



JM FINANCIAL PRODUCTS LIMITED

Audited Financial Statements

FY 2015-16

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 Website: www.jmfl.com

BOARD OF DIRECTORS

Mr. V P Shetty
Mr. Vishal Kampani
Mr. Madhukar R Umarji
Mr. E A Kshirsagar
Mr. Dhirendra Singh
Ms. Roshini Bakshi

AUDIT COMMITTEE

Mr. E A Kshirsagar
Mr. Madhukar R Umarji
Mr. Dhirendra Singh

CHIEF FINANCIAL OFFICER

Mr. Hemant Kotak

COMPANY SECRETARY

Ms. Reena Sharda

STATUTORY AUDITORS

Deloitte Haskins & Sells LLP
Chartered Accountants
Indiabulls Finance Centre,
Tower 3, 27th-32nd Floor,
Senapati Bapat Marg,
Elphinstone Road (West),
Mumbai 400 013

BANKERS

HDFC Bank Limited
Tulsiani Chambers
Nariman Point
Mumbai – 400 021

REGISTERED OFFICE

7th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi,
Mumbai – 400 025

DEBENTURE TRUSTEE

IDBI Trusteeship Services Limited,
Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,
Mumbai – 400 001

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF JM FINANCIAL PRODUCTS LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of JM FINANCIAL PRODUCTS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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 Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act.

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 statements that give a true and fair view and are free from material misstatement, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143 (11) of the Act.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements 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 amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

Opinion

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 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 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with 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:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements (refer note 24 of the financial statements).
 - 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.
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)

Abhijit A. Damle
Partner
(Membership No. 102912)

Mumbai, dated 12th May, 2016

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' 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 PRODUCTS LIMITED** ("the Company") as of 31st March, 2016 in conjunction with our audit of the 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 31st March, 2016, 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.

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

Abhijit A. Damle
Partner
(Membership No. 102912)

Mumbai, dated 12th May, 2016

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

In our opinion and according to the information and explanations given to us, the nature of the Company's business/activities/ results for the year are such that clauses (ii) and (vi), of the Order are not applicable. In respect of the other clauses, we report as under:

1. In respect of fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) All the fixed assets were physically verified during the year by the Management. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land which are freehold, are held in the name of the Company as at the balance sheet date.
2. 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 Companies Act, 2013, 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.
3. 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 Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
4. According to the information and explanations given to us, the Company has not accepted any deposit during the year.
5. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it to the appropriate authorities. There were no undisputed amounts payables in respect of the aforesaid dues in arrears as at 31st March, 2016 for a period of more than six months from the date of becoming payable.
 - (b) There are no cases of non-deposits with the appropriate authorities of disputed dues of Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax as applicable.

Details of dues of Income Tax which have not been deposited as on 31st March, 2016 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates (Financial Year)	Amount Involved (Rs.)	Amount Unpaid (Rs.)
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	2012-13	50,411,514	27,912,218

6. 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.
7. In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by term loans during the year for the purposes for which they were raised. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).
8. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
9. 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.
10. The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
11. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the 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.
12. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
13. 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 him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
14. The Company is required to be registered under section 45-I of the Reserve Bank of India Act, 1934 and it has obtained the registration.

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

Abhijit A. Damle
Partner
(Membership No. 102912)

Mumbai, dated 12th May, 2016

JM FINANCIAL PRODUCTS LIMITED
BALANCE SHEET AS AT 31ST MARCH 2016

	Note No.	Rupees	Rupees	As at 31.03.2015 Rupees
EQUITY AND LIABILITIES				
Shareholder's Funds				
Share Capital	2	5,445,000,000		5,445,000,000
Reserves and Surplus	3	6,610,210,027		5,535,581,299
			12,055,210,027	10,980,581,299
Non-Current Liabilities				
Long-term borrowings	4	4,616,340,812		1,106,929,840
Long term provisions	5	270,343,455		270,466,610
			4,886,684,267	1,377,396,450
Current Liabilities				
Short-term borrowings	6	23,520,484,404		28,872,028,441
Trade payables:	7			
- Dues to micro and small enterprises		-		-
- Others		46,603,691		18,335,790
Other current liabilities	8	1,845,637,456		3,449,484,509
Short-term provisions	9	739,926,294		792,075,077
			26,152,651,845	33,131,923,817
TOTAL			43,094,546,139	45,489,901,566
ASSETS				
Non-current assets				
Fixed assets	10			
Tangible assets		27,497,575		25,348,016
Intangible assets		10,940,201		13,249,392
Non-current investments	11	980,839,333		1,930,839,333
Deferred tax assets (net)	12	138,290,550		147,178,890
Long-term loans and advances	13	11,520,240,214		10,354,702,927
			12,677,807,873	12,471,318,558
Current assets				
Current investments	14	70,199,932		4,292,041
Stock-in-trade	15	2,568,941,562		3,590,075,769
Cash and bank balances	16	6,996,335,080		3,824,299,027
Short-term loans and advances	17	20,392,083,616		25,561,114,784
Other current assets	18	389,178,076		38,801,387
			30,416,738,266	33,018,583,008
TOTAL			43,094,546,139	45,489,901,566
Notes to the financial statements	1 to 37			

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Abhijit A. Damle
Partner
Place : Mumbai
Date : May 12, 2016

For and on behalf of the Board of Directors

Vishal Kampani
Managing Director
DIN - 00009079

Hemant Kotak
Chief Financial Officer
Place : Mumbai
Date : May 12, 2016

V. P. Shetty
Chairman
DIN - 00021773

Reena Sharda
Company Secretary

JM FINANCIAL PRODUCTS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016

	Note No.	Rupees	Previous Year Rupees
Revenue from operations	19	5,278,393,111	6,581,590,107
Other Income	20	316,434,350	443,221,968
TOTAL REVENUE		5,594,827,461	7,024,812,075
EXPENSES			
Employee benefits expense	21	156,359,114	273,297,898
Finance costs	22	2,749,637,418	3,733,349,328
Depreciation / amortization expense	10	15,455,738	13,946,141
Operating and other expenses	23	204,516,437	232,082,293
TOTAL EXPENSES		3,125,968,707	4,252,675,660
PROFIT BEFORE TAX		2,468,858,754	2,772,136,415
TAX EXPENSE:			
Current tax		783,000,000	895,000,000
Deferred tax		8,888,340	(5,767,844)
Short provision for income tax in respect of earlier years		2,626,190	-
Total		794,514,530	889,232,156
PROFIT FOR THE YEAR		1,674,344,224	1,882,904,259
Earning Per Equity Share (Face value of Rs. 10/- each)			
Basic and Diluted	29	3.08	3.46
Notes to the financial statements	1 to 37		

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Abhijit A. Damle
Partner
Place : Mumbai
Date : May 12, 2016

For and on behalf of the Board of Directors

Vishal Kampani
Managing Director
DIN - 00009079

V. P. Shetty
Chairman
DIN - 00021773

Hemant Kotak
Chief Financial Officer

Reena Sharda
Company Secretary

Place : Mumbai
Date : May 12, 2016

JM FINANCIAL PRODUCTS LIMITED
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2015

