



**JM FINANCIAL INSTITUTIONAL SECURITIES  
LIMITED**

**Audited Financial Statements**

**FY 2015-16**

**Corporate Identity Number - U65192MH1995PLC092522**

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](http://www.jmfl.com)

**BOARD OF DIRECTORS**

Mr. Nimesh Kampani – Chairman  
Mr. Vishal Kampani  
Ms. Dipti Neelakantan  
Mr. P K Choksi  
Mr. Paul Zuckerman  
Mr. Sujal Shah  
Mr. S R Nayak – Whole-time Director

**AUDIT COMMITTEE**

Mr. Sujal Shah  
Mr. Paul Zuckerman  
Mr. Nimesh Kampani

**CHIEF FINANCIAL OFFICER**

Mr. S R Nayak

**COMPANY SECRETARY**

Mr. Chintal D Sakaria

**STATUTORY AUDITORS**

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

**BANKERS**

HDFC Bank Limited  
Tulsiani Chambers  
Nariman Point  
Mumbai – 400 021

**REGISTERED OFFICE**

7<sup>th</sup> Floor, Cnergy,  
Appasaheb Marathe Marg,  
Prabhadevi,  
Mumbai – 400 025

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**INDEPENDENT AUDITORS' REPORT****TO THE MEMBERS OF JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED****Report on the Financial Statements**

We have audited the accompanying financial statements of JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
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- 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 23 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)

A. Siddharth  
Partner  
(Membership No. 31467)

**MUMBAI, 3rd May, 2016**

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**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 Institutional Securities Limited (“the Company”) as of 31<sup>st</sup> 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.

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**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 31<sup>st</sup> 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)

A. Siddharth  
Partner  
(Membership No. 31467)

**MUMBAI, 3rd May, 2016**

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**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.
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. 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 agreement for transfer and assignment provided to us, we report that, the title deeds, comprising all the immovable properties of buildings 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 unsecured loan to companies 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 overdue amount remaining outstanding as at the year-end.
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 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.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, , Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31<sup>st</sup> March, 2016 for a period of more than six months from the date they became payable.
  - (c) There are no dues of Sales Tax, Customs Duty, Excise Duty and Value Added Tax as on 31<sup>st</sup> March, 2016 on account of disputes.

Details of dues of Income Tax and Service Tax which have not been deposited as on 31<sup>st</sup> 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	Amount Involved (Rs.)	Amount Unpaid (Rs.)
Finance Act, 1994	Service tax and interest	Commissioner of Central Excise and Customs (Appeal)	2002-03 to 2011-12	3,098,340	3,098,340
Income tax Act, 1961	Income tax	Commissioner of Income tax (Appeals)	2009-10	2,234,904	1,547,852
Income tax Act, 1961	Income tax	Commissioner of Income tax (Appeals)	2011-12	1,221,158	1,124,022
Income tax Act, 1961	Income tax	Commissioner of Income tax (Appeals)	2005-06	3,593,527	3,593,527
Income tax Act, 1961	Income tax	Income Tax Appellate Tribunal	2009-10	5,980,649	5,802,003

6. The Company has not taken loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of the Order 2016 is not applicable to the Company.
7. In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company 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 Order 2016 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 the Order 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 not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

A. Siddharth  
Partner  
(Membership No. 31467)

**MUMBAI, 3rd May, 2016**

**JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH, 2016**

	Note No.	Rupees	As at 31.03.2015 Rupees
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2	280,000,000	280,000,000
Reserves and surplus	3	2,502,601,460	2,493,747,133
		<b>2,782,601,460</b>	<b>2,773,747,133</b>
<b>Non-current liabilities</b>			
Long-term borrowings	4	2,284,140	6,540,395
Long-term provisions	5	30,592,853	30,998,705
		<b>32,876,993</b>	<b>37,539,100</b>
<b>Current liabilities</b>			
Trade payables :	6		
Total outstanding dues to micro enterprises and small enterprises		-	-
Total outstanding dues to creditors other than micro enterprises and small enterprises		103,475,862	107,099,458
Other current liabilities	7	379,677,576	341,165,400
Short-term provisions	8	109,204,835	434,734,740
		<b>592,358,273</b>	<b>882,999,598</b>
<b>Total</b>		<b>3,407,836,726</b>	<b>3,694,285,831</b>
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Tangible assets	9	31,248,205	35,464,626
Intangible assets		9,428,199	10,071,919
Capital work-in-progress		398,791	816,000
Intangible assets under development		1,562,783	-
		<b>42,637,978</b>	<b>46,352,545</b>
Non-current investments	10	1,782,536,338	1,694,530,361
Deferred tax assets (net)	11	21,366,998	22,335,006
Long-term loans and advances	12	380,873,275	530,679,007
		<b>2,227,414,589</b>	<b>2,293,896,919</b>
<b>Current assets</b>			
Trade receivables	13	116,569,322	38,813,606
Cash and bank balances	14	529,434,225	993,816,393
Short-term loans and advances	15	530,269,349	365,872,697
Other current assets	16	4,149,241	1,886,216
		<b>1,180,422,137</b>	<b>1,400,388,912</b>
<b>Total</b>		<b>3,407,836,726</b>	<b>3,694,285,831</b>

