture issue	16-Jun-16	Zero Coupon	14-May-19	6.2
INE523H07429	Non-Convertible Debenture issue	16-Jun-16	Zero Coupon	28-May-19	6.6
INE523H07437	Non-Convertible Debenture issue	16-Jun-16	Zero Coupon	18-Jun-19	5
INE523H07445	Non-Convertible Debenture issue	21-Jul-16	Zero Coupon	02-Jul-19	2.8
INE523H07452	Non-Convertible Debenture issue	21-Jul-16	Zero Coupon	23-Jul-19	6.3
INE523H07460	Non-Convertible Debenture issue	16-Aug-16	8.70%	15-Nov-17	25
INE523H07478	Non-Convertible Debenture issue	06-Sep-16	Zero Coupon	06-Aug-19	11
INE523H07486	Non-Convertible Debenture issue	06-Sep-16	Zero Coupon	27-Aug-19	5.7
INE523H07494	Non-Convertible Debenture issue	22-Sep-16	8.70%	22-Dec-17	30
INE523H07502	Non-Convertible Debenture issue	30-Sep-16	8.75%	30-Nov-17	12.5
INE523H07510	Non-Convertible Debenture issue	21-Oct-16	8.35%	22-Jan-18	25
INE523H07528	Non-Convertible Debenture issue	23-Nov-16	8.81%	01-Jun-18	100
INE523H07536	Non-Convertible Debenture issue	28-Dec-16	Zero Coupon	19-Mar-18	50
INE523H07544	Non-Convertible Debenture issue	28-Dec-16	Zero Coupon	18-Jun-18	50
INE523H07551	Non-Convertible Debenture issue	05-Jan-17	8.35%	06-Apr-18	25
INE523H07692	Non-Convertible Debenture issue	09-Mar-17	8.88%	10-Aug-18	15
INE523H07676	Non-Convertible Debenture issue	09-Mar-17	Zero Coupon	31-Aug-18	100
INE523H07643	Non-Convertible Debenture issue	09-Mar-17	8.89%	07-Sep-18	25
INE523H07635	Non-Convertible Debenture issue	09-Mar-17	8.89%	07-Sep-18	40
INE523H07684	Non-Convertible Debenture issue	09-Mar-17	Zero Coupon	07-Sep-18	50
INE523H07700	Non-Convertible Debenture issue	22-Mar-17	Zero Coupon	07-Sep-18	25
INE523H07650	Non-Convertible Debenture issue	09-Mar-17	8.40%	11-Sep-18	75
INE523H07676	Non-Convertible Debenture issue	09-Mar-17	Zero Coupon	20-Sep-18	50
INE523H07619	Non-Convertible Debenture issue	27-Feb-17	8.89%	24-Sep-18	30
INE523H07734	Non-Convertible Debenture issue	26-May-17	Zero Coupon	23-Nov-18	20

INE523H07742	Non-Convertible Debenture issue	26-May-17	8.69%	23-Nov-18	10
INE523H07759	Non-Convertible Debenture issue	26-May-17	8.69%	23-Nov-18	20
INE523H07767	Non-Convertible Debenture issue	26-May-17	Zero Coupon	23-Nov-18	50
NA	Non-Convertible Debenture issue	NA	NA	NA	492.4
NA	Commercial paper programme	NA	NA	7-365 days	1500

Annexure - List of entities consolidated

Entity consolidated	Extent of consolidation	Rational 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 Asset Reconstruction Company Limited	Full	Subsidiary
JM Financial Properties and Holdings	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

Instrument	Current			2020 (History)		2019		2018		2017		Start of 2017
	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Commercial Paper	ST	3000.00	CRISIL A1+			03-01-19	CRISIL A1+	29-03-18	CRISIL A1+	15-09-17	CRISIL A1+	CRISIL A1+
										08-09-17	CRISIL A1+	
										01-08-17	CRISIL A1+	
										17-07-17	CRISIL A1+	
										30-06-17	CRISIL A1+	
										19-06-17	CRISIL A1+	
										19-05-17	CRISIL A1+	
										09-05-17	CRISIL A1+	
										26-04-17	CRISIL A1+	
										13-04-17	CRISIL A1+	
										07-03-17	CRISIL A1+	
										03-03-17	CRISIL A1+	
										24-01-17	CRISIL A1+	
Commercial Paper Issue	ST		--		--		--	29-03-18	Withdrawal	15-09-17	CRISIL A1+	CRISIL A1+
										08-09-17	CRISIL A1+	
										01-08-17	CRISIL A1+	
										17-07-17	CRISIL A1+	
										30-06-17	CRISIL A1+	
										19-06-17	CRISIL A1+	
										19-05-17	CRISIL	

											A1+	
										09-05-17	CRISIL A1+	
										26-04-17	CRISIL A1+	
										13-04-17	CRISIL A1+	
										07-03-17	CRISIL A1+	
										03-03-17	Withdrawal	
										24-01-17	CRISIL A1+	
Non Convertible Debentures	LT	2659.80 30-01-20	CRISIL AA/Stable			03-01-19	CRISIL AA/Stable	29-03-18	CRISIL AA/Stable	15-09-17	CRISIL AA/Stable	CRISIL AA/Stable
										08-09-17	CRISIL AA/Stable	
										01-08-17	CRISIL AA/Stable	
										17-07-17	CRISIL AA/Stable	
										30-06-17	CRISIL AA/Stable	
										19-06-17	CRISIL AA/Stable	
										19-05-17	CRISIL AA/Stable	
										09-05-17	CRISIL AA/Stable	
										26-04-17	CRISIL AA/Stable	
										13-04-17	CRISIL AA/Stable	
										07-03-17	CRISIL AA/Stable	
										03-03-17	CRISIL AA/Stable	
										24-01-17	CRISIL AA/Stable	
Fund-based Bank Facilities	LT/ST	500.00	CRISIL AA/Stable			03-01-19	CRISIL AA/Stable	29-03-18	CRISIL AA/Stable	15-09-17	CRISIL AA/Stable	CRISIL AA/Stable
										08-09-17	CRISIL AA/Stable	
										01-08-17	CRISIL AA/Stable	
										17-07-17	CRISIL AA/Stable	
										30-06-17	CRISIL AA/Stable	
										19-06-17	CRISIL AA/Stable	
										19-05-17	CRISIL AA/Stable	
										09-05-17	CRISIL AA/Stable	
										26-04-17	CRISIL AA/Stable	
										13-04-17	CRISIL AA/Stable	
										07-03-17	CRISIL AA/Stable	
										03-03-17	CRISIL AA/Stable	
										24-01-17	CRISIL AA/Stable	

All amounts are in Rs.Cr.