PARTICULARS	Rupees	Previous Year Rupees
A Net Profit before tax	2,468,858,754	2,772,136,415
Adjustment for :		
Depreciation/ Amortisation	15,455,738	13,946,141
Loss on fixed assets sold/ discarded (net)	-	128,935
Profit on Sale of Fixed Assets (net)	(253,941)	-
Loan funds written off	-	1,927,378
Provision for doubtful loans	-	23,241,210
Interest expenses - Others	4,740,902	1,906,815
Provision for doubtful loans written back	(3,003,715)	(1,927,378)
Interest Income on fixed deposits with Banks and others	(72,172,936)	(260,046,102)
Provision for bonus - written back	(2,300,000)	(1,237,500)
Dividend on current investments	(209,725,301)	(15,239,255)
Dividend on long term investments	(600,000)	(84)
Profit on sale of long term investments	-	(132,680,206)
Profit on sale of current investments	(27,835,298)	(31,916,229)
Operating Profit before Working Capital Changes	2,173,164,203	2,370,240,140
Changes in working capital		
Adjustment for (increase)/ decrease in operating assets:		
Loans and advances and other current assets	3,637,419,524	(6,315,775,112)
Stock-in-trade	1,021,134,207	1,752,004,492
Operating fixed deposits with banks	400,000,000	-
Accrued interest income related to operating activities	32,032,623	33,198,479
Adjustment for increase/ (decrease) in operating liabilities:		
Trade payables, other liabilities and provisions	15,938,577	(47,813,324)
Accrued interest expenses related to operating activities	(96,664,623)	(54,852,272)
Cash generated from /(used in) operations	7,183,024,511	(2,262,997,597)
Direct taxes paid (net)	(789,266,775)	(932,538,544)
Net Cash flow from /(used in) Operating Activities (A)	6,393,757,736	(3,195,536,141)
B Cash flow from Investing Activities		
Purchase of fixed assets	(26,777,473)	(9,184,654)
Sale of fixed assets	4,337,284	801,020
Purchase of long term investments	-	(980,839,333)
Sale of long term investments	-	477,100,206
Sale of investment in a subsidiary	950,000,000	-
(Purchase)/ sale of current investments (net)	(38,072,593)	27,624,188
Decrease/ (increase) in other bank balances	2,770,000,000	(110,000,000)
Interest received	74,654,452	268,455,196
Dividend received	210,325,301	15,239,339
Net Cash flow from /(used in) Investing Activities (B)	3,944,466,971	(310,804,037)

PARTICULARS	Rupees	Previous Year Rupees
C Cash flow from Financing Activities		
Proceeds/ (Repayment) from long term borrowings (net)	2,015,443,673	(2,963,819,622)
(Repayments)/ Proceeds from short term borrowings (net)	(5,351,544,037)	6,529,158,658
Interest paid	(4,740,902)	(1,906,815)
Dividend paid (Including Corporate Dividend Tax)	(655,347,388)	(191,111,333)
Net Cash flow (used in) / from from Financing Activities (C)	(3,996,188,654)	3,372,320,888
Net increase /(decrease) in cash and cash equivalents (A+B+C)	6,342,036,053	(134,019,291)
Cash and cash equivalents at the beginning of the year	54,299,027	188,318,318
Cash and cash equivalents at the end of the year	6,396,335,080	54,299,027
Notes,		
	Rupees	As at 31.03.2015 Rupees
(1) Reconciliation of cash and cash equivalents:		
As per Balance Sheet - Note 16	6,996,335,080	3,824,299,027
Less: Balances with banks in deposit	600,000,000	3,770,000,000
As per Cash-flow statement	6,396,335,080	54,299,027
(2) Balances with banks in deposit includes Rs.600,000,000/- (Previous year Rs.3,770,000,000/-) placed as securities against overdraft facilities availed from the banks.		

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Abhijit A. Damle
Partner
Place : Mumbai
Date : May 12, 2016

For and on behalf of the Board of Directors

Vishal Kampani
Managing Director
DIN - 00009079

V. P. Shetty
Chairman
DIN - 00021773

Hemant Kotak
Chief Financial Officer

Reena Sharda
Company Secretary

Place : Mumbai
Date : May 12, 2016

**JM FINANCIAL PRODUCTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS**

**Note 1
Significant Accounting Policies**

Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amount of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported amount of income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Difference between the actual and estimates are recognised in the period in which the results are known / materialised.

Fixed Assets

Fixed Assets are recorded at cost of acquisitions or construction. They are stated at historical cost less accumulated depreciation/ amortization and impairment loss, if any.

Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Leasehold improvements are depreciated over the period of lease or useful life of the asset whichever is lower.

Assets acquired under finance lease are depreciated over the period of lease.

Assets costing Rs.5,000/- or less are depreciated at 100%.

Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment loss, if any. Softwares are amortized over a period of five years on a straight line basis.

Impairment loss

Impairment loss is provided to the extent the carrying amount(s) of assets exceed their recoverable amount(s). Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash-flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Investments

Current investments are carried at lower of cost (Scrip wise) and fair value. Long term investments are carried at cost. Provision is made to recognize a decline, other than temporary, in the carrying amount of long term investments.

Stock in Trade

Stock in trade is carried at lower of cost and fair value. Cost is determined on First in First Out basis.

Foreign Currency Transactions

Transactions in foreign currency are recorded at rates of exchange in force at the time the transactions are effected. At the year-end, monetary items denominated in foreign currency are reported using the closing rates of exchange. Exchange differences arising thereon and on realisation/ payment of foreign exchange are accounted in the relevant year as income or expense.

Revenue Recognition

Interest income is recognised on accrual basis except in case of non-performing assets where interest is accounted on realization. In other cases, income is recognised when there is no significant uncertainty as to determination or realization exists.

Provision for Non Performing Assets (NPA) and Standard Assets (SA)

All loans and other credit exposures, where the installments are overdue for a period of six months or more are classified as NPA. Provision is made in respect of NPA and SA in accordance with the stipulations of Prudential Norms prescribed in the "Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015" by the Reserve Bank of India (RBI). Additional provisions (over and above the provisioning requirements under the Directions as specified by RBI) are also made as per guidelines prescribed by the Board of Directors.

Employee Retirement Benefits

(a) Post Employment Benefits and Other Long Term Benefits:

Defined Contribution Plan:

The Company contributes towards Provident Fund and Family Pension Fund. Liability in respect thereof is determined on the basis of contribution as required under the Statute/ Rules.

Defined Benefit Plans:

In respect of gratuity, provision is made based upon the actuarial valuation done at the end of every financial year using "Projected unit Credit Method". Major drivers in actuarial assumption, typically, are years of services and employees compensation. Gains and losses on changes in actuarial assumption are charged to the statement of profit and loss.

(b) Short term employee benefits:

Short term employee benefits are recognized as expense at the undiscounted amount in the statement of profit and loss of the year in which the related services are rendered.

Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets 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. All other borrowing costs are charged to revenue.

Taxes on income

Tax expense comprises both current and deferred tax at the applicable enacted/ substantively enacted rates. Current tax represents the amount of income tax payable/ recoverable in respect of the taxable income/ loss for the reporting period. Deferred tax represents effect of timing differences between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In case of existence of carry forward unabsorbed depreciation and tax losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that deferred tax assets can be realised against future taxable profits.

Provisions and contingencies

A provision is recognized when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. A contingent liability is disclosed when the Company has a possible or present obligation where it is not probable that an outflow of resources will be required to settle it. Contingent assets are neither recognized nor disclosed.

Note No.	Rupees	As at 31.03.2015 Rupees
2 SHARE CAPITAL		
Authorised		
1,100,000,000 Equity Shares of Rs.10/- each	11,000,000,000	11,000,000,000
100,000,000 Preference Shares of Rs.10/- each	1,000,000,000	1,000,000,000
TOTAL	12,000,000,000	12,000,000,000
Issued, Subscribed and Paid-up		
544,500,000 equity shares of Rs.10/- each fully paid up	5,445,000,000	5,445,000,000
TOTAL	5,445,000,000	5,445,000,000

2.1 The Company has issued only one class of shares i.e. equity. The equity shareholders are entitled to dividend as and when dividend is declared and approved by the shareholders. The dividend proposed for the year is Re. 1/- per share (Previous year Re. 1/- per share).

