



**JM FINANCIAL PROPERTIES AND HOLDINGS
LIMITED**

Annual Accounts 2012-13

INDEPENDENT AUDITORS' REPORT

The Members
JM Financial Properties and Holdings Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **JM Financial Properties and Holdings Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and Cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management of the Company is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An Audit involves performing procedures to obtain audit evidence about the amount and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles accepted in India;

- i) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013
- ii) In the case of the Statement of Profit and Loss, of the losses for the year ended on that date; and
- iii) In the case of the Cash Flow Statement, the cash flows for the year ended on that date

Report on Other Legal and Regulatory Requirements

- (i) As required by the Companies (Auditor's Report) order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we give in the Annexure a statement of the matters specified in paragraph 4 and 5 of the said order.
- (ii) Further to our comments in the Annexure referred to in Paragraph 5(i) above, as required by section 227(3) of the Act, we report that;
 - a. We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt herewith comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956;

- e. On the basis of the written representations received from the Directors as on March 31, 2013 and taken on records by the Board of Directors, we report that none of the Director is disqualified, as on March 31, 2013, from being appointed as Director in terms of section 274(1)(g) of the Companies Act, 1956.
- f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has is issued any Rules under the said section, prescribing the matter in which such cess is to be paid, no cess is due and payable by the Company

For Arun Arora & Co.,
Chartered Accountants

Sd/-
Arun Arora
(Proprietor)
Membership No.: A-12018

Place : Mumbai
Date : May 14, 2013

Annexure

JM Financial Properties and Holdings Limited

Referred to in paragraph 3 of our report of even date,

- (i) The company does not own any fixed assets and accordingly paragraph 4 (i) is not applicable to the company.
- (ii) The nature of the business/activities of the company during the year is such that paragraph 4(ii) is not applicable.
- (iii) (a) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
(b) According to the information and explanation given to us, the Company has not accepted any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets. During the course of our audit, no major weakness has been noticed in the internal controls.
- (v) Based on the audit procedures applied and according to the information and explanations given, there are no transaction which needs to be entered in the register maintained under section 301 of the Companies Act, 1956
- (vi) The company has not accepted any public deposits within the meaning of section 58A and 58AA of the Companies Act, 1956.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) The company is not required to maintain any cost records under Section 209(1)(d) of the Companies Act, 1956.
- (ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including income tax ,wealth tax, provident fund and other material statutory dues applicable to it.
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, were in arrears, as at March 31, 2013 for a period of more than six months from the date they became payable.
(c) According to the information and explanations given to us, there are no dues on account of income tax, wealth tax, and other statutory dues which have not been deposited on account of any dispute.
- (x) The company is incorporated on 31st March, 2010 and hence paragraph 4(x) is not applicable.
- (xi) The company has not taken any loan from any financial institutional or banks.
- (xii) According to the information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the company.
- (xiv) The company has maintained proper records of transactions and contracts in respect of investments in shares, debentures and other securities and timely entries have been made therein. The investments are held by the company in its own name.
- (xv) In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, the company has not availed any term loans during the year.
- (xvii) According to the records examined by us and the information and explanations given to us, on an overall basis, funds raised on short term basis have, prima facie, not been used during the year for long term investment (fixed assets, etc.) and vice versa.
- (xviii) During the year company has made preferential allotment of shares to parties covered under section 301 of Companies Act 1956. The price of the issue is not prejudicial to interest of the company.

- (xix) According to the information and explanations given to us and the records examined by us, during the year company has not issued any secured debenture
- (xx) The company has not raised any money by public issue during the year.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the year.

For Arun Arora & Co.
Chartered Accountants

Sd/-
Arun Arora
(Proprietor)
Membership No.: A-12018

Place: Mumbai
Date : May 14, 2013

**JM FINANCIAL PROPERTIES AND HOLDINGS LIMITED
(FORMERLY KNOWN AS JM FINANCIAL GILTS LIMITED)
BALANCE SHEET AS AT 31ST MARCH 2013**

(In Rupees)