Notes to the financial statements

1 to 34

In terms of our report attached  
**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
Registration No.117366W/W-100018

**For and on behalf of the Board of Directors**

**A. Siddharth**  
Partner  
Membership No.31467

**Chintal Sakaria**  
Company Secretary

**Nimesh Kampani**  
Chairman  
DIN -00009071

**Surendra R Nayak**  
Whole-time Director and  
Chief Financial Officer  
DIN – 00039894

**Place : Mumbai**  
**Date : 3<sup>rd</sup> May, 2016**

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

	Note No.	Rupees	Previous year Rupees
<b>Revenue:</b>			
Revenue from operations	17	1,529,385,368	1,716,610,137
Other income	18	246,682,095	265,745,517
<b>Total Revenue</b>		<b>1,776,067,463</b>	<b>1,982,355,654</b>
<b>Expenses:</b>			
Sub-brokerage, exchange and allied charges, etc.		50,100,307	46,943,507
Employee benefit expenses	19	883,942,020	811,362,835
Finance costs	20	3,590,398	25,417,502
Depreciation and amortisation expense	9	17,773,412	21,101,597
Other expenses	21	349,088,557	393,055,221
<b>Total expenses</b>		<b>1,304,494,694</b>	<b>1,297,880,662</b>
<b>Profit before tax</b>		<b>471,572,769</b>	<b>684,474,992</b>
<b>Tax expense:</b>			
Current tax		124,700,000	180,300,000
Deferred tax		968,008	(168,969)
Tax adjustments in respect of earlier year (net)		49,022	836,626
		125,717,030	180,967,657
<b>Profit for the year</b>		<b>345,855,739</b>	<b>503,507,335</b>
<b>Earnings per share:</b>			
Equity shares of face value of Rs. 10/- each	22		
Basic		12.35	17.98
Diluted		12.35	17.98
Notes to the financial statements	1 to 34		

In terms of our report attached  
**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
Registration No.117366W/W-100018

**For and on behalf of the Board of Directors**

**A. Siddharth**  
Partner  
Membership No.31467

**Chintal Sakaria**  
Company Secretary

**Nimesh Kampani**  
Chairman  
DIN -00009071

**Surendra R Nayak**  
Whole-time Director and  
Chief Financial Officer  
DIN – 00039894

**Place : Mumbai**  
**Date : 3<sup>rd</sup> May, 2016**

**JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016**

	Rupees	Previous Year Rupees
<b>A Net profit before tax</b>	471,572,769	684,474,992
<b>Adjustments for :</b>		
Depreciation / amortisation	17,773,412	21,101,597
Dividend income	(45,705,244)	(46,722,354)
Finance cost	3,590,398	25,417,502
Interest income	(100,188,290)	(49,736,832)
Loss/ (Profit) on sale of fixed assets (net)	737,608	(2,050,624)
Bad Debts written off	8,810	2,111,165
Sundry credit balances written back	(17,861)	(5,660,406)
Profit on sale of non-current investments (non-trade) (net)	(78,757,530)	(122,946,115)
<b>Operating profit before working capital changes</b>	<b>269,014,072</b>	<b>505,988,925</b>
(Decrease) / Increase in long-term provisions	(405,852)	4,946,684
(Decrease) / Increase in trade payables	(3,605,735)	60,147,844
Increase in other current liabilities	39,807,376	77,812,020
Increase in short -term provisions	2,169,487	1,933,517
(Increase) / Decrease in long-term loans and advances	(1,117,941)	74,337,216
(Increase) / Decrease in trade receivables	(77,764,526)	143,491,206
(Increase) / Decrease in short-term loans and advances	(4,396,652)	56,340
Decrease in other current assets	-	7,112,000
<b>Cash generated from operations</b>	<b>223,700,229</b>	<b>875,825,752</b>
Direct taxes (Paid) (net)	(146,373,400)	(175,424,495)
<b>Net cash generated from operating activities</b>	<b>77,326,829</b>	<b>700,401,257</b>
<b>B Cash flows from Investing Activities</b>		
Purchase of fixed assets	(22,591,470)	(22,005,155)
Sale of fixed assets	2,243,562	3,279,370
Purchase of non-current investments	(30,394,687)	(72,476,546)
Purchase of current investments	(5,933,572,328)	(9,465,362,664)
Sale of non-current investments	186,146,240	556,435,193
Sale of current investments	5,933,572,328	9,465,362,664
Inter-corporate deposit given	(500,000,000)	(377,500,000)
Inter-corporate deposit refunded	310,000,000	67,500,000
Short term loans refunded / (given) to employee welfare trust	30,000,000	(30,000,000)
Inter-corporate deposit taken	300,000,000	-
Inter-corporate deposit repaid	(300,000,000)	-
Interest Income	97,925,265	50,538,247
Dividend Income	45,705,244	46,722,354
<b>Net cash generated from investing activities</b>	<b>119,034,154</b>	<b>222,493,463</b>