Annexure - Details of various bank facilities

Current facilities			Previous facilities		
Facility	Amount (Rs.Crore)	Rating	Facility	Amount (Rs.Crore)	Rating
Cash Credit	200	CRISIL AA/Stable	Cash Credit	200	CRISIL AA/Stable

Long Term Bank Facility	200	CRISIL AA/Stable	Long Term Bank Facility	200	CRISIL AA/Stable
Proposed Long Term Bank Loan Facility	100	CRISIL AA/Stable	Proposed Long Term Bank Loan Facility	100	CRISIL AA/Stable
Total	500	--	Total	500	--

Links to related criteria

[CRISILs Bank Loan Ratings - process, scale and default recognition](#)

[Rating Criteria for Finance Companies](#)

[CRISILs Criteria for Consolidation](#)

[CRISILs Criteria for rating short term debt](#)

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**Details of the Rs.2000 Crore Non-Convertible Debentures of
JM Financial Products Limited**

	1st tranche		2nd tranche		3rd tranche	
Instrument Series:						
Amount Placed:						
Maturity Period:						
Put or Call Options (if any):						
Coupon Rate:						
Interest Payment Dates:						
Principal Repayment Details:	Date	Amount	Date	Amount	Date	Amount
Investors:						
Trustees:						

In case there is an offer document for the captioned Debt issue, please send us a copy of it.

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IDBI Trusteeship Services Ltd

CIN : U65991MH2001GOI131154



Ref No.: 12351/ITSL/OPR/CL/18-19/DEB/1434/2

Date: January 24, 2020

JM Financial Products Limited

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

Dear Sirs,

Re: Proposed Public Issue by JM Financial Products Limited ("Company") of Secured, Rated, Listed, Redeemable, Non Convertible Debentures of face value Rs.1,000 each with a base issue size of Rs. 100 Crore with an option to retain oversubscription upto Rs. 200 Crore aggregating upto Rs.300 Crore ("NCDs") through Tranch III ("Issue") – Prospectus within the shelf limit of Rs.2000 Crore.

We, IDBI Trusteeship Services Limited, hereby give our consent to our name being included as Debenture Trustee to the Tranch III 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 Tranch III 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 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
Website:	www.idbitrustee.com
Contact Person:	Mr. Dinesh Ladwa
Investor Grievance e-mail:	response@idbitrustee.com
SEBI Registration No:	IND000000460

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.



We shall immediately intimate the Lead Managers and Issuer of any changes, additions or deletions in respect of the aforestated 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: Dinesh Ladwa

Designation: Vice President



Annexure A

January 24, 2020

JM Financial Products Limited

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

Dear Sir / Madam,

Sub: Proposed public issue ("Issue") of Secured, Rated, Listed, Redeemable, Non-convertible debentures ("NCDs") aggregating to Rs. 300 Crore by JM Financial Products Limited ("Company")


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


Authorized Signatory
Name: Dinesh Ladwa
Designation: 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

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

M. Sonparote
MEDHASONPAROTE

प्राधिकृत हस्ताक्षरकर्ता Authorised Signatory

CASH FLOWS FOR VARIOUS SERIES

ILLUSTRATION FOR GUIDANCE IN RESPECT OF THE DAY COUNT CONVENTION AND EFFECT OF HOLIDAYS ON PAYMENTS.

Investors should note that the below examples are solely for illustrative purposes and is not specific to the Issue.

Set forth below is an illustration for guidance in respect of the day count convention and effect of holidays on payments.

Face value per Bond (In ₹)	1,000
Deemed Date of Allotment (assumed)	March 16, 2020
Day count convention	Actual / Actual

Series I

Company	JM Financial Products Limited
Face Value (per Security)	1,000.00
No. of NCD Held (Assumed)	100
Redemption Due Date	March 16, 2022
Tenor from Deemed Date of allotment	24 months
Coupon Rate for all Category of Investors	9.50%
Frequency of the interest payment with specified dates	First interest on March 16, 2021 and subsequently on the March 16 th of every year and the last interest payment will be made at the time of redemption of the NCDs.

Cash Flows	Due Date of Payment	Actual Payout Date	No. of days in Coupon Period	For all Category of Investors (₹)
Initial Amount	Monday, 16 March, 2020			(1,00,000.00)
1st Coupon	Tuesday, 16 March, 2021	Tuesday, 16 March, 2021	365	9,500.00
2nd Coupon	Wednesday, 16 March, 2022	Wednesday, 16 March, 2022	365	9,500.00
Principal/ Maturity value	Wednesday, 16 March, 2022	Wednesday, 16 March, 2022		1,00,000.00
Total Cash Flows				1,19,000.00
			Effective Yield for Category	9.50%

Series II

Company	JM Financial Products Limited
Face Value (per Security)	1,000.00
No. of NCD Held (Assumed)	100
Redemption Due Date	March 16, 2022
Tenor from Deemed Date of allotment	24 months
Coupon Rate for all Category of Investors	NA

Frequency of the interest payment with specified dates	NA
--	----

Cash Flows	Due Date of Payment	Actual Payout Date	No. of days in Coupon Period	For all Category of Investors (₹)
Initial Amount	Monday, 16 March, 2020			(1,00,000.00)
Principal/ Maturity value	Wednesday, 16 March, 2022	Wednesday, 16 March, 2022	730	1,19,902.00
Total Cash Flows				1,19,902.00
			Effective Yield for Category	9.50%

Series III

Company	JM Financial Products Limited
Face Value (per Security)	1,000.00
No. of NCD Held (Assumed)	100
Redemption Due Date	July 16, 2023
Tenor from Deemed Date of allotment	40 months
Coupon Rate for all Category of Investors	9.70%
Frequency of the interest payment with specified dates	First interest on March 16, 2021 and subsequently on the March 16 th of every year and the last interest payment will be made at the time of redemption of the NCDs.