	Note	As at 31.03.2013	As at 31.03.2012
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share capital	2.1	980,500,000	11,500,000
(b) Reserves and surplus	2.2	(19,978,192)	(10,613,742)
		960,521,808	886,258
(2) Current Liabilities			
(a) Short term borrowings	2.3	818,500,000	-
(b) Other current liabilities	2.4	326,244,879	27,781
Total		2,105,266,687	914,039
II. ASSETS			
(1) Non-current assets			
Long term loans and advances	2.5	1,743,125,103	-
(2) Current assets			
(a) Current investments	2.6	-	907,089
(b) Cash and cash equivalents	2.7	344,217,580	6,949
(c) Short term loans and advances	2.8	17,596,897	-
(d) Other current assets	2.9	327,107	-
		362,141,584	914,039
Total		2,105,266,687	914,039

Significant accounting policies & notes to financial statements 1 & 2

As per our attached report of even date

For and on behalf of

Arun Arora & Co.

Chartered Accountants

For and on behalf of the Board of Directors

Sd/-

Arun Arora

Proprietor

Membership No.A-12018

Sd/-

P K Choksi

Director

Sd/-

Sanjoy Datta

Director

Place: Mumbai

Date: May 14, 2013

Place: Mumbai

Date: May 14, 2013

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2013

(In Rupees)

	Note	For the year ended 31.03.2013	For the year ended 31.03.2012
I Income:			
(a) Revenue from Operations	2.10	48,253,200	-
(b) Other income	2.11	756,388	62,395
Total Revenue		49,009,588	62,395
II Expenses:			
(a) Finance costs	2.12	38,355,493	-
(b) Other expenses	2.13	20,018,545	50,460
Total Expenses		58,374,038	50,460
III Profit / (Loss) before tax		(9,364,450)	11,935
IV Less: Tax expense		-	-
V Profit / (Loss) for the year		(9,364,450)	11,935
Earnings per equity share (face value of ₹ 10/- each)	2.16		
(Basic EPS (in ₹)		(3.12)	0.24
(Diluted EPS (in ₹)		(7.06)	0.24

Significant accounting policies & notes to financial statements 1 & 2

As per our attached report of even date

For and on behalf of
Arun Arora & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
Arun Arora
Proprietor
Membership No.A-12018

Sd/-
P K Choksi
Director

Sd/-
Sanjoy Datta
Director

Place: Mumbai
Date: May 14, 2013

Place: Mumbai
Date: May 14, 2013

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2013

Particulars	In Rupees	
	For the year ended March 31, 2013	For the year ended March 31, 2012
Cash flow from operating activities		
A Net Profit (Loss) before tax	(9,364,450)	11,935
Adjustment for :		
Dividend income	(392,936)	(62,395)
Operating Profit/(Loss) before Working Capital Changes	(9,757,386)	(50,460)
Adjustment for :		
(Increase)/decrease in short-term loans and advances	(17,596,897)	-
(Increase)/decrease in long-term loans and advances	(1,736,899,948)	-
(Increase)/decrease in other current assets	(327,107)	-
Increase/(decrease) in other current liabilities	326,217,098	16,751
Cash generated from/(used in) operations	(1,438,364,240)	(33,709)
Direct taxes paid	(6,225,155)	-
Net Cash from/(used in) Operating Activities (A)	(1,444,589,395)	(33,709)
B Cash flow from Investing Activities		
Purchase of current investments	(215,392,936)	-
Sale of Current Investments	216,300,025	(32,395)
Dividend Received	392,936	62,395
Net Cash from/(used in) Investing Activities (B)	1,300,025	30,000
C Cash flow from Financing Activities		
Proceeds from issue of equity share capital	29,500,000	-
Proceeds from issue of preference share capital	950,500,000	-
Redemption of preference share capital	(11,000,000)	-
Proceeds from short term borrowings	818,500,000	-
Net Cash (used in)/ from Financing Activities (C)	1,787,500,000	-
Net increase in cash and cash equivalents (A+B+C)	344,210,630	(3,709)
Cash and cash equivalents at the beginning of the year	6,949	10,658
Cash and cash equivalents at the end of the year	344,217,580	6,949

Notes:

- 1 The cash flow statement has been prepared under the 'Indirect Method' as set out in AS 3 - "Cash Flow Statement" and notified in Companies (Accounting standards) Rules, 2006 (as amended).
- 2 Previous year's figures have been regrouped and rearranged wherever necessary

Significant accounting policies & notes to financial statements

1 & 2

As per our attached report of even date

For and on behalf of

Arun Arora & Co.