2.2 Reconciliation of number of shares:	Number of shares	Number of shares
At the beginning of the year	544,500,000	544,500,000
At the end of the year	544,500,000	544,500,000

2.3 Details of Shareholding in excess of 5%:	Number of shares & % of holding	Number of shares & % of holding
Names of the Shareholders		
JM Financial Limited and its nominees (5 shares held by nominees)	490,050,000 90.00%	490,050,000 90.00%
JM Financial Group Employees' Welfare Trust	8,227,850 1.52%	54,450,000 10.00%

Note No.	Rupees	As at 31.03.2015 Rupees
3 RESERVES AND SURPLUS		
Securities Premium Account		
As per last balance sheet	382,252,000	382,252,000
Statutory Reserve		
(under section 45-IC of The Reserve Bank of India Act, 1934)		
As per last balance sheet	1,592,900,000	1,212,900,000
Add : Transfer from the Statement of Profit and Loss	340,000,000	380,000,000
	1,932,900,000	1,592,900,000
Capital Redemption Reserve		
As per last balance sheet	1,000	1,000

Balance in the Statement of Profit and Loss		
As per last balance sheet	3,560,428,299	2,713,056,279
Profit for the year	1,674,344,224	1,882,904,259
Proposed dividend	(498,277,850)	(544,500,000)
Corporate dividend tax	(101,437,646)	(110,847,388)
Transferred to statutory reserve	(340,000,000)	(380,000,000)
Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with 'Nil' remaining useful life (net of deferred tax)	-	(184,851)
	4,295,057,027	3,560,428,299
TOTAL	6,610,210,027	5,535,581,299

Note No.	Rupees	As at 31.03.2015 Rupees
4 LONG TERM BORROWINGS		
Secured		
Term Loan from a Bank (Refer note 4.1)	2,000,000,000	666,666,665
Less: Current maturities of Term loans from Banks	-	(666,666,665)
	2,000,000,000	-
Non-Convertible Debentures (Refer note 4.2 and 4.3)	2,563,000,000	3,515,000,000
Less: Current maturities of Non-Convertible Debentures	(1,554,000,000)	(2,410,000,000)
	1,009,000,000	1,105,000,000
Finance lease obligations (Refer note 4.4 and 28)	12,309,539	5,575,679
Less: Current maturities of Finance Lease Obligations	(4,968,727)	(3,645,839)
	7,340,812	1,929,840
Unsecured		
Other loans and advances		
Inter Corporate Deposits (Refer note 4.5)	1,600,000,000	-
TOTAL	4,616,340,812	1,106,929,840

4.1 Term Loan from a Bank :

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:

Maturity profile	Rate of interest	Current Year	Previous Year
2017-18	10.10%	200,000,000	-
2018-19	10.10%	1,800,000,000	-
		2,000,000,000	-

4.2 Non-Convertible Debentures :

a) Rs.2,563,000,000/- (Previous year Rs.2,885,000,000/-) are secured by way of first charge on freehold land and hypothecation on certain identified loan fund balances of the Company.

b) Rs.Nil (Previous year Rs.630,000,000/-) are secured by way of hypothecation on certain identified loan fund balances of the Company.

4.3 Maturity profile and rate of interest/ discounted rate of interest of Non-Convertible Debentures (NCD) face value of Rs. 1,000,000/- each:

Particulars	Non Current		Current	
	Current Year	Previous Year	Current Year	Previous Year
0.00% NCD redeemable in year 2016-17 **	-	-	499,000,000	-
0.00% NCD redeemable in year 2017-18 **	400,000,000	-	-	-
0.00% NCD redeemable in year 2018-19 **	30,000,000	-	-	-
0.00% NCD redeemable in year 2019-20 **	79,000,000	-	-	-
9.40% NCD redeemable in year 2016-17	-	-	55,000,000	-
9.55% NCD redeemable in year 2017-18	500,000,000	-	-	-
11.38% NCD redeemable in year 2016-17	-	1,000,000,000	1,000,000,000	-
0.00% NCD redeemable in year 2015-16 **	-	-	-	990,000,000
0.00% NCD redeemable in year 2015-16 *	-	-	-	920,000,000
0.00% NCD redeemable in year 2016-17 **	-	50,000,000	-	-
9.55% NCD redeemable in year 2016-17	-	55,000,000	-	-
11.40% NCD redeemable in year 2015-16	-	-	-	500,000,000
Total	1,009,000,000	1,105,000,000	1,554,000,000	2,410,000,000

* issued at discount

** Redeemable at premium

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

4.5 Maturity profile and rate of interest of Inter Corporate Deposits:

	Rate of interest	Current Year	Previous Year
Maturity profile			
2017-18	10.50%	1,600,000,000	-

Note No.		Rupees	As at 31.03.2014 Rupees
5 LONG TERM PROVISIONS			
	For Standard Assets (Refer note 35)	262,695,518	262,695,518
	For employee benefits:		
	Gratuity (Refer note 26)	7,647,937	7,771,092
	TOTAL	270,343,455	270,466,610
6 SHORT TERM BORROWINGS			
	Secured		
	Short Term Loan from a Bank (Refer note 6.1)	1,000,000,000	-
	Loans repayable on demand		
	From banks		
	Cash credit facilities (Refer note 6.1)	402,499,828	-
	Overdraft accounts (Refer note 6.2)	-	24,338,124

Note No.	Rupees	As at 31.03.2015 Rupees
Other loans and advances		
CBLO borrowings (Refer note 6.3)	2,430,000,000	2,750,000,000
Less: Unamortised interest on CBLO	(1,439,232)	(3,560,165)
	2,428,560,768	2,746,439,835
Unsecured		
Other loans and advances		
Commercial paper (Refer note 6.4 and 6.5)	19,575,000,000	26,155,000,000
Less: Unamortised interest on commercial paper	(635,576,192)	(803,749,518)
	18,939,423,808	25,351,250,482
Inter Corporate Deposits	750,000,000	750,000,000
TOTAL	23,520,484,404	28,872,028,441

- 6.1** Short term loan and Cash credit facilities from banks are secured by way of hypothecation on certain identified loan fund balances of the Company.
- 6.2** Secured against fixed deposits pledged with the banks.
- 6.3** Secured against government securities pledged with the Clearing Corporation of India Limited (CCIL).
- 6.4** The maximum amount of commercial paper outstanding at any time during the year was Rs.61,665,000,000/- (Previous year Rs.45,235,000,000/-).
- 6.5** Interest rate of commercial paper issued during the year range from 7.75% to 10.50% p.a.
- 7** There are no dues payable to Micro and Small Enterprises, based on the information available with the Company, and therefore disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 are not applicable.

Note No.	Rupees	As at 31.03.2015 Rupees
8 OTHER CURRENT LIABILITIES		
Current maturities of long term borrowings:		
-Term Loan from Bank (Refer note 4)	-	666,666,665
-Non-Convertible Debentures (Refer note 4)	1,554,000,000	2,410,000,000
Less: Unamortised discount on non convertible debentures	-	(27,376,478)
	1,554,000,000	2,382,623,522
-Finance Lease Obligations (Refer note 4 and 28)	4,968,727	3,645,839
Interest accrued but not due on borrowings	103,208,216	199,872,839
Income received in advance	17,116,942	-
Employee benefits payable	150,776,144	187,837,884
Statutory dues	13,467,427	6,637,760
Directors' commission payable	2,100,000	2,200,000
TOTAL	1,845,637,456	3,449,484,509

Note No.	Rupees	As at 31.03.2015 Rupees
9 SHORT TERM PROVISIONS		
For Proposed dividend	498,277,850	544,500,000
For Corporate dividend tax	101,437,646	110,847,388
For Taxation (net of advance tax)	49,525,604	41,747,742
For doubtful loans	86,154,912	89,158,627
For employee benefits:		
-Compensated absences	3,857,546	4,335,067
-Gratuity (Refer note 26)	672,736	1,486,253
TOTAL	739,926,294	792,075,077