	Rupees	Previous Year Rupees
<b>C Cash flows from financing activities</b>		
Interest paid	(3,590,398)	(25,417,502)
Dividend paid - on equity shares (including corporate dividend tax)	(404,401,694)	(327,586,000)
Interim Dividend paid-on equity shares (including corporate dividend tax)	(252,751,059)	-
Dividend paid - on preference shares (including corporate dividend tax)	-	(63,286,692)
<b>Net cash (used in) from financing activities</b>	<b>(660,743,151)</b>	<b>(416,290,194)</b>
Net (Decrease) / increase in cash and cash equivalents	(464,382,168)	506,604,526
Cash and cash equivalents at the beginning of the year	867,441,393	360,836,867
Cash and cash equivalents at the end of the year (refer note 14)	403,059,225	867,441,393

**Note:**

Acquisition of 23,111,075 (Previous Year Nil) equity shares of JM Financial Products Ltd of Rs. 10/- each fully paid up aggregating Rs. 165,000,000/- in lieu of a receivable is considered as a non-cash transaction.

In terms of our report attached  
**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
Registration No.117366WW-100018

**For and on behalf of the Board of Directors**

**A. Siddharth**  
Partner  
Membership No.31467

**Chintal Sakaria**  
Company Secretary

**Nimesh Kampani**  
Chairman  
DIN -00009071

**Surendra R Nayak**  
Whole-time Director and  
Chief Financial Officer  
DIN – 00039894

**Place : Mumbai**  
**Date : 3<sup>rd</sup> May, 2016**

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**JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED****Notes to the financial statements for the year ended 31st March, 2016****I. Significant Accounting Policies****a) 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.

**b) 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 recognized in the period in which the results are known / materialized.

**c) 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.

**d) 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%.

**e) Intangible assets**

Intangible assets are stated at cost less accumulated amortization and impairment loss, if any. Computer software is amortized over a period of five years.

**f) 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.

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**JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED****Notes to the financial statements for the year ended 31st March, 2016****g) Investments**

Current investments are carried at lower of cost 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.

**h) Revenue Recognition**

Revenue is recognised when it is earned and no significant uncertainty exists as to its realization or collection.

Revenues from Investment Banking Services mainly includes lead manager's fee, selling commission, underwriting commission, fees for mergers, acquisitions and advisory assignments and arranger's fees for mobilizing debt funds. Income is recognised net of service tax. Revenues are considered as earned and recorded when services for the transactions are determined to be completed or when specific obligations are determined to be fulfilled as set forth under the terms of the engagement.

Brokerage earned from executing client transactions on the secondary market in "Cash" and "Future and Option" segments are recognized in the accounts on the trade date.

Advisory Fees are recognized when the services are determined to be completed.

Interest income on fixed deposit is recognized on time proportion basis.

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

**i) Arbitrage business**

The Company has adopted the recognition and measurement principles enunciated in 'Accounting Standard 30' (AS-30), 'Financial Instruments; Recognition & Measurement' to the extent it is not inconsistent with the 'Accounting Standards' specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, for the arbitrage transactions (Cash-Future Arbitrage and the Index Arbitrage) of the Company, encompassing purchase of equity shares in the cash market and selling the same in the futures market; selling of equity shares borrowed under Securities Lending and Borrowing Segment and buying the same in futures market and purchase/sale of Nifty futures, sale/purchase of equity futures of Nifty scrips, sale/purchase of Nifty/equity stock options etc. These are considered to be part of a portfolio of identified financial instruments that are managed as part of that group and are acquired principally for the purpose of selling/repurchasing in the near term, and hence these are treated as financial assets 'held for arbitrage business'. Accordingly, if the net difference is a loss (being an unrealised loss), provision is made for the same in the Statement of Profit and Loss and if the net difference is a gain (being an unrealised gain), credit is not taken for the same on the principle of prudence.

**j) Securities held as a result of underwriting:**

These securities are valued at lower of cost and market value. Any reduction in the carrying amount of securities and any reversals of such reductions are charged or credited to the Statement of Profit and Loss.

**k) Employee Benefits****i. 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.

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**JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED****Notes to the financial statements for the year ended 31st March, 2016**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.

**ii. Short term employee benefits:**

Short term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

**l) 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.

**m) 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.

**n) Provisions, Contingent Liabilities & Contingent Assets**

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.