Chartered Accountants

For and on behalf of the Board of Directors

Sd/-

Arun Arora

Proprietor

Membership No.A-12018

Sd/-

P K Choksi

Director

Sd/-

Sanjoy Datta

Director

Place: Mumbai

Date: May 14, 2013

Place: Mumbai

Date: May 14, 2013

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

1 SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention on an accrual basis of accounting and are in compliance with the applicable Accounting Standards notified in the Companies (Accounting Standard) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956 ("the Act"). Except otherwise mentioned, the accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

1.2 Use of estimates

The preparation of financial statements is in conformity with Indian Generally Accepted Accounting Principles, which require the management to make estimates and assumptions, that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and differences between actual results and estimates are recognised in the periods in which the results are known/materialised.

1.3 Revenue recognition

Revenue is recognised at the point when there is reasonable certainty of its ultimate realisation/ collection.

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

Interest income is recognised on accrual basis.

1.4 Fixed assets and depreciation

Owned tangible assets

Tangible fixed assets are stated at original cost of acquisition less accumulated depreciation and impairment losses. Cost comprises of all costs incurred to bring the assets to their present location and working condition.

Depreciation on tangible fixed assets is provided, on a pro-rata basis for the period of use, on the Straight Line Method (SLM), based on rates as per management's estimate of useful life of the fixed assets, or at the rates prescribed in Schedule XIV to the Companies Act, 1956, whichever is higher, as per the following table:

Assets	Useful Life
Furniture and fixtures	10 years
Office equipment	5 years
Computers and software	5 years
Leasehold improvements	10 years or lease period whichever is lower
Office premises	61 years

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

Owned intangible assets

Intangible fixed assets are stated at cost of acquisition or internal generation, less accumulated amortisation and impairment losses. An intangible asset is recognised, where it is probable that the future economic benefits attributable to the assets will flow to the enterprise and where its cost can be reliably measured. The depreciable amount of the intangible assets is allocated over the best estimate of its useful life on a straight line basis.

The Company capitalises software and related implementation costs where it is reasonably estimated that the software has an enduring useful life. Software is depreciated over management estimate of its useful life not exceeding 5 years.

Leased assets

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.

1.5 Investments

Investments are classified as non-current (long term) or current. Non-current investments are carried at cost, however, provision for diminution in the value of non-current investments is made to recognise a decline, other than temporary, in the value of investments. The provision for diminution in the value of the quoted non-current investments is made to recognise the decline at lower of cost or market value, determined on the basis of the quoted prices of individual investment. Provision for diminution in the value of unquoted non-current investments is made as per the Management's estimate of fair value. Current investments are carried at lower of cost or fair value.

1.6 Taxation

Tax expense comprises current tax and deferred tax.

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the provisions of Income Tax Act, 1961.

Deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that apply substantively as on the date of balance sheet. Deferred tax assets arising from timing differences are recognised to the extent there is reasonable certainty that these would be realised in future.

Deferred tax assets, in case of unabsorbed losses and unabsorbed depreciation, are recognised only if there is virtual certainty that such deferred tax asset can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

1.7 Operating leases

Leases, where significant portion of risk and reward of ownership are retained by the lessor, are classified as operating leases and lease rentals thereon are charged to the statement of profit and loss.

1.8 Foreign currency transactions

Transactions in foreign currency are recorded at rates of exchange prevailing on the date of transaction. Foreign currency monetary items are reported using closing rate of exchange at the end of the year. The resulting exchange gain/loss is reflected in the statement of profit and loss. Other non-monetary items, like fixed assets, investments in equity shares, are carried in terms of historical cost using the exchange rate at the date of transaction.

1.9 Provisions, contingent liabilities and contingent assets

Contingent liabilities are possible but not probable obligations as on the balance sheet date, based on the available evidence. Provisions are recognised when there is a present obligation as a result of past event; and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on best estimate required to settle the obligation at the balance sheet date. Contingent assets are not recognised in the financial statements.