JM FINANCIAL PRODUCTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS

Note No. 10
FIXED ASSETS

Description of Assets	GROSS BLOCK (AT COST)				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 01.04.2015	Additions	Deductions	As at 31.03.2016	Up to 01.04.2015	For the year	Transition adjustment	Deductions / Adjustments	Up to 31.03.2016	As at 31.03.2016
	Rupees									
TANGIBLE ASSETS										
Own Assets										
Freehold Land (Refer note 10.1)	2,146,300	-	-	2,146,300	-	-	-	-	-	2,146,300
Furniture and Fixtures	4,226,648	53,308	-	4,279,956	947,467	385,658	-	-	1,333,125	2,946,831
Computers	4,689,694	1,466,251	327,188	5,828,757	2,252,953	1,136,840	-	179,255	3,210,538	2,618,219
Office Equipment	1,432,893	188,719	-	1,621,612	452,436	299,212	-	-	751,648	869,964
Leasehold Improvements	18,059,215	-	-	18,059,215	6,272,754	4,392,911	-	-	10,665,665	7,393,550
Leased Assets										
Vehicles (Refer note 10.2)	13,390,036	15,513,106	13,390,036	15,513,106	8,671,160	4,773,861	-	9,454,626	3,990,395	11,522,711
TOTAL	43,944,786	17,221,384	13,717,224	47,448,946	18,596,770	10,988,482	-	9,633,881	19,951,371	27,497,575
INTANGIBLE ASSETS										
Software	28,945,212	2,158,065	-	31,103,277	15,695,820	4,467,256	-	-	20,163,076	10,940,201
TOTAL	28,945,212	2,158,065	-	31,103,277	15,695,820	4,467,256	-	-	20,163,076	10,940,201
Previous Year										
Description of Assets										
TANGIBLE ASSETS										
Own Assets										
Freehold Land (Refer note 10.1)	2,146,300	-	-	2,146,300	-	-	-	-	-	2,146,300
Furniture and Fixtures	4,226,082	178,066	177,500	4,226,648	606,743	387,189	-	46,465	947,467	3,279,181
Computers	2,920,960	2,835,342	1,066,608	4,689,694	1,529,393	1,123,404	280,035	679,879	2,252,953	2,436,741
Office Equipment	1,432,893	-	-	1,432,893	164,796	287,640	-	-	452,436	980,457
Leasehold Improvements	16,295,768	1,763,447	-	18,059,215	2,061,981	4,210,773	-	-	6,272,754	11,786,461
Leased Assets										
Vehicles (Refer note 10.2)	17,730,165	-	4,340,129	13,390,036	9,062,831	3,536,267	-	3,927,938	8,671,160	4,718,876
TOTAL	44,752,168	4,776,855	5,584,237	43,944,786	13,425,744	9,545,273	280,035	4,654,282	18,596,770	25,348,016
INTANGIBLE ASSETS										
Software	24,537,413	4,407,799	-	28,945,212	11,294,952	4,400,868	-	-	15,695,820	13,249,392
TOTAL	24,537,413	4,407,799	-	28,945,212	11,294,952	4,400,868	-	-	15,695,820	13,249,392

10.1 - Mortgaged as security against secured non-Convertible Debentures.(Refer note 4.2)

10.2 - Vendors have a lien over assets taken on lease.

JM FINANCIAL PRODUCTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS

			As at 31.03.2015	
	Nos./ Units	Rupees	Nos./ Units	Rupees
11 NON-CURRENT INVESTMENTS (Non Trade, fully paid up)				
a) Equity Shares				
In Subsidiaries (unquoted)				
JM Financial Services Limited of Rs. 10/- each	-	-	45,500,000	950,000,000
In Others (quoted)				
HCL Technologies Ltd of Rs. 2/- each	30,000	30,339,333	30,000	30,339,333
b) Preference Shares				
In Others (unquoted)				
10% Participating non-cumulative redeemable preference shares of JM Financial Properties & Holdings Limited of Rs. 10/- each	95,050,000	950,500,000	95,050,000	950,500,000
	TOTAL	980,839,333		1,930,839,333
11.1 Aggregate cost of:				
Quoted Investments		30,339,333		30,339,333
Unquoted Investments		950,500,000		1,900,500,000
	Total	980,839,333		1,930,839,333
11.2 Market Value of quoted Investments		24,423,000		29,412,000

	Rupees	As at
		31.03.2015
		Rupees
12 DEFERRED TAX ASSETS (NET)		
Difference between books and tax written down value of fixed assets	3,941,031	3,110,806
Provision for standard assets	90,913,665	90,913,665
Provision for doubtful loans	29,816,492	30,856,018
Disallowances under section 43B of the Income Tax Act, 1961	13,619,362	22,298,401
	TOTAL	147,178,890
	138,290,550	

Note No.	Rupees	As at 31.03.2015 Rupees
13 LONG TERM LOANS AND ADVANCES		
(Unsecured unless otherwise stated and considered good)		
Loan funds (Secured)	11,275,417,600	8,728,769,212
Unsecured	-	1,400,000,000
	11,275,417,600	10,128,769,212
Advance tax (net of provision for tax)	173,742,078	162,323,631
Security deposits	62,568,600	62,558,600
Capital advances	8,374,883	976,859
Staff loans	137,053	74,625
TOTAL	11,520,240,214	10,354,702,927
14 CURRENT INVESTMENTS		
(Quoted)		
Mutual Funds Units of Rs.10/- each, Fully Paid-Up		
Nil (Previous Year 112,376.213) JM High Liquidity Fund (Growth Option)	-	4,292,041
(Unquoted)		
Security Receipts of Rs. 1,000/- each, Fully paid-Up		
200,000 (Previous Year Nil) Class A Security Receipts	70,199,932	-
(Face value partly redeemed)		
TOTAL	70,199,932	4,292,041
14.1 Aggregate cost of:	-	4,292,041
Quoted investments	70,199,932	-
Unquoted investments	70,199,932	4,292,041
14.2 Market Value of quoted Investments	-	4,296,064
15 STOCK-IN-TRADE		
(At lower of cost and fair value)		
Debt instruments	2,568,941,562	3,590,075,769
TOTAL	2,568,941,562	3,590,075,769
15.1 Debt instruments includes interest accrued of Rs.30,032,811/- (Previous year Rs.80,105,768/-).		
15.2 Debt instruments of bodies corporate lying in stock-in-trade at the year end are as follows:		
Quoted		
980 (Previous year 980) 18% Marvel Omega Builders Private Limited 2015 - NCD	2,011,505	626,482,991

- 15.3** Aggregate book value of quoted stock in trade is Rs.2,538,908,751/- (Previous year Rs.3,509,970,001/-) and market value thereof is Rs.2,542,742,500/- (Previous year Rs.3,601,495,001/-).
- 15.4** Aggregate provision for mark to market loss in value of stock in trade is Rs. 19,550,000/- (Previous year Rs.Nil/-).

Note No.	Rupees	As at 31.03.2014 Rupees
16 CASH AND BANK BALANCES		
Balances with banks		
- in current accounts	244,335,080	6,799,027
- in deposit accounts	6,152,000,000	47,500,000
	6,396,335,080	54,299,027
Other bank balances		
In deposit accounts under lien against which overdraft facilities are availed (Refe note 16.1)	600,000,000	3,770,000,000
TOTAL	6,996,335,080	3,824,299,027
16.1 Deposit accounts under lien of Rs. 600,000,000/-, (Previous year Rs. 3,770,000,000/-) against which overdraft facilities remained outstanding as at the year end of Rs. Nil (Previous year Rs. 24,338,124/-).		
17 SHORT TERMS LOANS AND ADVANCES		
(Unsecured unless otherwise stated)		
Loan funds:		
Secured	16,619,668,820	25,264,013,865
Unsecured	3,534,035,432	39,892,115
	20,153,704,252	25,303,905,980
Accrued Interest on loan funds	166,821,257	249,913,915
Others*	71,558,107	7,294,889
TOTAL	20,392,083,616	25,561,114,784
* includes prepaid expenses, service tax input credit receivable etc.		
18 OTHER CURRENT ASSETS		
Accrued interest on deposits with banks	4,287,248	38,801,387
Redemption proceeds receivable from Mutual Fund	384,890,828	-
TOTAL	389,178,076	38,801,387