**o) 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.

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**JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED**
**Notes to the financial statements for the year ended 31st March, 2016**

	Rupees	As at 31.03.2015 Rupees
<b>2 Share capital</b>		
<b>Authorised</b>		
50,020,000 (as at 31st March, 2015, 50,020,000) Equity Shares of Rs 10/- each	500,200,000	500,200,000
43,800,000 (as at 31st March, 2015, 43,800,000) Preference Shares of Rs 10/- each	438,000,000	438,000,000
<b>Total</b>	<b>938,200,000</b>	<b>938,200,000</b>
<b>Issued, Subscribed and Paid-up</b>		
28,000,000 (as at 31st March, 2015, 28,000,000) Equity shares of Rs 10/- each fully paid-up	280,000,000	280,000,000
<b>Total</b>	<b>280,000,000</b>	<b>280,000,000</b>

2.1 All the above equity shares are held by JM Financial Limited, the holding Company [includes six shares where the holding company is a first joint holder respectively with each of the following as second joint holder: JM Financial Investment Managers Limited, Mr. S.R.Nayak, Mr. P.K.Choksi, Mr. Manish Sheth, Ms. Dipti Neelakantan and Ms. Glenys Crasta]

2.2 Terms and rights attached to each class of shares:

Equity shares

The Company has only one class of shares i.e. equity. The shareholders are entitled to one vote per equity share and to dividend, if declared and paid by the Company and residual assets, if any on liquidation.

**JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED**
**Notes to the financial statements for the year ended 31st March , 2016**

	Rupees	As at 31.03.2015 Rupees
<b>3 Reserves and surplus</b>		
Capital reserve :		
As per last Balance sheet	41,550,003	41,550,003
Capital redemption reserve :		
As per last Balance Sheet	128,890,000	128,890,000
	<b>128,890,000</b>	<b>128,890,000</b>
Securities premium account :		
As per last Balance sheet	1,272,760,619	1,272,760,619
	<b>1,272,760,619</b>	<b>1,272,760,619</b>
General Reserve :		
As per last Balance sheet	180,495,053	180,495,053
	<b>180,495,053</b>	<b>180,495,053</b>
Balance in Statement of Profit and Loss:		
As per last Balance sheet	870,051,458	771,359,345
Add:- Profit for the year	345,855,739	503,507,335
Less:- Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Net of deferred tax)	-	413,528
	<b>1,215,907,197</b>	<b>1,274,453,152</b>
Less:- Appropriations:		
Proposed dividend - Equity shares	70,000,000	336,000,000
Corporate dividend tax - Equity shares	14,250,353	68,401,694
Interim dividend - Equity shares	210,000,000	-
Interim Corporate dividend tax - Equity shares	42,751,059	-
	<b>337,001,412</b>	<b>404,401,694</b>
	<b>878,905,785</b>	<b>870,051,458</b>
<b>Total</b>	<b>2,502,601,460</b>	<b>2,493,747,133</b>
<b>4 Long-term borrowings</b>		
Finance lease (Secured by way of hypothecation of vehicles) (refer note 28)		
Finance lease obligation	5,775,729	11,327,184
Less: Current maturities	3,491,589	4,786,789
<b>Total</b>	<b>2,284,140</b>	<b>6,540,395</b>

**JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED**
**Notes to the financial statements for the year ended 31st March, 2016**

	Rupees	As at 31.03.2015 Rupees
<b>5 Long-term provisions</b>		
Employee benefits - Gratuity (refer note 30 )	30,592,853	30,998,705
<b>Total</b>	<b>30,592,853</b>	<b>30,998,705</b>
<b>6 Trade payables :</b>		
There are no dues payable to micro, small and medium enterprises and therefore disclosures under The Micro, Small and Medium Enterprises Development Act, 2006 are not applicable.		
<b>7 Other current liabilities</b>		
Current maturities of finance lease obligations (refer note 4 and 28)	3,491,589	4,786,789
Overdrawn book balance	3,114,152	-
Statutory dues	24,522,516	25,138,938
Employee benefits payable	348,549,319	311,239,673
<b>Total</b>	<b>379,677,576</b>	<b>341,165,400</b>
<b>8 Short-term provisions</b>		
Provision for employee benefits:		
Compensated absences	21,620,120	19,412,856
Gratuity (refer note 30 )	3,334,362	3,372,139
Provision for tax (net)	-	7,548,051
Proposed dividend on equity shares	70,000,000	336,000,000
Corporate dividend tax on equity shares	14,250,353	68,401,694
<b>Total</b>	<b>109,204,835</b>	<b>434,734,740</b>

**JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED**

Notes to the financial statements for the year ended 31st March, 2016

**9 Fixed assets**

Amount in Rupees

Description	Gross block			Depreciation/ amortization				Net block	
	As at 01.04.2015	Additions	Disposals	As at 31.03.2016	Up to 31.03.2015	For the period ended 31.03.2016	Deductions	Upto 31.03.2016	As at 31.03.2016
<b>a) Tangible assets:</b>									
<b>Owned Assets:</b>									
Office Premises	1,000,000	-	-	<b>1,000,000</b>	281,074	16,837	-	<b>297,911</b>	<b>702,089</b>
Furniture and Fixtures	13,403,163	-	-	<b>13,403,163</b>	13,353,193	28,500	-	<b>13,381,693</b>	<b>21,470</b>
Office Equipments	23,878,100	125,032	85,200	<b>23,917,932</b>	23,065,046	343,320	64,745	<b>23,343,621</b>	<b>574,311</b>
Computers	78,123,306	10,471,554	2,620,868	<b>85,973,992</b>	57,431,199	8,775,714	2,620,868	<b>63,586,045</b>	<b>22,387,947</b>
Leasehold Improvements	16,446,347	-	-	<b>16,446,347</b>	13,837,390	308,921	-	<b>14,146,311</b>	<b>2,300,036</b>
<b>Leased Assets:</b>									
Vehicles (refer note 9.1)	27,723,825	1,450,079	3,264,362	<b>25,909,542</b>	17,142,213	4,529,277	1,024,300	<b>20,647,190</b>	<b>5,262,352</b>
<b>Total</b>	<b>160,574,741</b>	<b>12,046,665</b>	<b>5,970,430</b>	<b>166,650,976</b>	<b>125,110,115</b>	<b>14,002,569</b>	<b>3,709,913</b>	<b>135,402,771</b>	<b>31,248,205</b>
<b>b) Intangible assets:</b>									
Software	33,480,997	3,847,776	1,200,000	<b>36,128,773</b>	23,409,078	3,770,843	479,347	<b>26,700,574</b>	<b>9,428,199</b>
<b>Total</b>	<b>33,480,997</b>	<b>3,847,776</b>	<b>1,200,000</b>	<b>36,128,773</b>	<b>23,409,078</b>	<b>3,770,843</b>	<b>479,347</b>	<b>26,700,574</b>	<b>9,428,199</b>
<b>c) Capital work-in-progress</b>									<b>398,791</b>
<b>d) Intangible assets under development</b>									<b>1,562,783</b>
<b>Grand Total</b>	<b>194,055,738</b>	<b>15,894,441</b>	<b>7,170,430</b>	<b>202,779,749</b>	<b>148,519,193</b>	<b>17,773,412</b>	<b>4,189,260</b>	<b>162,103,345</b>	<b>42,637,978</b>

**JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED**
**Notes to the financial statements for the year ended 31st March, 2016**
**9 Fixed assets**

(for the year ended 31st March 2015)

Amount in Rupees

Description	Gross block			Depreciation/ amortization					Net block	
	As at 01.04.2014	Additions	Disposals	As at 31.03.2015	Up to 31.03.2014	Transition adjustment recorded against surplus balance in statement of profit and loss	For the year	Deductions	Upto 31.03.2015	As at 31.03.2015
<b>a) Tangible assets:</b>										
<b>Owned Assets:</b>										
Office Premises	1,000,000	-	-	1,000,000	264,283	-	16,791	-	281,074	718,926
Furniture and Fixtures	48,416,783	-	35,013,620	13,403,163	48,338,313	-	28,500	35,013,620	13,353,193	49,970
Office Equipments	32,717,699	511,755	9,351,354	23,878,100	31,867,426	-	483,898	9,286,278	23,065,046	813,054
Computers	69,877,917	8,511,152	265,763	78,123,306	46,359,087	632,383	10,705,492	265,763	57,431,199	20,692,107
Leasehold Improvements	30,316,010	647,515	14,517,178	16,446,347	28,064,968	-	289,600	14,517,178	13,837,390	2,608,957
<b>Leased Assets:</b>										
Vehicles (refer note 9.1)	20,774,050	9,418,914	2,469,139	27,723,825	12,399,801	-	6,047,881	1,305,469	17,142,213	10,581,612
<b>Total</b>	<b>203,102,459</b>	<b>19,089,336</b>	<b>61,617,054</b>	<b>160,574,741</b>	<b>167,293,878</b>	<b>632,383</b>	<b>17,572,162</b>	<b>60,388,308</b>	<b>125,110,115</b>	<b>35,464,626</b>
<b>b) Intangible assets:</b>										
Software	28,993,962	4,487,035	-	33,480,997	19,879,643	-	3,529,435	-	23,409,078	10,071,919
<b>Total</b>	<b>28,993,962</b>	<b>4,487,035</b>	<b>-</b>	<b>33,480,997</b>	<b>19,879,643</b>	<b>-</b>	<b>3,529,435</b>	<b>-</b>	<b>23,409,078</b>	<b>10,071,919</b>
<b>c) Capital work-in-progress</b>										<b>816,000</b>
<b>Grand Total</b>	<b>232,096,421</b>	<b>23,576,371</b>	<b>61,617,054</b>	<b>194,055,738</b>	<b>187,173,521</b>	<b>632,383</b>	<b>21,101,597</b>	<b>60,388,308</b>	<b>148,519,193</b>	<b>46,352,545</b>

9.1 Vendor has lien over the assets taken on lease.

**JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED**
**Notes to the financial statements for the year ended 31st March, 2016**