Cash Flows	Due Date of Payment	Actual Payout Date	No. of days in Coupon Period	For all Category of Investors (₹)
Initial Amount	Monday, 16 March, 2020			(1,00,000.00)
1st Coupon	Tuesday, 16 March, 2021	Tuesday, 16 March, 2021	365	9,700.00
2nd Coupon	Wednesday, 16 March, 2022	Wednesday, 16 March, 2022	365	9,700.00
3rd Coupon	Thursday, 16 March, 2023	Thursday, 16 March, 2023	365	9,700.00
4th Coupon	Sunday, 16 July, 2023	Saturday, 15 July, 2023	122	3,215.62
Principal/ Maturity value	Sunday, 16 July, 2023	Saturday, 15 July, 2023		1,00,000.00
Total Cash Flows				1,32,315.62
			Effective Yield for Category	9.73%

Series IV

Company	JM Financial Products Limited
Face Value (per Security)	1,000.00
No. of NCD Held (Assumed)	100
Redemption Due Date	July 16, 2023
Tenor from Deemed Date of allotment	40 months
Coupon Rate for all Category of Investors	NA
Frequency of the interest payment with specified dates	NA

Cash Flows	Due Date of Payment	Actual Payout Date	No. of days in Coupon Period	For all Category of Investors (₹)
Initial Amount	Monday, 16 March, 2020			(1,00,000.00)
Principal/ Maturity value	Sunday, 16 July, 2023	Saturday, 15 July, 2023	1217	1,36,128.00
Total Cash Flows				1,36,128.00
			Effective Yield for Category	9.70%

Series V

Company	JM Financial Products Limited
Face Value (per Security)	1,000.00
No. of NCD Held (Assumed)	100
Redemption Due Date	July 16, 2023
Tenor from Deemed Date of allotment	40 months
Coupon Rate for all Category of Investors	9.29%
Frequency of the interest payment with specified dates	First interest due on May 1, 2020 and subsequently on the first day of every month and the last interest payment will be made at the time of redemption of the NCDs on pro rata basis (if applicable).

Cash Flows	Due Date of Payment	Actual Payout Date	No. of days in Coupon Period	For all Category of Investors (₹)
Initial Amount	Monday, 16 March, 2020			(1,00,000.00)
1st Coupon	Friday, 1 May, 2020	Saturday, 2 May, 2020	46	1,171.26
2nd Coupon	Monday, 1 June, 2020	Monday, 1 June, 2020	31	789.33
3rd Coupon	Wednesday, 1 July, 2020	Wednesday, 1 July, 2020	30	763.87
4th Coupon	Saturday, 1 August, 2020	Saturday, 1 August, 2020	31	789.33
5th Coupon	Tuesday, 1 September, 2020	Tuesday, 1 September, 2020	31	789.33
6th Coupon	Thursday, 1 October, 2020	Thursday, 1 October, 2020	30	763.87

7th Coupon	Sunday, 1 November, 2020	Monday, 2 November, 2020	31	789.33
8th Coupon	Tuesday, 1 December, 2020	Tuesday, 1 December, 2020	30	763.87
9th Coupon	Friday, 1 January, 2021	Friday, 1 January, 2021	31	789.33
10th Coupon	Monday, 1 February, 2021	Monday, 1 February, 2021	31	789.33
11th Coupon	Monday, 1 March, 2021	Monday, 1 March, 2021	28	712.94
12th Coupon	Thursday, 1 April, 2021	Friday, 2 April, 2021	31	789.33
13th Coupon	Saturday, 1 May, 2021	Monday, 3 May, 2021	30	763.87
14th Coupon	Tuesday, 1 June, 2021	Tuesday, 1 June, 2021	31	789.33
15th Coupon	Thursday, 1 July, 2021	Thursday, 1 July, 2021	30	763.87
16th Coupon	Sunday, 1 August, 2021	Monday, 2 August, 2021	31	789.33
17th Coupon	Wednesday, 1 September, 2021	Wednesday, 1 September, 2021	31	789.33
18th Coupon	Friday, 1 October, 2021	Friday, 1 October, 2021	30	763.87
19th Coupon	Monday, 1 November, 2021	Monday, 1 November, 2021	31	789.33
20th Coupon	Wednesday, 1 December, 2021	Wednesday, 1 December, 2021	30	763.87
21st Coupon	Saturday, 1 January, 2022	Saturday, 1 January, 2022	31	789.33
22nd Coupon	Tuesday, 1 February, 2022	Tuesday, 1 February, 2022	31	789.33
23rd Coupon	Tuesday, 1 March, 2022	Tuesday, 1 March, 2022	28	712.94
24th Coupon	Friday, 1 April, 2022	Saturday, 2 April, 2022	31	789.33
25th Coupon	Sunday, 1 May, 2022	Monday, 2 May, 2022	30	763.87
26th Coupon	Wednesday, 1 June, 2022	Wednesday, 1 June, 2022	31	789.33
27th Coupon	Friday, 1 July, 2022	Friday, 1 July, 2022	30	763.87
28th Coupon	Monday, 1 August, 2022	Monday, 1 August, 2022	31	789.33
29th Coupon	Thursday, 1 September, 2022	Thursday, 1 September, 2022	31	789.33
30th Coupon	Saturday, 1 October, 2022	Saturday, 1 October, 2022	30	763.87
31st Coupon	Tuesday, 1 November, 2022	Tuesday, 1 November, 2022	31	789.33

32nd Coupon	Thursday, 1 December, 2022	Thursday, 1 December, 2022	30	763.87
33rd Coupon	Sunday, 1 January, 2023	Monday, 2 January, 2023	31	789.33
34th Coupon	Wednesday, 1 February, 2023	Wednesday, 1 February, 2023	31	789.33
35th Coupon	Wednesday, 1 March, 2023	Wednesday, 1 March, 2023	28	712.94
36th Coupon	Saturday, 1 April, 2023	Monday, 3 April, 2023	31	789.33
37th Coupon	Monday, 1 May, 2023	Tuesday, 2 May, 2023	30	763.87
38th Coupon	Thursday, 1 June, 2023	Thursday, 1 June, 2023	31	789.33
39th Coupon	Saturday, 1 July, 2023	Saturday, 1 July, 2023	30	763.87
40th Coupon	Sunday, 16 July, 2023	Saturday, 15 July, 2023	15	356.47
Principal/ Maturity value	Sunday, 16 July, 2023	Saturday, 15 July, 2023		1,00,000.00
Total Cash Flows				1,30,962.12
			Effective Yield for Category	9.70%

Series VI

Company	JM Financial Products Limited
Face Value (per Security)	1,000.00
No. of NCD Held (Assumed)	100
Redemption Due Date	March 16, 2025
Tenor from Deemed Date of allotment	60 months
Coupon Rate for all Category of Investors	9.90%
Frequency of the interest payment with specified dates	First interest on March 16, 2021 and subsequently on the March 16 th of every year and the last interest payment will be made at the time of redemption of the NCDs.