Note No.	Rupees	Previous Year Rupees
19 REVENUE FROM OPERATIONS		
Income from funding activities	4,639,034,007	5,402,868,123
Income from trading in debt instruments (net)	316,742,830	845,128,197
Interest on debentures	-	16,285,244
Advisory and other fees	322,616,274	317,308,543
TOTAL	5,278,393,111	6,581,590,107
20 OTHER INCOME		
<u>Interest on:</u>		
- Fixed deposits with banks	66,185,019	260,005,015
- Others	5,987,917	41,087
	72,172,936	260,046,102
<u>Dividend on current investments</u>		
- Current	209,725,301	15,239,255
- Long Term	600,000	84
	210,325,301	15,239,339
<u>Profit on sale of investments:</u>		
- Current (net)	27,835,298	31,916,229
- Long Term	-	132,680,206
	27,835,298	164,596,435
Provision for bonus written back	2,300,000	1,237,500
Provision for doubtful loans written back (net)	3,003,715	1,927,378
Miscellaneous Income	543,159	175,214
Profit on Sale of Fixed Assets (net)	253,941	-
TOTAL	316,434,350	443,221,968
21 EMPLOYEE BENEFITS EXPENSE		
Salaries, bonus, other allowances and benefits (net of recoveries of Rs. 66,000,000/-, Previous year Rs. Nil)	149,138,857	264,119,105
Contribution to provident and other funds (Refer note 26)	4,609,360	6,535,603
Gratuity (Refer note 26)	1,905,917	1,946,322
Staff welfare expenses	704,980	696,868
TOTAL	156,359,114	273,297,898
22 FINANCE COSTS		
Interest on fixed loans	2,721,150,596	3,640,661,292
Interest on bank overdraft	23,745,920	90,781,221
Interest on others	4,740,902	1,906,815
TOTAL	2,749,637,418	3,733,349,328
23 OPERATING AND OTHER EXPENSES		
Professional and consultancy charges	23,665,033	29,573,523
Space and other related costs (Refer note 28) (net of recoveries of Rs. 619,344/-, Previous year Rs. 464,508/-)	53,808,948	62,019,994

Note No.	Rupees	Previous Year Rupees
Rates and taxes	32,964,104	32,769,821
Membership and subscription	5,369,512	7,659,716
Manpower cost	4,714,433	3,374,748
Auditors' remuneration (Refer note 25)	2,275,145	1,999,819
Electricity	3,490,812	4,023,482
Communication expenses	934,078	1,313,781
Travelling and conveyance	3,660,523	3,902,777
Insurance	1,852,689	2,175,771
Printing and stationery	494,376	641,082
Repairs and maintenance - others	4,924,653	6,499,415
Loss on fixed assets sold / discarded (net)	-	128,935
Loan funds written off	-	1,927,378
Provision for doubtful loans (net)	-	23,241,210
Donations	52,800,000	38,700,000
Directors' commission	2,235,960	2,329,780
Sitting fees to directors	1,297,836	1,327,250
Miscellaneous expenses	10,028,335	8,473,811
TOTAL	204,516,437	232,082,293

	Rupees	Previous year Rupees
24 Contingent Liabilities and commitments		
(a) Contingent Liabilities not provided for in respect of: Estimated liability on account of disallowance u/s 14A of Income Tax Act 1961, for AY 2010-11 for which appeal is pending before Income Tax Appellate Tribunal (ITAT). The Company is hopeful in succeeding in the aforesaid matters.	3,047,252	-
(b) Capital Commitments: Estimated amount of contracts remaining to be executed on capital account and not provided for	6,206,410	770,000
25 Payment to Auditors': (Excluding service tax)		
Audit Fees	1,690,000	790,000
In any other manner (Certifications, limited reviews, etc.)	555,000	1,185,000
Out of pocket expenses	30,145	24,819
TOTAL	2,275,145	1,999,819

26 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:

Contributions are made to Government Provident Fund and Family Pension Fund which covers all regular employees. While both the employees and the Company make predetermined contributions to the provident fund, contribution to the family pension fund are made only by the Company. The contributions are normally based on a certain proportion of the employee's salary. Amount recognized as expense in respect of these defined contribution plans, aggregate Rs. 4,605,664/- (Previous year Rs.6,531,475/-).

Defined Benefit Plan: [Gratuity (Unfunded)]		Rupees	Previous year Rupees		
I. Reconciliation of liability recognised in the Balance Sheet					
Fair value of plan assets as at the end of the year		-	-		
Present value of obligation as at the end of the year		8,320,673	9,257,345		
Net liability in the Balance Sheet		8,320,673	9,257,345		
II. Movement in net liability recognised in the Balance Sheet					
Net liability as at the beginning of the year		9,257,345	9,696,554		
Net expense recognised in the statement of profit and loss		1,905,917	1,946,322		
Liabilities Assumed on Acquisition / (Settled on Divestiture)		(1,309,348)	(1,863,206)		
Payments during the year		(1,533,241)	(522,325)		
Net liability as at the end of the year		8,320,673	9,257,345		
III. Expense recognised in the statement of profit and loss (Under the head employee benefit expenses)					
Current Service Cost		683,187	686,807		
Interest Cost		735,792	865,797		
Past Service Cost		-	-		
Actuarial Losses/ (Gains)		486,938	393,718		
Expenses charged to statement of profit and loss		1,905,917	1,946,322		
IV. Reconciliation of defined benefit commitments					
Commitments at the beginning of the year		9,257,345	9,696,554		
Current Service Cost		683,187	686,807		
Interest Cost		735,792	865,797		
Past Service Cost		-	-		
Actuarial Losses/ (Gains)		486,938	393,718		
Liabilities Assumed on Acquisition / (Settled on Divestiture)		(1,309,348)	(1,863,206)		
Benefits Paid		(1,533,241)	(522,325)		
Commitments at the year end		8,320,673	9,257,345		
V. Experience Adjustments					
	31-Mar-12	31-Mar-13	31-Mar-14	31-Mar-15	31-Mar-16
Defined Benefit Obligation	5,011,877	8,984,917	9,696,554	9,257,345	8,320,673
Plan Assets	-	-	-	-	-
Surplus/ (Deficit)	(5,011,877)	(8,984,917)	(9,696,554)	(9,257,345)	(8,320,673)
Experience Adj. on Plan Liabilities	138,707	(152,986)	370,110	(329,640)	453,939
Experience Adj. on Plan Assets	-	-	-	-	-
VI. Actuarial Assumptions					
				Indian Assured Lives (2006-08) Ultimate	Previous year Indian Assured Lives (2006-08) Ultimate
Mortality table				7.95%	8.00%
Discount rate (per annum)				7.00%	7.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

27 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 Services Limited (Upto June 18, 2015)

JM Financial Commtrade Limited (Downstream subsidiary - upto June 18, 2015)

Astute Investments (Downstream subsidiary-partnership firm - upto June 18, 2015)

(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 Services Limited

Astute Investments

Fellow Subsidiaries

JM Financial Services Limited (with effect from June 19, 2015)

JM Financial Commtrade Limited (with effect from June 19, 2015)

Astute Investments (partnership firm - with effect from June 19, 2015)

JM Financial Properties & Holdings Limited

CR Retail Malls (India) Limited

JM Financial Investment Managers Limited

JM Financial Institutional Securities Limited

Infinite India Investment Management Limited

JM Financial Credit Solutions Limited

(B) Key Management Personnel and relatives of such Personnel:

Mr. Vishal Kampani

Mr. V.P. Shetty (Upto March 31, 2015)

(C) Enterprises over which any person described in (B) is able to exercise significant influence:

J.M. Financial & Investment Consultancy Services Private Limited

JM Financial Asset Reconstruction Company Private Limited (Upto March 31, 2015)

(iii) Details of transactions with related parties

Name of the related party	Nature of relationship	Rupees	Previous year Rupees
JM Financial Limited			
Dividend paid	(A)	490,050,000	147,015,000
Reimbursement of employees expenses		7,687,720	12,774,923
Inter Corporate Deposits taken		-	450,000,000
Inter Corporate Deposits repaid		-	450,000,000
Interest expenses on Inter Corporate Deposits taken		-	137,466
Transfer of vehicle loan		3,047,119	-
Transfer of vehicle		2,659,158	-