2 NOTES TO FINANCIAL STATEMENTS

2.1 SHARE CAPITAL

	(In Rupees)	
	As at 31.03.2013	As at 31.03.2012
Authorised		
25,00,000 (145,000,000) Equity Shares of Rs.10/- each	250,000,000	1,450,000,000
125,00,000 (5,000,000) Preference Shares of Rs.10/- each	1,250,000,000	50,000,000
	1,500,000,000	1,500,000,000
Issued, Subscribed and Paid-up		
30,00,000 (50,000) Equity Shares of Rs.10/- each fully paid up	30,000,000	500,000
9,50,50,000 (11,00,000) Preference Shares of Rs. 10/- each fully paid up	950,500,000	11,000,000
Total	980,500,000	11,500,000

Note a:

Out of Equity and Preference shares issued by the Company, shares held by each shareholder including its holding company, ultimate holding company and their subsidiaries/associates, holding more than 5 percent shares specifying the number of shares held are as below:

	As at 31.03.2013		As at 31.03.2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares:				
JM Financial Products Limited (Holding Company)	-	-	49,994	99.99%
JM Financial Limited (Holding Company) w.e.f October 25, 2012	3,000,000	100%	-	-
Preference Shares:				
JM Financial Products Limited (Holding Company)	-	-	1,100,000	100%
JM Financial Limited (Holding Company) w.e.f October 25, 2012	95,050,000	100%	-	-

Note b:

Reconciliation of the number of equity shares outstanding

	As at 31.03.2013		As at 31.03.2012	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	50,000	500,000	50,000	500,000
Shares issued during the year	2,950,000	29,500,000	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	3,000,000	30,000,000	50,000	500,000

Note c:

Reconciliation of the number of preference shares outstanding

	As at 31.03.2013		As at 31.03.2012	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	1,100,000	11,000,000	1,100,000	11,000,000
Shares issued during the year	95,050,000	950,500,000	-	-
Shares redeemed during the year	1,100,000	11,000,000	-	-
Shares outstanding at the end of the year	95,050,000	950,500,000	1,100,000	11,000,000

Note d:

Aggregate number of shares allotted as fully paid up by way of bonus shares during last 5 years:

Particulars	No. of shares
Equity Shares :	
Fully paid up by way of bonus shares	Nil
Preference Shares :	
Fully paid up by way of bonus shares	Nil

Note e:

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.

Preference shares :**1) RIGHT TO RANK PRIOR TO EQUITY SHARES:**

The holder(s) of the Participating Non Cumulative Redeemable Preference Shares (PRPS) shall have a right to rank prior to the equity shares of the Company liquidation, dissolution and on winding up of the company, subject to the provisions of the Companies Act, 1956 (the Act), as amended from time to time.

2) VOTING RIGHTS:

The holder(s) of the PRPS shall be entitled to vote only on resolutions placed before the Company which directly affect the rights attached to the PRPS in accordance with applicable provisions of the Act.

3) DIVIDEND:

The PRPS shall carry a fixed non-cumulative preference dividend at the rate of 10%, subject to availability of distributable profits and the said dividend, if declared, shall be paid on a pro-rata basis during the year of its issue for the period commencing from the date of its allotment till the end of the financial year during which the said PRPS are allotted. Additionally, the PRPS shall have a right to participate in the profits of the Company by way of a dividend, the equivalent amount of which shall not exceed the yield of 6% p.a. on the issue price and the same shall be paid along with payment of dividend to the equity shareholders.

4) TERM OF PREFERENCE SHARES:

The tenure of PRPS shall be 10 years from the date of allotment provided that the Company shall have a right to redeem PRPS either fully or partly, in tranches, any time within a period of 10 years by giving at least 15 days written notice to the PRPS holder(s).

5) REDEMPTION OF SHARES:

The PRPS may be redeemed at par or at such premium as may be decided by the Board of Directors of the Company.