Cash Flows	Due Date of Payment	Actual Payout Date	No. of days in Coupon Period	For all Category of Investors (₹)
Initial Amount	Monday, 16 March, 2020			(1,00,000.00)
1st Coupon	Tuesday, 16 March, 2021	Tuesday, 16 March, 2021	365	9,900.00
2nd Coupon	Wednesday, 16 March, 2022	Wednesday, 16 March, 2022	365	9,900.00
3rd Coupon	Thursday, 16 March, 2023	Thursday, 16 March, 2023	365	9,900.00
4th Coupon	Saturday, 16 March, 2024	Saturday, 16 March, 2024	366	9,900.00

5th Coupon	Sunday, 16 March, 2025	Saturday, 15 March, 2025	365	9,872.88
Principal/ Maturity value	Sunday, 16 March, 2025	Saturday, 15 March, 2025		1,00,000.00
Total Cash Flows				1,49,472.88
			Effective Yield for Category	9.90%

Series VII

Company	JM Financial Products Limited
Face Value (per Security)	1,000.00
No. of NCD Held (Assumed)	100
Redemption Due Date	March 16, 2025
Tenor from Deemed Date of allotment	60 months
Coupon Rate for all Category of Investors	NA
Frequency of the interest payment with specified dates	NA

Cash Flows	Due Date of Payment	Actual Payout Date	No. of days in Coupon Period	For all Category of Investors (₹)
Initial Amount	Monday, 16 March, 2020			(1,00,000.00)
Principal/ Maturity value	Sunday, 16 March, 2025	Saturday, 15 March, 2025	1826	1,60,320.00
Total Cash Flows				1,60,320.00
			Effective Yield for Category	9.90%

Series VIII

Company	JM Financial Products Limited
Face Value (per Security)	1,000.00
No. of NCD Held (Assumed)	100
Redemption Due Date	March 16, 2025
Tenor from Deemed Date of allotment	60 months
Coupon Rate for all Category of Investors	9.48%
Frequency of the interest payment with specified dates	First interest due on May 1, 2020 and subsequently on the first day of every month and the last interest payment will be made at the time of redemption of the NCDs on pro rata basis (if applicable).

Cash Flows	Due Date of Payment	Actual Payout Date	No. of days in Coupon Period	For all Category of Investors (₹)
Initial Amount	Monday, 16 March, 2020			(1,00,000.00)

1st Coupon	Friday, 1 May, 2020	Saturday, 2 May, 2020	46	1,194.74
2nd Coupon	Monday, 1 June, 2020	Monday, 1 June, 2020	31	805.15
3rd Coupon	Wednesday, 1 July, 2020	Wednesday, 1 July, 2020	30	779.18
4th Coupon	Saturday, 1 August, 2020	Saturday, 1 August, 2020	31	805.15
5th Coupon	Tuesday, 1 September, 2020	Tuesday, 1 September, 2020	31	805.15
6th Coupon	Thursday, 1 October, 2020	Thursday, 1 October, 2020	30	779.18
7th Coupon	Sunday, 1 November, 2020	Monday, 2 November, 2020	31	805.15
8th Coupon	Tuesday, 1 December, 2020	Tuesday, 1 December, 2020	30	779.18
9th Coupon	Friday, 1 January, 2021	Friday, 1 January, 2021	31	805.15
10th Coupon	Monday, 1 February, 2021	Monday, 1 February, 2021	31	805.15
11th Coupon	Monday, 1 March, 2021	Monday, 1 March, 2021	28	727.23
12th Coupon	Thursday, 1 April, 2021	Friday, 2 April, 2021	31	805.15
13th Coupon	Saturday, 1 May, 2021	Monday, 3 May, 2021	30	779.18
14th Coupon	Tuesday, 1 June, 2021	Tuesday, 1 June, 2021	31	805.15
15th Coupon	Thursday, 1 July, 2021	Thursday, 1 July, 2021	30	779.18
16th Coupon	Sunday, 1 August, 2021	Monday, 2 August, 2021	31	805.15
17th Coupon	Wednesday, 1 September, 2021	Wednesday, 1 September, 2021	31	805.15
18th Coupon	Friday, 1 October, 2021	Friday, 1 October, 2021	30	779.18
19th Coupon	Monday, 1 November, 2021	Monday, 1 November, 2021	31	805.15
20th Coupon	Wednesday, 1 December, 2021	Wednesday, 1 December, 2021	30	779.18
21st Coupon	Saturday, 1 January, 2022	Saturday, 1 January, 2022	31	805.15
22nd Coupon	Tuesday, 1 February, 2022	Tuesday, 1 February, 2022	31	805.15
23rd Coupon	Tuesday, 1 March, 2022	Tuesday, 1 March, 2022	28	727.23
24th Coupon	Friday, 1 April, 2022	Saturday, 2 April, 2022	31	805.15