Purchase of preference shares of JM Financial Properties & Holdings Ltd		-	950,500,000
Sale of equity shares of JM Financial Services Ltd		950,000,000	-
JM Financial Services Limited (upto June 18, 2015)			
Inter Corporate Deposits given	(A)	1,400,000,000	770,000,000
Inter Corporate Deposits repaid		1,400,000,000	770,000,000
Interest income on Inter Corporate Deposits given		951,233	1,003,562
Brokerage paid		-	179,753
Gratuity liability received on transfer of employees		-	43,062
Gratuity liability paid on transfer of employees		-	157,656
Closing balance as at the year end - (credit)		-	139,482
JM Financial Services Limited (with effect from June 19, 2015)			
Inter Corporate Deposits given	(A)	900,000,000	-
Inter Corporate Deposits repaid		900,000,000	-
Interest income on Inter Corporate Deposits given		1,570,685	-
JM Financial Properties & Holdings Limited	(A)		
Inter Corporate Deposits given		-	100,000,000
Inter Corporate Deposits repaid		-	100,000,000
Interest income on Inter Corporate Deposits given		-	1,705,343
Space & other related cost paid		36,761,760	42,516,800
Reimbursement of expenses (paid)		6,202,206	7,720,935
Reimbursement of expenses (received)		-	8,330
Transfer of gratuity liability paid		-	27,241
Security Deposits refunded		-	12,845,000
Closing balance as at the year end - Security Deposit given - debit		51,735,000	51,735,000
Closing balance as at the year end - Transfer of gratuity liability - (credit)		-	27,241
JM Financial Institutional Securities Limited	(A)		
Inter Corporate Deposits given		300,000,000	-
Inter Corporate Deposits repaid		300,000,000	-
Interest income on Inter Corporate Deposits given		85,164	-
Reimbursement of expenses (paid)		142,300	6,580,097
Gratuity liability received on transfer of employees		-	46,658
JM Financial Investment Managers Limited	(A)		
Inter Corporate Deposits given		74,000,000	160,000,000
Inter Corporate Deposits repaid		49,000,000	160,000,000
Interest income on Inter Corporate Deposits given		2,713,793	3,464,157
Closing Balance as at the year end - ICD given - debit		25,000,000	-
Astute Investments (upto June 18, 2015)	(A)		
Recovery of rent expenses		132,717	464,508

Astute Investments (with effect from June 19, 2015)	(A)		
Recovery of rent expenses		486,627	-
Loan Given		342,700,000	
Loan repaid		342,700,000	
Interest income on loan give		336,564	
Infinite India Investment Management Limited	(A)		
Gratuity liability received on transfer of employees		-	77,672
JM Financial Credit Solutions Limited	(A)		
Inter Corporate Deposits taken		-	2,895,000,000
Inter Corporate Deposits repaid		-	2,895,000,000
Inter Corporate Deposits given		2,505,000,000	4,131,000,000
Inter Corporate Deposits repaid		2,505,000,000	4,131,000,000
Interest income on Inter Corporate Deposits given		11,081,406	7,134,014
Interest expenses on Inter Corporate Deposits taken		-	3,066,945
Transfer of gratuity liability paid		-	1,845,071
Transfer of vehicle loan		-	218,807
Sale of fixed assets		-	559,560
Recovery of expenses/support service charges		66,024,893	693,297
Closing balance as at the year end - debit		68,970,000	-
CR Retail Malls (India) Limited	(A)		
Inter Corporate Deposits given		350,000,000	92,500,000
Inter Corporate Deposits repaid		350,000,000	192,500,000
Interest income on Inter Corporate Deposits given		4,538,302	11,471,059
JM Financial Commtrade Limited (with effect from June 19, 2015)	(A)		
Inter Corporate Deposits given		100,000,000	-
Inter Corporate Deposits repaid		100,000,000	-
Interest income on Inter Corporate Deposits given		668,521	-
Mr. Vishal Kampani	(B)		
Managerial remuneration		85,000,000	70,000,000
Closing Balance as at the year end - (credit)		(75,000,000)	(60,000,000)
Mr. V.P. Shetty (upto March 31, 2015)	(B)		
Managerial remuneration		-	27,500,000
Closing Balance as at the year end - (credit)		-	(17,500,000)
J. M. Financial & Investment Consultancy Services Private Limited	(C)		
Transfer out of fixed assets		1,782,192	-
Transfer out of vehicle loan		2,164,626	-

JM Financial Asset Reconstruction Company Private Limited (upto March 31, 2015)	(C)		
Inter Corporate Deposits given		-	3,500,000,000
Inter Corporate Deposits repaid		-	4,000,000,000
Interest income on Inter Corporate Deposits given		-	39,963,429

- 27.1 There are no provision for doubtful debts/ advances or amounts written off or written back for debts due from/ due to related parties.
- 27.2 Managerial remuneration excludes provision for gratuity as the incremental liability has been accounted for by the Company as a whole.
- 27.3 The transactions disclosed above are exclusive of service tax.

28 Lease Transactions:

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	Total Minimum Lease Payments outstanding as at the year end	Interest expenses	Present value of the minimum lease payments
	Rupees	Rupees	Rupees
Not later than one year	7,169,675 (4,745,084)	2,200,948 (1,099,245)	4,968,727 (3,645,839)
Later than one year and not later than five years	9,402,245 (2,216,164)	2,061,433 (286,324)	7,340,812 (1,929,840)
Later than five years	- (-)	- (-)	- (-)
TOTAL	16,571,920 (6,961,248)	4,262,381 (1,385,569)	12,309,539 (5,575,679)

Figures in brackets are for previous year.

Operating leases

The Company has taken certain premises on non-cancellable operating lease basis. The tenure of such agreements ranges from 42 months to 60 months.

The minimum lease rentals outstanding in respect of these are as under:

	Total Minimum Lease Payments outstanding as at 31st March, 2016	Total Minimum Lease Payments outstanding as at 31st March, 2015
Due	Rupees	Rupees
Not later than one year	43,661,760	43,661,760
Later than one year and not later than five years	111,607,780	174,592,670
Later than five years	-	-
TOTAL	155,269,540	218,254,430

Lease payments recognised in the Statement of Profit and Loss for the year are Rs. 46,235,104/- (Previous year Rs.54,444,336/-).

The Company has taken certain assets (Premises and Furniture and Fixtures) on cancellable operating lease for the period of 60 months. Lease payments recognised in the Statement of Profit and Loss for the year in respect thereof aggregate Rs. 8,193,188/-(Previous year Rs. 8,040,166/-).

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

Particulars	Rupees	Previous year Rupees
Profit after tax (Rupees)	1,674,344,224	1,882,904,259
Profit attributable to equity shareholders (Rupees)	1,674,344,224	1,882,904,259
Weighted average number of shares outstanding during the year	544,500,000	544,500,000
Basic and Diluted Earnings per share (Rupees)	3.08	3.46
Nominal value per share (Rupees)	10.00	10.00

30 Expenditure in Foreign Currency:

Particulars	Rupees	Previous year Rupees
Subscription fees	-	168,958
Travelling expenses	82,201	-

31 Segment Information:

- (a) Primary Segment of the Company is business segment. Segments have been identified and reported taking into account the nature of services, the differing risks and returns and the internal reporting structure. The Company has identified two business segments:

- Fund Based Activities: This includes Margin Funding, Initial Public Offering Funding, Loan Against Shares, Wholesale loans etc.

- Trading in Debt Securities: This includes purchase and sale of debt securities and related interest income thereon.

- (b) Revenues and expenses have been identified to a segment on the basis of relationships to operating activities of the segment. Revenue and expenses which relates to Company as a whole and are not allocable to a segment on a reasonable basis have been disclosed as "unallocable".

Investments, tax related / other assets and liabilities that cannot be allocated to a segment on a reasonable basis have been disclosed as "unallocable".

- (c) Segment information for primary segment reporting (by Business Segment):

Particulars	Funding based activities	Trading in Debt Securities	Total
Segment Revenue	4,961,650,281 <i>5,736,461,910</i>	316,742,830 <i>845,128,197</i>	5,278,393,111 <i>6,581,590,107</i>
Segment Results before unallocated interest and taxes	2,136,873,803 <i>2,133,719,428</i>	71,884,397 <i>237,552,049</i>	2,208,758,200 <i>2,371,271,477</i>
Unallocable Corporate Income/(Expenses) (Net)			260,100,554 <i>400,564,938</i>
Profit before Tax			2,468,858,754 <i>2,772,136,415</i>
Tax Expense			794,514,530 <i>889,232,156</i>
Net Profit after Tax			1,674,344,224 <i>1,882,904,259</i>
Other Information:			
Segment Assets	33,556,697,627 <i>36,298,356,846</i>	2,669,848,093 <i>4,124,512,354</i>	36,226,545,719 <i>40,422,869,200</i>
Unallocable Corporate Assets			6,868,000,420 <i>5,067,032,366</i>
Total Assets			43,094,546,139 <i>45,489,901,566</i>
Segment Liabilities	27,795,331,724 <i>30,009,912,405</i>	2,592,663,288 <i>3,800,112,732</i>	30,387,995,012 <i>33,810,025,137</i>
Unallocable Corporate Liabilities			651,341,100 <i>699,295,130</i>
Total Liabilities			31,039,336,112 <i>34,509,320,267</i>
Capital Expenditure	19,379,449 <i>9,184,654</i>	- -	19,379,449 <i>9,184,654</i>
Depreciation/ Amortization	15,233,218 <i>13,443,080</i>	222,520 <i>503,061</i>	15,455,738 <i>13,946,141</i>
Non Cash Expenditure : Provision for doubtful loans (net)	- <i>23,241,210</i>	- -	- <i>23,241,210</i>

Figures in italics indicates previous year figures.