2.2 RESERVES AND SURPLUS

(In Rupees)

	As at 31.03.2013	As at 31.03.2012
Surplus in statement of profit and loss:		
Opening balance	(10,613,742)	(10,625,677)
Add: Profit / (loss) for the year	(9,364,450)	11,935
Closing balance	(19,978,192)	(10,613,742)
Total	(19,978,192)	(10,613,742)

2.3 SHORT-TERM BORROWINGS

(In Rupees)

	As at 31.03.2013	As at 31.03.2012
Inter corporate deposits (unsecured)	818,500,000	-
Total	818,500,000	-

2.4 OTHER CURRENT LIABILITIES

(In Rupees)

	As at 31.03.2013	As at 31.03.2012
Statutory Dues	4,529,706	-
Interest accrued but not due on borrowings	21,500,765	-
Property deposits	300,100,000	-
Other liabilities	114,408	27,781
Total	326,244,879	27,781

2.5 LONG TERM LOANS AND ADVANCES (Unsecured, considered good)

(In Rupees)

	As at 31.03.2013	As at 31.03.2012
Capital advances	1,400,000	-
Security Deposits	1,735,499,948	-
Income tax paid	6,225,155	-
Total	1,743,125,103	-

2.6 CURRENT INVESTMENTS

(In Rupees)

	Face Value (Rs.)	As at 31.03.2013	As at 31.03.2012
Investments in Mutual Funds (UNQUOTED)			
JM Money Manager Fund - Super Plus Plan - Daily Dividend	10	-	907,089
TOTAL		-	907,089

Notes:

1. Aggregate value of	As at Cost Rupees	31.03.2013 Market Value / NAV Rupees	As at Cost Rupees	31.03.2012 Market Value / NAV Rupees
Unquoted Investments	-	-	907,089	907,089

2.7 CASH AND CASH EQUIVALENTS

(In Rupees)

	As at 31.03.2013	As at 31.03.2012
Cash and cash equivalents		
Cash on hand	20,914	-
Balances with bank:		
In current accounts	9,196,666	6,949
In deposit accounts (less than 3 months maturity)	335,000,000	-
Total	344,217,580	6,949

2.8 SHORT-TERM LOANS AND ADVANCES

(Unsecured, considered good)

(In Rupees)

	As at 31.03.2013	As at 31.03.2012
Advances recoverable in cash or in kind or for value to be received	1,940,125	-
Prepaid expenses	15,656,772	-
Total	17,596,897	-

2.9 OTHER CURRENT ASSETS

(Unsecured, considered good)

(In Rupees)

	As at 31.03.2013	As at 31.03.2012
Interest accrued but not due	327,107	-
Total	327,107	-

2.10 REVENUE FROM OPERATIONS

(In Rupees)

	For the year ended 31.03.2013	For the year ended 31.03.2012
Lease rent	48,253,200	-
Total	48,253,200	-

2.11 OTHER INCOME

(In Rupees)

	For the year ended 31.03.2013	For the year ended 31.03.2012
Dividend on current investments	392,936	62,395
Interest income	363,452	-
Total	756,388	62,395

2.12 FINANCE COSTS

(In Rupees)

	For the year ended 31.03.2013	For the year ended 31.03.2012
Interest expenses	38,355,493	-
Total	38,355,493	-

2.13 OPERATING & OTHER EXPENSES

(In Rupees)

	For the year ended 31.03.2013	For the year ended 31.03.2012
Rent expenses	15,656,772	-
Rates and taxes	1,201,366	-
Auditor's remuneration (refer note 2.15)	40,000	11,236
Legal & Professional fees	3,088,198	23,124
Travelling and conveyance expenses	23,550	-
Printing & Stationery	919	-
Miscellaneous expenses	7,740	16,100
Total	20,018,545	50,460

2.14 Operating lease

During the year, the Company has taken two floors comprising five units under operating lease for a period of eighteen months, along with certain amenities. The same were non-cancellable.

Future Minimum Lease Payments under Non-Cancellable Operating Lease are as under:

(Rupees)

Particulars	Total lease payments outstanding as at March 31, 2013	Total lease payments outstanding as at March 31, 2012
Not later than one year	62,627,088	-
Later than one year and not later than five years	-	-
Later than five years	-	-
Expenditure debited to statement of profit & loss	15,656,772	-

2.15 Auditors remuneration *

(Rupees)

	For the year ended March 31, 2013	For the year ended March 31, 2012
Audit fees	40,000/-	11,236/-

*Above fees is exclusive of service tax of Rs.4,944/- (previous year, inclusive of service tax of Rs.1,236/-)

2.16 Earnings per share (EPS)

(Rupees)

	For the year ended March 31, 2013	For the year ended March 31, 2012
Profit / (loss) after tax	(9,364,450)	11,935
Weighted average number of equity shares outstanding during the year for calculating basic earnings per shares (Nos.)	3,000,000	50,000
Basic earnings per share (in ₹)	(3.12)	0.24
Weighted average number of equity shares outstanding during the year for calculating diluted earnings per shares (Nos.)	1,326,986	50,000
Diluted earnings per share (in ₹)	(7.06)	0.24

2.17 Segment Reporting

There are no separate reportable segments as per accounting standard 17 and the entire operations of the company relates to one segment.