	2022	April, 2022		
25th Coupon	Sunday, 1 May, 2022	Monday, 2 May, 2022	30	779.18
26th Coupon	Wednesday, 1 June, 2022	Wednesday, 1 June, 2022	31	805.15
27th Coupon	Friday, 1 July, 2022	Friday, 1 July, 2022	30	779.18
28th Coupon	Monday, 1 August, 2022	Monday, 1 August, 2022	31	805.15
29th Coupon	Thursday, 1 September, 2022	Thursday, 1 September, 2022	31	805.15
30th Coupon	Saturday, 1 October, 2022	Saturday, 1 October, 2022	30	779.18
31st Coupon	Tuesday, 1 November, 2022	Tuesday, 1 November, 2022	31	805.15
32nd Coupon	Thursday, 1 December, 2022	Thursday, 1 December, 2022	30	779.18
33rd Coupon	Sunday, 1 January, 2023	Monday, 2 January, 2023	31	805.15
34th Coupon	Wednesday, 1 February, 2023	Wednesday, 1 February, 2023	31	805.15
35th Coupon	Wednesday, 1 March, 2023	Wednesday, 1 March, 2023	28	727.23
36th Coupon	Saturday, 1 April, 2023	Monday, 3 April, 2023	31	805.15
37th Coupon	Monday, 1 May, 2023	Tuesday, 2 May, 2023	30	779.18
38th Coupon	Thursday, 1 June, 2023	Thursday, 1 June, 2023	31	805.15
39th Coupon	Saturday, 1 July, 2023	Saturday, 1 July, 2023	30	779.18
40th Coupon	Tuesday, 1 August, 2023	Tuesday, 1 August, 2023	31	805.15
41st Coupon	Friday, 1 September, 2023	Friday, 1 September, 2023	31	805.15
42nd Coupon	Sunday, 1 October, 2023	Tuesday, 3 October, 2023	30	779.18
43rd Coupon	Wednesday, 1 November, 2023	Wednesday, 1 November, 2023	31	805.15
44th Coupon	Friday, 1 December, 2023	Friday, 1 December, 2023	30	779.18
45th Coupon	Monday, 1 January, 2024	Monday, 1 January, 2024	31	805.15
46th Coupon	Thursday, 1 February, 2024	Thursday, 1 February, 2024	31	805.15
47th Coupon	Friday, 1 March,	Friday, 1	29	751.15

	2024	March, 2024		
48th Coupon	Monday, 1 April, 2024	Tuesday, 2 April, 2024	31	802.95
49th Coupon	Wednesday, 1 May, 2024	Thursday, 2 May, 2024	30	777.05
50th Coupon	Saturday, 1 June, 2024	Saturday, 1 June, 2024	31	802.95
51st Coupon	Monday, 1 July, 2024	Monday, 1 July, 2024	30	777.05
52nd Coupon	Thursday, 1 August, 2024	Thursday, 1 August, 2024	31	802.95
53rd Coupon	Sunday, 1 September, 2024	Monday, 2 September, 2024	31	802.95
54th Coupon	Tuesday, 1 October, 2024	Tuesday, 1 October, 2024	30	777.05
55th Coupon	Friday, 1 November, 2024	Friday, 1 November, 2024	31	802.95
56th Coupon	Sunday, 1 December, 2024	Monday, 2 December, 2024	30	777.05
57th Coupon	Wednesday, 1 January, 2025	Wednesday, 1 January, 2025	31	802.95
58th Coupon	Saturday, 1 February, 2025	Saturday, 1 February, 2025	31	802.95
59th Coupon	Saturday, 1 March, 2025	Saturday, 1 March, 2025	28	727.23
60th Coupon	Sunday, 16 March, 2025	Saturday, 15 March, 2025	15	363.62
Principal/ Maturity value	Sunday, 16 March, 2025	Saturday, 15 March, 2025		1,00,000.00
Total Cash Flows				1,47,374.03
			Effective Yield for Category	9.90%

Series IX

Company	JM Financial Products Limited
Face Value (per Security)	1,000.00
No. of NCD Held (Assumed)	100
Redemption Due Date	March 16, 2030
Tenor from Deemed Date of allotment	120 months
Coupon Rate for all Category of Investors	10.00%
Frequency of the interest payment with specified dates	First interest due on March 16, 2021 and subsequently on the March 16 th of every year and the last interest payment will be made at the time of redemption of the NCDs.

Cash Flows	Due Date of	Actual	No. of days	For all
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	Payment	Payout Date	in Coupon Period	Category of Investors (₹)
Initial Amount	Monday, 16 March, 2020			(1,00,000.00)
1st Coupon	Tuesday, 16 March, 2021	Tuesday, 16 March, 2021	365	10,000.00
2nd Coupon	Wednesday, 16 March, 2022	Wednesday, 16 March, 2022	365	10,000.00
3rd Coupon	Thursday, 16 March, 2023	Thursday, 16 March, 2023	365	10,000.00
4th Coupon	Saturday, 16 March, 2024	Saturday, 16 March, 2024	366	10,000.00
5th Coupon	Sunday, 16 March, 2025	Monday, 17 March, 2025	365	10,000.00
6th Coupon	Monday, 16 March, 2026	Monday, 16 March, 2026	365	10,000.00
7th Coupon	Tuesday, 16 March, 2027	Tuesday, 16 March, 2027	365	10,000.00
8th Coupon	Thursday, 16 March, 2028	Thursday, 16 March, 2028	366	10,000.00
9th Coupon	Friday, 16 March, 2029	Friday, 16 March, 2029	365	10,000.00
10th Coupon	Saturday, 16 March, 2030	Saturday, 16 March, 2030	365	10,000.00
Principal/ Maturity value	Saturday, 16 March, 2030	Saturday, 16 March, 2030		1,00,000.00
Total Cash Flows				2,00,000.00
			Effective Yield for Category	9.99%

Series X

Company	JM Financial Products Limited
Face Value (per Security)	1,000.00
No. of NCD Held (Assumed)	100
Redemption Due Date	March 16, 2030
Tenor from Deemed Date of allotment	120 months
Coupon Rate for all Category of Investors	9.57%
Frequency of the interest payment with specified dates	First interest due on May 1, 2020 and subsequently on the first day of every month and the last interest payment will be made at the time of redemption of the NCDs on pro rata basis (if applicable).