- (d) The Company operates in only one geographical segment and hence no further information is provided.

32 Employee Stock Option Scheme:

Based on the request made by JM Financial Products Limited ('the Company'), JM Financial Limited, 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. 523,817 stock options have been granted on April 21, 2011, 745,329 stock options have been granted on April 16, 2012, 724,998 stock options have been granted on May 6, 2013, 947,991 stock option have been granted on April 01, 2014 and 173,991 stock option have been granted on April 16, 2015. The particulars of vesting of the stock options granted to the Employees are given in the below table.

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 (Rupees)
21st April, 2012	Series - IV	174,606	Vested	Seven years from the date of Grant	1
21st April, 2013	Series - IV	174,606	Vested	Seven years from the date of Grant	1
21st April, 2014	Series - IV	174,605	Vested	Seven years from the date of Grant	1
16th April, 2013	Series - V	248,443	Vested	Seven years from the date of Grant	1
16th April, 2014	Series - V	248,443	Vested	Seven years from the date of Grant	1
16th April, 2015	Series - V	248,443	Vested	Seven years from the date of Grant	1
6th May, 2014	Series - VI	241,666	Vested	Seven years from the date of Grant	1
6th May, 2015	Series - VI	241,666	Vested	Seven years from the date of Grant	1
6th May, 2016	Series - VI	241,666	To be vested	Seven years from the date of Grant	1
1st April, 2015	Series - VII	315,997	Vested	Seven years from the date of Grant	1
1st April, 2016	Series - VII	315,997	To be vested	Seven years from the date of Grant	1
1st April, 2017	Series - VII	315,997	To be vested	Seven years from the date of Grant	1
16th April, 2016	Series - VIII	57,997	To be vested	Seven years from the date of Grant	1
16th April, 2017	Series - VIII	57,997	To be vested	Seven years from the date of Grant	1
16th April, 2018	Series - VIII	57,997	To be vested	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	864,081	1,379,315
Granted during the year	173,991	947,991
Transfer in/ (out) during the year	-	(845,173)
Lapsed/ forfeited during the year	56,787	-
Exercised during the year	412,625	618,052
Outstanding at the end of the year	568,660	864,081
Exercisable at the end of the year	36,311	46,309

The charge on account of the above scheme is included in employee benefits expense aggregating Rs.7,687,720/- (Previous year Rs.12,774,923/-). Since the options are granted by JM Financial Limited, the Holding company, basic and diluted earnings per share of the Company would remain unchanged.

33 Disclosure required in terms of Clause 28 of Listing Agreement of Debt Securities:

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

Name of the company	Relationship	Maximum Balance	Rupees
			Closing Balance
JM Financial Services Limited	Subsidiary (upto June 17, 2015)	1,400,000,000	-
	Fellow Subsidiary (w.e.f. June 18, 2015)	(570,000,000)	(-)
JM Financial Investment Managers Limited	Fellow Subsidiary	65,000,000	25,000,000
		(160,000,000)	(-)
JM Financial Institutional Securities Limited	Fellow Subsidiary	300,000,000	-
		(-)	(-)
JM Financial Credit Solutions Limited	Fellow Subsidiary	1,450,000,000	-
		(1,309,000,000)	(-)

JM Financial Properties & Holdings Limited	Fellow Subsidiary	- (100,000,000)	- (-)
JM Financial Commtrade Limited	Fellow Subsidiary	100,000,000 (-)	- (-)
Astute Investments	Fellow Subsidiary	250,000,000 (-)	- (-)
CR Retail Malls (India) Limited	Fellow Subsidiary	350,000,000 (192,500,000)	- (-)
JM Financial Asset Reconstruction Private Limited	Associate of Holding Company	500,000,000 (1,050,000,000)	- (-)

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)

34 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)

34.1 Capital Risk Adequacy Ratio (CRAR):

Particulars	Current year	Previous year
CRAR (%)	30.58%	27.26%
CRAR - Tier I capital (%)	29.92%	26.55%
CRAR - Tier II capital (%)	0.66%	0.70%
Amount of subordinated debt raised as Tier-II capital	-	-
Amount raised by issue of Perpetual Debt instruments	-	-

34.2 Exposures:

I Exposure to Real Estate

	Rupees	Rupees
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 lacs may be shown separately)	350,000,000	-
(ii) Commercial Real Estate*- Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi family residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits; * Also includes Commercial Real Estate exposure in Stock-in-Trade.	16,170,809,241	11,354,060,649
(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).	-	-

II	Exposure to Capital Market	Rupees	Rupees
(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;	30,339,333	30,339,333
(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;	2,675,968,207	3,454,841,650
(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;	8,688,254,706	20,953,100,692
(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;	26,495,195	3,502,201
(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	11,421,057,441	24,441,783,876
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

34.3 Asset Liability Management Maturity pattern of certain items of Assets and Liabilities:

(Rupees)

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	1,402,499,828 (24,338,124)	- (-)	(166,666,667)	(166,666,667)	(333,333,331)	2,000,000,000 (-)	- (-)	- (-)	3,402,499,828 (691,004,789)
Market Borrowings	4,144,558,776 (8,399,898,728)	5,000,819,211 (7,077,353,905)	5,056,733,598 (3,675,183,384)	5,462,529,207 (4,750,028,328)	4,012,312,511 (7,331,495,333)	2,537,340,812 (1,106,929,840)	79,000,000 (-)	- (-)	26,293,294,115 (32,340,889,518)
Foreign currency liabilities	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Assets									
Advances	2,964,448,527 (4,523,385,669)	2,307,889,445 (3,671,315,246)	4,706,991,473 (5,017,358,018)	5,121,223,307 (3,948,000,084)	5,299,705,747 (7,921,689,245)	10,800,256,172 (10,019,431,672)	445,976,000 (272,749,724)	203,264,560 (479,329,453)	31,849,755,231 (35,853,259,111)
Deposits	- (-)	- (-)	- (-)	- (-)	- (-)	10,686,100 (10,686,100)	51,735,000 (51,735,000)	147,500 (137,500)	62,568,600 (62,558,600)
Investments	-	70,199,932	-	-	-	30,339,333	-	950,500,000	1,051,039,265
Foreign currency assets	(4,292,041)	(-)	(-)	(-)	(-)	(30,339,333)	(-)	(1,900,500,000)	(1,935,131,374)
	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)

Figures in brackets are for previous year

Notes:

- Information on maturity pattern of advances for which there are no specified repayment terms are based on the reasonable assumptions.
- The above statement includes only certain items of assets and liabilities (as stipulated in Annexure 4 of Circular No. DNBR (PD) CC No. 002/03.10.001/2014-15, dated November 10, 2014) and therefore does not reflect the complete asset liability maturity pattern of the Company.