2.18 Statement of Cash Flow required as per accounting Standards (AS-3), issued by the Institute of Chartered Accountants of India, is attached and forms a part of the financial statement,

2.19 Disclosure in respect of Related Parties pursuant to accounting Standard 18

(A) List of Related Parties:

(a) Holding Company

JM Financial Products Limited (up to October 24, 2012)
JM Financial Limited (from October 25, 2012)

(b) Fellow Subsidiaries

JM Financial Institutional Securities Private Limited
JM Financial Investment Managers Limited
JM Financial Products Limited (from October 25, 2012)
JM Financial Services Limited
JM Financial Asset Management Private Limited
Infinite India Investment Management Private Limited

Related Party Disclosures:

(Rupees)

Name of the related party	Nature of relationship	Description of the transaction	Amount for the year 2012-13	Amount for the year 2011-12
JM Financial Limited	Holding Company (from October 25, 2012)	Issue of equity shares	29,500,000	-
		Issue of preference shares	950,500,000	-
JM Financial Products Limited	Holding Company (up to October 24, 2012)	Redemption of preference shares	11,000,000	-
		Expenses reimbursed	31,152	22,679
JM Financial Institutional Securities Private Limited	Fellow Subsidiaries	Rent received	20,931,600	-
		Expenses recovered	4,467,690	-
		ICD received	2,500,00,000	-
		ICD repaid	2,500,00,000	-
		Interest paid	828,767	-
		Property Deposit received	130,200,000	-
JM Financial Investment Managers Limited	Fellow Subsidiaries	Outstanding Property Deposit	130,200,000	-
		Rent received	785,400	-
		Expenses recovered	167,638	-
		Property Deposit received	4,900,000	-
JM Financial Products Limited	Fellow Subsidiaries	Outstanding Property Deposit	4,900,000	-
		Rent received	10,384,080	-
		Expenses recovered	2,216,402	-
		ICD received	1,618,500,000	-
		ICD repaid	1,250,000,000	-
		Interest expenses	34,256,863	-
		ICD Payable	368,500,000	-
		Interest Payable	20,198,848	-
JM Financial Services Limited	Fellow Subsidiaries	Property Deposit received	64,580,000	-
		Outstanding Property Deposit	64,580,000	-
		Rent received	10,633,320	-
		Expenses recovered	2,269,601	-
		ICD received	550,000,000	-
		ICD repaid	550,000,000	-
		Interest paid	1,823,288	-
		Other Payable	28,051	-
JM Financial Asset Management Private Limited	Fellow Subsidiaries	Property Deposit received	66,120,000	-
		Outstanding Property Deposit	66,120,000	-
JM Financial Asset Management Private Limited	Fellow Subsidiaries	ICD received	450,000,000	-
		Interest expenses	1,446,575	-

Name of the related party	Nature of relationship	Description of the transaction	Amount for the year 2012-13	Amount for the year 2011-12
		ICD Payable	450,000,000	-
		Interest Payable	1,301,917	-
Infinite India Investment Management Private Limited	Fellow Subsidiaries	Rent received	912,000	-
		Expenses recovered	194,659	-
		Property Deposit received	5,700,000	-
		Outstanding Property Deposit	5,700,000	-

2.20 Figures of the previous year have been regrouped / reclassified / rearranged wherever necessary to correspond with those of the current year's classification / disclosure.

As per our attached report of even date

**For and on behalf of
Arun Arora & Co.**
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
Arun Arora
Proprietor
Membership No.A-12018

Sd/-
P K Choksi
Director

Sd/-
Sanjoy Datta
Director

Place: Mumbai
Date: May 14, 2013

Place: Mumbai
Date: May 14, 2013