Cash Flows	Due Date of Payment	Actual Payout Date	No. of days in Coupon Period	For all Category of Investors (₹)
Initial Amount	Monday, 16 March, 2020			(1,00,000.00)
1st Coupon	Friday, 1 May, 2020	Saturday, 2 May, 2020	46	1,206.08
2nd Coupon	Monday, 1 June, 2020	Monday, 1 June, 2020	31	812.79
3rd Coupon	Wednesday, 1 July, 2020	Wednesday, 1 July, 2020	30	786.58
4th Coupon	Saturday, 1 August, 2020	Saturday, 1 August, 2020	31	812.79
5th Coupon	Tuesday, 1 September, 2020	Tuesday, 1 September, 2020	31	812.79
6th Coupon	Thursday, 1 October, 2020	Thursday, 1 October, 2020	30	786.58
7th Coupon	Sunday, 1 November, 2020	Monday, 2 November, 2020	31	812.79
8th Coupon	Tuesday, 1 December, 2020	Tuesday, 1 December, 2020	30	786.58
9th Coupon	Friday, 1 January, 2021	Friday, 1 January, 2021	31	812.79
10th Coupon	Monday, 1 February, 2021	Monday, 1 February, 2021	31	812.79
11th Coupon	Monday, 1 March, 2021	Monday, 1 March, 2021	28	734.14
12th Coupon	Thursday, 1 April, 2021	Friday, 2 April, 2021	31	812.79
13th Coupon	Saturday, 1 May, 2021	Monday, 3 May, 2021	30	786.58
14th Coupon	Tuesday, 1 June, 2021	Tuesday, 1 June, 2021	31	812.79
15th Coupon	Thursday, 1 July, 2021	Thursday, 1 July, 2021	30	786.58
16th Coupon	Sunday, 1 August, 2021	Monday, 2 August, 2021	31	812.79
17th Coupon	Wednesday, 1 September, 2021	Wednesday, 1 September, 2021	31	812.79
18th Coupon	Friday, 1 October, 2021	Friday, 1 October, 2021	30	786.58
19th Coupon	Monday, 1 November, 2021	Monday, 1 November, 2021	31	812.79
20th Coupon	Wednesday, 1 December, 2021	Wednesday, 1 December, 2021	30	786.58
21st Coupon	Saturday, 1 January, 2022	Saturday, 1 January, 2022	31	812.79

22nd Coupon	Tuesday, 1 February, 2022	Tuesday, 1 February, 2022	31	812.79
23rd Coupon	Tuesday, 1 March, 2022	Tuesday, 1 March, 2022	28	734.14
24th Coupon	Friday, 1 April, 2022	Saturday, 2 April, 2022	31	812.79
25th Coupon	Sunday, 1 May, 2022	Monday, 2 May, 2022	30	786.58
26th Coupon	Wednesday, 1 June, 2022	Wednesday, 1 June, 2022	31	812.79
27th Coupon	Friday, 1 July, 2022	Friday, 1 July, 2022	30	786.58
28th Coupon	Monday, 1 August, 2022	Monday, 1 August, 2022	31	812.79
29th Coupon	Thursday, 1 September, 2022	Thursday, 1 September, 2022	31	812.79
30th Coupon	Saturday, 1 October, 2022	Saturday, 1 October, 2022	30	786.58
31st Coupon	Tuesday, 1 November, 2022	Tuesday, 1 November, 2022	31	812.79
32nd Coupon	Thursday, 1 December, 2022	Thursday, 1 December, 2022	30	786.58
33rd Coupon	Sunday, 1 January, 2023	Monday, 2 January, 2023	31	812.79
34th Coupon	Wednesday, 1 February, 2023	Wednesday, 1 February, 2023	31	812.79
35th Coupon	Wednesday, 1 March, 2023	Wednesday, 1 March, 2023	28	734.14
36th Coupon	Saturday, 1 April, 2023	Monday, 3 April, 2023	31	812.79
37th Coupon	Monday, 1 May, 2023	Tuesday, 2 May, 2023	30	786.58
38th Coupon	Thursday, 1 June, 2023	Thursday, 1 June, 2023	31	812.79
39th Coupon	Saturday, 1 July, 2023	Saturday, 1 July, 2023	30	786.58
40th Coupon	Tuesday, 1 August, 2023	Tuesday, 1 August, 2023	31	812.79
41st Coupon	Friday, 1 September, 2023	Friday, 1 September, 2023	31	812.79
42nd Coupon	Sunday, 1 October, 2023	Tuesday, 3 October, 2023	30	786.58
43rd Coupon	Wednesday, 1 November, 2023	Wednesday, 1 November, 2023	31	812.79
44th Coupon	Friday, 1 December, 2023	Friday, 1 December, 2023	30	786.58
45th Coupon	Monday, 1	Monday, 1	31	812.79

	January, 2024	January, 2024		
46th Coupon	Thursday, 1 February, 2024	Thursday, 1 February, 2024	31	812.79
47th Coupon	Friday, 1 March, 2024	Friday, 1 March, 2024	29	758.28
48th Coupon	Monday, 1 April, 2024	Tuesday, 2 April, 2024	31	810.57
49th Coupon	Wednesday, 1 May, 2024	Thursday, 2 May, 2024	30	784.43
50th Coupon	Saturday, 1 June, 2024	Saturday, 1 June, 2024	31	810.57
51st Coupon	Monday, 1 July, 2024	Monday, 1 July, 2024	30	784.43
52nd Coupon	Thursday, 1 August, 2024	Thursday, 1 August, 2024	31	810.57
53rd Coupon	Sunday, 1 September, 2024	Monday, 2 September, 2024	31	810.57
54th Coupon	Tuesday, 1 October, 2024	Tuesday, 1 October, 2024	30	784.43
55th Coupon	Friday, 1 November, 2024	Friday, 1 November, 2024	31	810.57
56th Coupon	Sunday, 1 December, 2024	Monday, 2 December, 2024	30	784.43
57th Coupon	Wednesday, 1 January, 2025	Wednesday, 1 January, 2025	31	810.57
58th Coupon	Saturday, 1 February, 2025	Saturday, 1 February, 2025	31	810.57
59th Coupon	Saturday, 1 March, 2025	Saturday, 1 March, 2025	28	734.14
60th Coupon	Tuesday, 1 April, 2025	Wednesday, 2 April, 2025	31	812.79
61st Coupon	Thursday, 1 May, 2025	Friday, 2 May, 2025	30	786.58
62nd Coupon	Sunday, 1 June, 2025	Monday, 2 June, 2025	31	812.79
63rd Coupon	Tuesday, 1 July, 2025	Tuesday, 1 July, 2025	30	786.58
64th Coupon	Friday, 1 August, 2025	Friday, 1 August, 2025	31	812.79
65th Coupon	Monday, 1 September, 2025	Monday, 1 September, 2025	31	812.79
66th Coupon	Wednesday, 1 October, 2025	Wednesday, 1 October, 2025	30	786.58
67th Coupon	Saturday, 1 November, 2025	Saturday, 1 November, 2025	31	812.79
68th Coupon	Monday, 1 December, 2025	Monday, 1 December, 2025	30	786.58