	Particulars	Amount outstanding	Amount overdue
34.4	Liabilities side		
(I)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
(a)	Debentures		
(i)	Secured	2,631,522,466	-
		(3,664,406,635)	(-)
(ii)	Unsecured (other than falling within the meaning of public deposits)	-	-
		(-)	(-)
(b)	Deferred Credits	-	-
		(-)	(-)
(c)	Term Loans	3,007,747,945	-
		(666,666,665)	(-)
(d)	Inter-corporate loans and borrowing	2,372,050,101	-
		(771,834,247)	(-)
(e)	Commercial Paper (net of unamortised discount)	18,939,423,808	-
		(25,351,250,482)	(-)
(f)	Other Loans (Please Specify)		
	Overdraft Accounts	-	-
		(24,338,124)	(-)
	Cash Credits	407,387,532	-
		(1,255,479)	(-)
	CBLO Borrowing (net of unamortised discount)	2,428,560,768	-
		(2,746,439,835)	(-)
	Working capital demand loan	-	-
		(-)	(-)
	Due under finance lease	(-)	(-)
		12,309,539	-
		(5,575,679)	(-)

	Assets side	Amount outstanding
(II)	Break up of Loans and Advances including bills receivables (other than those included in (IV) below):	
(a)	Secured	27,895,086,420
		(33,992,783,077)
(b)	Unsecured	3,534,035,432
		(1,439,892,115)
(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	(-)
		-
		(-)
(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	-
		(4,292,041)
	(iv) Government Securities	-
		(-)
	(v) Others (Please Specify)	70,199,932
	Class A Security Receipts	(-)
		(-)
	2. Unquoted:	
	(i) Shares:	
	(a) Equity	-
		(-)
	(b) Preference	-
		(-)
	(ii) Debentures and Bonds	-
		-
	(iii) Units of Mutual Funds	-
		(-)
	(iv) Government Securities	-
		(-)
	(v) Others (Please Specify)	-
		(-)
(b)	Long Term Investments:	
	1. Quoted:	
	(i) Shares:	
	(a) Equity	30,339,333
		(30,339,333)
	(b) Preference	-
		(-)
	(ii) Debentures and Bonds	-
		(-)
	(iii) Units of Mutual Funds	-
		(-)

	(iv) Government Securities	-
	(v) Others (Please Specify)	(-)
		-
		(-)
2. Unquoted:		
(i) Shares:		
(a) Equity		-
		(950,000,000)
(b) Preference		950,500,000
		(950,500,000)
(ii) Debentures and Bonds		-
		(-)
(iii) Units of Mutual Funds		-
		(-)
(iv) Government Securities		-
		(-)
(v) Others (Please Specify)		-
		(-)

(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	-	25,000,000	25,000,000
		(-)	(-)	(-)
	(iii) Other related parties	-	-	-
		(-)	(-)	(-)
(b)	Other than related parties	27,895,086,420	3,509,035,432	31,404,121,852
		(33,992,783,077)	(1,439,892,115)	(35,432,675,192)
		27,895,086,420	3,534,035,432	31,429,121,852
		(33,992,783,077)	(1,439,892,115)	(35,432,675,192)
	Less: Provision for non-performing assets			86,154,912
				(89,158,627)
	Total			31,342,966,940
				(35,343,516,565)

(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 #	-	-
		(2,430,813,932)	(950,000,000)
	(ii) Companies in the same group *	950,500,000	950,500,000
		(950,500,000)	(950,500,000)
	(iii) Other related parties	-	-
		(-)	(-)
(b)	Other than related parties	106,209,329	100,539,265
		(33,708,064)	(34,631,374)
	Total	1,056,709,329	1,051,039,265
		(3,415,021,996)	(1,935,131,374)

(VII) Other Information:		
	Particulars	Amount
(a)	Gross Non – Performing Assets	
	(i) Related Parties	-
		(-)
	(ii) Other than related parties	203,264,561
		(479,329,454)
(b)	Net Non – Performing Assets	
	(i) Related Parties	-
		(-)
	(ii) Other than related parties	117,109,649
		(390,170,827)
(c)	Assets acquired in satisfaction of debt	-
		(-)

(figures in brackets indicates previous year figures)

* As the fair value is not available, the same has been stated at cost.

Based on break-up value.

34.5 There are no restructured advances as on March 31, 2016, 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.

34.6 Investments			
	Particulars	Rupees	Previous year Rupees
(a)	Value of Investments		
(i)	Gross Value of Investments		
	(a) in India	1,051,039,265	1,935,131,374
	(b) outside India	-	-
(ii)	Provision for depreciation		
	(a) in India	-	-
	(b) outside India	-	-
(iii)	Net Value of Investments		
	(a) in India	1,051,039,265	1,935,131,374
	(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	-	-

34.7 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	Rating assigned
Commercial Paper Programme	ICRA Limited	ICRA A1+
	CRISIL Limited	Crisil A1+
Non-Convertible Debentures	ICRA Limited	ICRA 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, rating from CRISIL Limited has been upgraded from CRISIL AA-/Stable to CRISIL AA/Stable.

(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

(VI) Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	Rupees	Previous year Rupees
Provisions for depreciation on Investment	-	-
Provision towards NPA	-	23,241,210
Provision made towards Income tax	785,626,190	895,000,000
Other Provision and Contingencies (with details)	-	-
Provision for Standard Assets	-	-

(VII) Draw Down from Reserves

Nil Nil

(VIII) Concentration of Deposits, Advances, Exposures and NPAs
(a) Concentration of Deposits (for deposit taking NBFCs)

Total Deposits of twenty largest depositors	NA
Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC	NA

(b) Concentration of Advances

Total advances to twenty largest borrowers (in Rupees)	19,412,835,650
Percentage of advances to twenty largest borrowers to total advances of the NBFC	61.77%

(c) Concentration of Exposures

Total exposure to twenty largest borrowers / customers (in Rupees)	19,469,433,188
Percentage of Exposures to twenty largest borrowers / customers to total exposure of the NBFC on borrowers / customers	61.53%

(d) Concentration of NPAs

Total exposure to top four NPA accounts(in Rupees)	168,406,396
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(e) Sector-wise NPAs

Sector	Percentage of NPAs to Total Advances in that sector
Agriculture & allied activities	-
MSME	-
Corporate borrowers	0.68%
Services	-
Unsecured personal loans	-
Auto loans	-
Other personal loans	-
Other loans	0.54%

(IX) Movement of NPAs		Rupees	Previous year Rupees
(i)	Net NPAs to Net Advances (%)	0.37%	1.10%
(ii)	Movement of NPAs (Gross)		
	(a) Opening balance	479,329,454	110,696,431
	(b) Additions during the year	-	1,183,817,087
	(c) Reductions during the year	276,064,893	815,184,064
	(d) Closing balance	203,264,561	479,329,454
(iii)	Movement of Net NPAs		
	(a) Opening balance	390,170,827	57,369,718
	(b) Additions during the year	-	1,065,435,377
	(c) Reductions during the year	273,061,178	732,634,268
	(d) Closing balance	117,109,649	390,170,827
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(a) Opening balance	89,158,627	53,326,713
	(b) Provisions made during the year*	23,686,710	118,381,710
	(c) Write-off / write-back of excess provisions	26,690,425	82,549,796
	(d) Closing balance	86,154,912	89,158,627

* includes Rs. Nil (Previous Year Rs. 14,518,082/-) transferred from Provision for Standard Assets

(X) Disclosure of Complaints

Customer Complaints

Particulars	
No. of complaints pending at the beginning of the year	-
No. of complaints received during the year	4
No. of complaints redressed during the year	4
No. of complaints pending at the end of the year	-

(XI) Disclosure in respect of derivatives, securitisation transactions, consolidated financial statements, 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.

35 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 0.30 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	Previous year Rupees
(a) Opening balance as at the beginning of the year	262,695,518	277,213,600
(b) Provisions made during the year	-	-
(c) Utilisation of Provisions during the year*	-	90,081,919
(d) Reversal of Provisions during the year*	-	75,563,837
(e) Closing balance as at the end of the year	262,695,518	262,695,518
* Utilisation of provisions (net of reversal) of Rs. Nil (Previous Year Rs. 14,518,082/-) by way of transfer to Provision for doubtful loans		

- 36** 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.42,300,000/- (previous year, Rs. 33,200,000/-)
 - b) Amount spent and paid during the year by way of donations to charitable trusts– Rs. 42,300,000/-(previous year, Rs. 33,200,000/-)
- 37** Figures of previous year have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosure.

For and on behalf of the Board of Directors

Vishal Kampani
Managing Director
DIN - 00009079

V. P. Shetty
Chairman
DIN - 00021773

Hemant Kotak
Chief Financial Officer

Reena Sharda
Company Secretary

Place : Mumbai
Date : May 12, 2016