69th Coupon	Thursday, 1 January, 2026	Thursday, 1 January, 2026	31	812.79
70th Coupon	Sunday, 1 February, 2026	Monday, 2 February, 2026	31	812.79
71st Coupon	Sunday, 1 March, 2026	Monday, 2 March, 2026	28	734.14
72nd Coupon	Wednesday, 1 April, 2026	Thursday, 2 April, 2026	31	812.79
73rd Coupon	Friday, 1 May, 2026	Saturday, 2 May, 2026	30	786.58
74th Coupon	Monday, 1 June, 2026	Monday, 1 June, 2026	31	812.79
75th Coupon	Wednesday, 1 July, 2026	Wednesday, 1 July, 2026	30	786.58
76th Coupon	Saturday, 1 August, 2026	Saturday, 1 August, 2026	31	812.79
77th Coupon	Tuesday, 1 September, 2026	Tuesday, 1 September, 2026	31	812.79
78th Coupon	Thursday, 1 October, 2026	Thursday, 1 October, 2026	30	786.58
79th Coupon	Sunday, 1 November, 2026	Monday, 2 November, 2026	31	812.79
80th Coupon	Tuesday, 1 December, 2026	Tuesday, 1 December, 2026	30	786.58
81st Coupon	Friday, 1 January, 2027	Friday, 1 January, 2027	31	812.79
82nd Coupon	Monday, 1 February, 2027	Monday, 1 February, 2027	31	812.79
83rd Coupon	Monday, 1 March, 2027	Monday, 1 March, 2027	28	734.14
84th Coupon	Thursday, 1 April, 2027	Friday, 2 April, 2027	31	812.79
85th Coupon	Saturday, 1 May, 2027	Monday, 3 May, 2027	30	786.58
86th Coupon	Tuesday, 1 June, 2027	Tuesday, 1 June, 2027	31	812.79
87th Coupon	Thursday, 1 July, 2027	Thursday, 1 July, 2027	30	786.58
88th Coupon	Sunday, 1 August, 2027	Monday, 2 August, 2027	31	812.79
89th Coupon	Wednesday, 1 September, 2027	Wednesday, 1 September, 2027	31	812.79
90th Coupon	Friday, 1 October, 2027	Friday, 1 October, 2027	30	786.58
91st Coupon	Monday, 1 November, 2027	Monday, 1 November, 2027	31	812.79
92nd Coupon	Wednesday, 1 December,	Wednesday, 1 December,	30	786.58

	2027	2027		
93rd Coupon	Saturday, 1 January, 2028	Saturday, 1 January, 2028	31	812.79
94th Coupon	Tuesday, 1 February, 2028	Tuesday, 1 February, 2028	31	812.79
95th Coupon	Wednesday, 1 March, 2028	Wednesday, 1 March, 2028	29	758.28
96th Coupon	Saturday, 1 April, 2028	Monday, 3 April, 2028	31	810.57
97th Coupon	Monday, 1 May, 2028	Tuesday, 2 May, 2028	30	784.43
98th Coupon	Thursday, 1 June, 2028	Thursday, 1 June, 2028	31	810.57
99th Coupon	Saturday, 1 July, 2028	Saturday, 1 July, 2028	30	784.43
100th Coupon	Tuesday, 1 August, 2028	Tuesday, 1 August, 2028	31	810.57
101st Coupon	Friday, 1 September, 2028	Friday, 1 September, 2028	31	810.57
102nd Coupon	Sunday, 1 October, 2028	Tuesday, 3 October, 2028	30	784.43
103rd Coupon	Wednesday, 1 November, 2028	Wednesday, 1 November, 2028	31	810.57
104th Coupon	Friday, 1 December, 2028	Friday, 1 December, 2028	30	784.43
105th Coupon	Monday, 1 January, 2029	Monday, 1 January, 2029	31	810.57
106th Coupon	Thursday, 1 February, 2029	Thursday, 1 February, 2029	31	810.57
107th Coupon	Thursday, 1 March, 2029	Thursday, 1 March, 2029	28	734.14
108th Coupon	Sunday, 1 April, 2029	Monday, 2 April, 2029	31	812.79
109th Coupon	Tuesday, 1 May, 2029	Wednesday, 2 May, 2029	30	786.58
110th Coupon	Friday, 1 June, 2029	Friday, 1 June, 2029	31	812.79
111th Coupon	Sunday, 1 July, 2029	Monday, 2 July, 2029	30	786.58
112th Coupon	Wednesday, 1 August, 2029	Wednesday, 1 August, 2029	31	812.79
113th Coupon	Saturday, 1 September, 2029	Saturday, 1 September, 2029	31	812.79
114th Coupon	Monday, 1 October, 2029	Monday, 1 October, 2029	30	786.58
115th Coupon	Thursday, 1 November, 2029	Thursday, 1 November, 2029	31	812.79

	2029	2029		
116th Coupon	Saturday, 1 December, 2029	Saturday, 1 December, 2029	30	786.58
117th Coupon	Tuesday, 1 January, 2030	Tuesday, 1 January, 2030	31	812.79
118th Coupon	Friday, 1 February, 2030	Friday, 1 February, 2030	31	812.79
119th Coupon	Friday, 1 March, 2030	Friday, 1 March, 2030	28	734.14
120th Coupon	Saturday, 16 March, 2030	Saturday, 16 March, 2030	15	393.29
Principal/ Maturity value	Saturday, 16 March, 2030	Saturday, 16 March, 2030		1,00,000.00
Total Cash Flows				1,95,699.90
			Effective Yield for Category	10.00%

Assumptions:

1. The Deemed Date of Allotment is assumed to be March 16, 2020. If the Deemed Date of Allotment undergoes a change, the coupon payments dates, redemption dates, redemption amount and other cash flow working shall be changed accordingly.
2. Interest payable during the Financial Year 2023-2024 and 2027-2028 being leap year's, have been calculated for 366 days.
3. In the event, the interest / pay-out of total coupon / redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer.
4. The interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai.

Note: The Coupon/ Interest Payments are rounded-off to nearest rupee as per FIMMDA 'Handbook on market practices'.

Statement of Capitalisation as at December 31, 2019

(Rupees In Crore)

Sr. No.	Particulars	Pre issue As at December 31, 2019	Post issue
I	Borrowings (refer note 1 below)		
	Debt Securities	3,007.5	3,307.5
	Borrowings (Other than Debt Securities)	1,043.1	1,043.1
	Total Borrowings (A)	4,050.6	4,350.6
II	Shareholders fund		
	Share Capital	544.5	544.5
	Securities Premium Reserve	38.2	38.2
	Statutory Reserve	317.3	317.3
	Capital Redemption Reserve	-	-
	Balance in Profit & Loss Account (unaudited)	786.1	786.1
	Total Shareholders fund (B)	1,686.1	1,686.1
	Total Debt/Equity (A/B) (Refer Note 1)	2.4	2.6

1. The debt equity ratio post the issue is indicative on account of the assumed inflow of Rs.300 Crores from the proposed issue in the secured debt category as on December 31, 2019 and does not include contingent liabilities and off balance sheet liabilities. The actual debt equity ratio post the issue would depend on the actual position of debt and equity on the deemed date of allotment. Out of the total Shelf Prospectus limit of Rs.2,000 crore, the Company has already allotted 38,69,760 debentures of Rs.1,000 each aggregating to Rs.387.0 crores on May 21, 2019 and 12,81,597 debentures of Rs 1,000 each aggregating to Rs. 128.2 crores on September 11, 2019

Total Debt / Equity has been computed as :

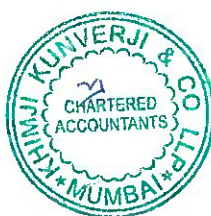
$$\frac{\text{Total borrowings}}{\text{Total Shareholders funds}}$$

Certified to be correct

For and on behalf of the Board of Directors of JM Financial Products Limited



Place :- Mumbai
Date : February 10, 2020



Stamped & initialled
for identification

JM Financial Products Limited

Corporate Identity Number : U74140MH1984PLC033397

Regd. Office: 7th Floor, Energy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.

T: +91 22 6630 3030 F: +91 22 6630 3223 www.jmfl.com

Annexure

Statement of Accounting Ratios		
Sr No	Particulars	Period Ended March 31, 2019
	Number of equity shares at the beginning of the year	544,500,000
	Number of equity shares at the end of the year	544,500,000
	weighted average number of equity shares of Rs 10 each outstanding during the year (for calculating basic and dilutive EPS)	544,500,000
	Net profit after tax available for equity shares (Rs. In Crore)	204.3
	Shareholders' fund at the end of the year (Rs in Crore) *#	1,560.3
	Average shareholders' fund during the year [(Opening+Closing)/2] (Rs in Crore)	1,513.8
	Earnings Per Share (EPS) (Face Value of Rs.10/- each)	
A	Basic Earning Per Share (EPS) Rs.	3.75
B	Dilutive Earning Per Share (EPS) Rs.	3.75
	Return on Shareholders' Fund (%)	
C	Considering Shareholders' fund at the end of the year	13.1%
D	Considering Average Shareholders' fund during the year	13.5%
E	Net Asset Value Per Share (Rs)	28.65
	Total Borrowing (Rs in crores)	4,523.4
F	Debt Equity Ratio	2.9

Notes

A	Basic Earning Per Share (EPS) Rs	$\frac{\text{Net Profit attributable to equity shareholder}}{\text{Weighted average number of equity shares outstanding during the year}}$
B	Dilutive Earning Per Share (EPS) Rs.	$\frac{\text{Net Profit attributable to equity shareholder}}{\text{Weighted average number of diluted equity shares outstanding during the year}}$
C	Return on Shareholders' Fund Considering Shareholders' fund at the end of the year %	$\frac{\text{Net Profit after Tax}}{\text{Shareholders' Fund at the end of the year}}$
D	Return on Shareholders' Fund Considering Average Shareholders' fund during the year %	$\frac{\text{Net Profit after Tax}}{\text{Average Shareholders' Fund during the year}}$
E	Net Asset Value Per Share	$\frac{\text{Shareholders' Fund at the end of the year}}{\text{Number of equity shares outstanding during the year}}$
F	Debt Equity	$\frac{\text{Total Borrowings}}{\text{Shareholders' Fund}}$

* Shareholders' Fund = Share Capital + Reserves and Surplus

The above shareholders' fund calculation is based on the audited Financial Statement in compliance with the Section 2(57) of the Companies Act, 2013

Certified to be correct

For and on behalf of the Board of Directors of JM Financial Products Limited

Nshah

Nishit Shah
Chief Financial Officer

Place : Mumbai
Date : February 10, 2020



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for identification**

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Annexure A

JM Financial Products Limited

Statement of Tax Shelter

Particulars	Rs. in Crore
	For the year ended March 31, 2019
Profit before Taxes	315.8
Statutory Tax Rate	34.94%
Tax as above rate	110.3
Adjustments for differences	
IND AS Adjustments	(1.6)
Difference between tax depreciation and book depreciation	0.5
Donations	3.4
Disallowance of Provision for Standard assets	3.3
Provision for doubtful debts	-
Gratuity	0.3
Leave encashment	0.4
Provision for doubtful loans written back	-
Leased Vehicles	0.0
Allowable under section 43 B	(0.8)
Disallowance u/s 14A	-
Dividend income	-
Loss / (Profit) on Sale of Fixed Assets	-
Loss on Sale of Investment	-
Income tax Expenses	-
Provision for doubtful loans Section 36 (1) (viiiia)	-
Income taxable under the head capital gains	(46.8)
Total	(41.3)
Tax savings thereon	(14.4)
Capital gain tax	16.4
Total taxation	112.3
Adjustments: Excess / Short Provision of Tax	
Actual Provision for tax as per Statement of profit and loss	112.3

Certified to be correct

For JM Financial products Limited

N. Shah

Nishit Shah
(Chief Financial Officer)

Place: Mumbai

Date: 10-02-2020



JM Financial Products Limited

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Annexure**Statement of dividends for the year ended March 31, 2019**

Particulars	For the year Ended March 31, 2019
Equity Share Capital (Rs. in Crore)	544.5
Number of shares	544,500,000
Face value of Shares(Rs.)	10.0
Dividend declared (Interim) (%)	7%
Dividend per share (Interim) (Rs.)	0.7
Dividend declared (Final) (%)	2%
Dividend per share (Final) (Rs.)	0.2

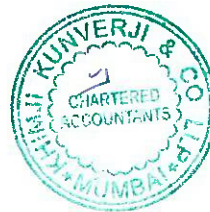
For and on behalf of the Board of Directors of JM Financial Products Limited

N. Shah

Nishit Shah
Chief Financial Officer

Place :- Mumbai

Date :- February 10, 2020



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