10	Non-current investments (non-trade unless otherwise stated)			As at 31.03.2015	
		Nos. of Units/ Shares	Rupees	Nos. of Units/ Shares	Rupees
	<b>Investment in Equity Instruments</b>				
	<u>In Subsidiary Companies (Unquoted, fully paid up):</u>				
	Ordinary Shares of JM Financial Overseas Holdings Private Limited, Mauritius of US\$ 1 each (trade)	12,000,000	602,728,700	12,000,000	602,728,700
	<u>In Fellow Subsidiary (Unquoted, fully paid up):</u>				
	Equity Shares of JM Financial Services Limited of Rs.10/- each (trade)	4,500,000	125,000,000	4,500,000	125,000,000
	Equity Shares of JM Financial Products Limited of Rs.10/- each	23,111,075	165,000,000	-	-
	<u>In others companies (Unquoted, fully paid up):</u>				
	Equity Shares of National Stock Exchange of India Ltd Rs. 10/- each	193,334	622,563,900	193,334	622,563,900
	Equity shares of Bombay Stock Exchange Limited of Re. 1/- each	70,694	10,065,738	70,694	10,065,738
	Equity shares of Uttranchal Biodiesel Limited of Rs. 10/- each	1,000	451,125	1,000	451,125
			633,080,763		633,080,763
	Less: Provision for diminution		451,124		451,124
			632,629,639		632,629,639
	<u>In other companies (Quoted, fully paid up):</u>				
	A Ordinary Shares of TATA Motors Limited of Rs. 2/- each	700,000	50,177,887	1,000,000	59,623,624
	Hinduja Global Solutions Limited Equity shares of Rs. 10/- each	75,000	33,802,752	238,708	107,585,948
	HCL Technologies Limited-Equity shares of Rs 2/- each	36,000	36,238,273	36,000	36,238,273
			120,218,912		203,447,845
	<b>Total</b>		<b>1,645,577,251</b>		<b>1,563,806,184</b>
	<b>Investment in Preference shares</b>				
	<u>In others companies (Unquoted, fully paid up):</u>				
	Uttranchal Biodiesel Limited of Rs. 40 each	199,000	89,773,875	199,000	89,773,875
	Less: Provision for diminution		89,773,874		89,773,874
			1		1
	<b>Investments in Venture Capital Fund</b>				
	(Unquoted)				
	Class A Units ICICI Venture "India Advantage Fund V"(Series II) of Rs.100/- each (Refer note 10.3)	9,025	902,500	17,529	1,752,900
	Class A Units ICICI Venture "India Advantage Fund VI"(Series II) of Rs.100/- each (Refer note 10.3)	12,046	1,204,600	19,952	1,995,200
	Urban Infrastructure Opportunity Fund of face value of Rs 79,930/- (P Y Rs.86,160/-) each (refer note 10.3)	983	120,851,986	983	126,976,076
	Paragon Partners Growth Fund I of face value of Rs 100/- each (refer note 10.3)	140,000	14,000,000	-	-
	<b>Total</b>		<b>136,959,086</b>		<b>130,724,176</b>
	<b>Total</b>		<b>1,782,536,338</b>		<b>1,694,530,361</b>
10.1	Aggregate provision for diminution in value of investments		90,224,998		90,224,998
			<b>As at 31.03.2016</b>		<b>As at 31.03.2015</b>
		<b>Cost</b>	<b>Market Value</b>	<b>Cost</b>	<b>Market Value</b>
10.2	Aggregate value of:	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>
	Quoted Investments	120,218,912	259,759,400	203,447,845	501,793,867
	Unquoted Investments	1,752,542,424		1,581,307,514	
10.3	Redemption of units is at the sole discretion of the trustees of the Venture Fund in consultation with Investment Manager and Contributor, which can effected either at the par value or net asset value per unit or at such price as deemed appropriate. Transfer of the units requires approval of trustees of the fund.				

**JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED**
**Notes to the financial statements for the year ended 31st March, 2016**

	Rupees	As at 31.03.2015 Rupees
<b>11 Deferred tax assets (net)</b>		
Fiscal allowances on fixed assets	9,625,467	10,439,944
Expense allowable on payment basis	11,741,531	11,895,062
<b>Total</b>	<b>21,366,998</b>	<b>22,335,006</b>
<b>12 Long-term loans and advances</b>		
(Unsecured and considered good)		
Deposits for premises, other deposits etc. [including with related party Rs. 11,98,46,360/- (as at 31st March, 2015, Rs.11,98,46,360) (refer note 31)]	124,697,808	124,297,808
Staff loans	195,328	409,650
Loan to Employees' welfare trust	-	165,000,000
Advance tax (net of provisions)	237,959,152	223,882,825
Advance fringe benefit tax (net)	167,326	167,326
Prepaid expense	916,765	484,502
Deposits with stock exchanges	16,925,000	16,425,000
Margin money with clearing member	11,896	11,896
<b>Total</b>	<b>380,873,275</b>	<b>530,679,007</b>
12.1 Due from private companies where director(s) are director(s)/Member(s) JM Financial & Investment Consultancy Services Pvt. Ltd.	7,427,360	7,427,360
<b>13 Trade receivables</b>		
(Unsecured and considered good)		
Trade receivables outstanding for a period exceeding six months from the date they are due for payment:	-	13,821,904
Other trade receivables	116,569,322	24,991,702
<b>Total</b>	<b>116,569,322</b>	<b>38,813,606</b>
<b>14 Cash and bank balances</b>		
Cash and cash equivalents:		
Cash on hand	7,209	20,379
Balances with banks		
In current accounts	65,552,016	23,921,014
In deposit accounts	337,500,000	843,500,000
	403,059,225	867,441,393
Other bank balances		
In Deposit Accounts (refer note 14.1,14.2 and 14.3)	126,375,000	126,375,000
<b>Total</b>	<b>529,434,225</b>	<b>993,816,393</b>
14.1 Bank Deposits are having maturity of more than twelve months	-	33,875,000
14.2 Bank Deposits under lien with banks towards overdraft facilities and guarantees given by the banks to stock exchanges	117,500,000	117,500,000
14.3 Bank Deposits under lien and lodged with Stock Exchanges towards base/additional base capital.	8,875,000	8,875,000

**JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED**
**Notes to the financial statements for the year ended 31st March, 2016**

	Rupees	As at 31.03.2015 Rupees
<b>15 Short-term loans and advances</b>		
(Unsecured)		
Loans to related parties (Refer note 31 and note 15.3)	500,000,000	310,000,000
Deposits for premises and other deposits	-	100,000
Staff Loans	335,519	388,481
Inter-corporate deposit	50,000,000	50,000,000
Prepaid expenses	10,018,035	8,679,379
Loan to Employees' welfare trust	-	30,000,000
Others (refer note 15.1)	19,915,795	16,704,837
	<b>580,269,349</b>	<b>415,872,697</b>
Less : Provision	50,000,000	50,000,000
<b>Total</b>	<b>530,269,349</b>	<b>365,872,697</b>
15.1 Others include service tax credit receivable, advance to employees, etc.		
15.2 Short-term loans and advances:		
Considered good	530,269,349	365,872,697
Considered doubtful	50,000,000	50,000,000
15.3 Loans have been granted to related parties for the purpose of refinancing existing loans. Interest is charged on such loans at a rate of 9.75% .These loans are repayable on demand.		
<b>16 Other current assets</b>		
Interest accrued on bank deposits	4,149,241	1,886,216
<b>Total</b>	<b>4,149,241</b>	<b>1,886,216</b>

**JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED**
**Notes to the financial statements for the year ended 31st March, 2016**

	Rupees	Previous year Rupees
<b>17 Revenue from operations</b>		
Income from Investment banking services	1,031,483,998	1,147,490,074
Brokerage	414,905,957	432,229,208
Advisory fees	71,599,671	111,647,050
<b>Other operating revenues:</b>		
Interest on Fixed Deposit	11,395,742	20,449,661
Profit on sale of shares held as result of under writing	-	4,794,144
	<b>11,395,742</b>	<b>25,243,805</b>
<b>Total</b>	<b>1,529,385,368</b>	<b>1,716,610,137</b>
<b>18 Other income</b>		
Interest income		
On bank deposits	2,665,699	541,139
On compulsorily convertible debentures	-	30,986,301
On income tax refund	54,630,949	1,301,153
On inter-corporate deposit , etc.	42,891,642	16,908,239
	<b>100,188,290</b>	<b>49,736,832</b>
Dividend		
On non-current investments	22,632,916	23,808,363
On current investments	23,072,328	22,913,991
	<b>45,705,244</b>	<b>46,722,354</b>
Profit on sale of investments		
Non-current investments (non-trade) (net)	78,757,530	122,946,115
	<b>78,757,530</b>	<b>122,946,115</b>
Support service fees	18,000,000	18,000,000
Profit on sale of fixed assets (net)	-	2,050,624
Exchange difference (net)	-	13,258,793
Sundry credit balances written back	17,861	5,660,406
Miscellaneous income	4,013,170	7,370,393
<b>Total</b>	<b>246,682,095</b>	<b>265,745,517</b>

**JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED**
**Notes to the financial statements for the year ended 31st March, 2016**

	Rupees	Previous year Rupees
<b>19 Employee benefit expenses</b>		
Salaries, bonus, allowances and other benefits	843,016,338	768,191,769
Contribution to provident fund and other funds	23,293,692	21,708,453
Gratuity (refer note 30)	8,454,914	9,119,427
Staff welfare expense	9,177,076	12,343,186
<b>Total</b>	<b>883,942,020</b>	<b>811,362,835</b>
<b>20 Finance costs</b>		
Interest Expense		
On Leased Loan	2,210,160	3,268,947
On Bank Overdraft facilities	120,006	125,832
On Inter Corporate Deposits	85,164	-
On Commercial Papers	-	20,841,100
Bank Guarantee Charges	1,175,068	1,181,623
<b>Total</b>	<b>3,590,398</b>	<b>25,417,502</b>
<b>21 Other expenses</b>		
Electricity	12,037,638	11,200,374
Rent and other space related cost [refer note 28(b)]	105,580,518	101,714,901
Rates and taxes, excluding taxes on income	10,883,564	31,122,287
Repairs and maintenance - others	10,664,767	12,931,900
Information Technology Expenses	11,233,438	14,388,761
Insurance	5,557,233	5,294,689
Legal and professional fees	13,224,097	14,436,321
Business Promotion	4,338,168	1,832,955
Business Conference Expenses and Seminar	6,514,299	11,287,012
Communication Expenses	5,030,204	5,460,078
Subscription and membership	47,693,944	43,925,249
Travelling and conveyance	23,753,978	25,160,703
Manpower Expenses	7,927,018	9,423,421
Support service fee	48,655,877	63,609,507
Research Expenses	-	533,999
Bad debts written off	8,810	2,111,165
Advertisement	4,632,015	8,837,001
Auditors' remuneration	2,025,000	1,546,697
Directors' commission	1,000,000	600,000
Directors' sitting fees	510,000	170,000
Donations	12,900,000	9,300,000
Loss on Scrap/ Sale of Fixed Asset (Net)	737,608	-
Exchange difference (net)	707,780	-
Miscellaneous expenses	14,593,316	19,241,131
	350,209,272	394,128,151
Recoveries of expenses	(1,120,715)	(1,072,930)
<b>Total</b>	<b>349,088,557</b>	<b>393,055,221</b>

**JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED**
**Notes to the financial statements for the year ended 31st March, 2016**
**22 Earnings per share:**

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

Particulars		Previous year
Profit attributable to the equity shareholders for the purpose of basic/diluted earnings per share (Rupees)	345,855,739	503,507,335
Weighted average number of equity shares outstanding during the year for basic earnings per share	28,000,000	28,000,000
Basic/Diluted earnings per share – Rupees	12.35	17.98
Nominal value per share – Rupees	10	10

**23 Contingent Liability and commitments:-**

		As at 31st March 2015
	Rupees	Rupees
A. Disputed Tax demand where Company has preferred Appeal		
(i) Income Tax demand for A.Y. 2005-2006 to A.Y. 2013-2014 in respect of disallowance in respect of section 14A of the Income tax Act, 1961 and certain other expenses. This also includes demand on account of transfer pricing adjustment.	117,464,274	118,145,346
(ii) Service Tax Demands for periods from 2002-03 to 2011-12 excluding interest in respect of classification of the services and disallowance of CENVAT credit on various expenses	3,098,340	3,098,340
B. Estimated amount of contracts remaining to be executed on Capital Account and not provided for	204,000	204,000
C. Uncalled Liability on account of commitment to subscribe to: Paragon Partners Growth Fund I	3,60,00,000	-

With regards A to above, the Company is hopeful of succeeding and as such does not expect any significant liability to crystallize.

**24 Earnings in Foreign Exchange:**

		Previous year
	Rupees	Rupees
Income from Investment banking services	146,364,812	547,920,455
Research fees	68,053,831	111,427,707
<b>Total</b>	<b>214,418,643</b>	<b>659,348,162</b>

**25 Expenditure in Foreign Currency:**

		Previous year
	Rupees	Rupees
Business Conference Expenses	2,140,571	4,266,448
Support Service Charges	40,305,877	54,524,507
Travelling Expenses	1,107,661	3,294,478
Membership and Subscription	16,376,965	13,051,819
Professional Fees	1,978,850	5,431,689
Others	2,815,771	954,606
<b>Total</b>	<b>64,725,695</b>	<b>81,523,547</b>

**26 Payments to Auditors (excluding Service Tax):**

		Previous year
	Rupees	Rupees
a) As auditors	1,500,000	1,000,000
b) Other matters (certification work, limited review etc.)	525,000	535,000
c) Expenses	-	11,697
<b>Total</b>	<b>2,025,000</b>	<b>1,546,697</b>

**JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED**
**Notes to the financial statements for the year ended 31st March, 2016**
**27 Segment Reporting:**
**a) Primary Segment:**

The Company has only one segment i.e. Investment banking and securities business which includes advisory and execution services of diverse nature to corporates, institutions, governments, government owned corporations, banks etc. and broking services to institutional clients in secondary market.

**b) Secondary Segment (by Geographical segments):**

(Amount in Rupees)

Particulars	Domestic	Exports	Total
Revenue	1,314,966,725	214,418,643	1,529,385,368
	<i>1,057,261,975</i>	<i>659,348,162</i>	<i>1,716,610,137</i>
	Within India	Outside India	Total
Segment assets	830,155,527	6,217,160	836,372,687
	<i>758,450,391</i>	<i>1,103,529</i>	<i>759,553,920</i>
Cost incurred on acquisition of fixed assets	17,040,015	-	17,040,015
	<i>24,392,371</i>	<i>-</i>	<i>24,392,371</i>

Figures in italics are in respect of previous year.

**28 Leases:**
**a) Finance Lease:**

The Company has acquired vehicles on finance lease. The tenure of the lease agreements ranges between 24 to 60 months with an option of prepayment / foreclosure.

Minimum lease rentals outstanding in respect of these assets are as under:

Amount in Rupees

Due	Total minimum lease payments outstanding as at		Interest not due as at		Present value of the minimum lease payments as at	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Not later than 1 year	4,123,489	6,177,453	631,900	1,390,664	3,491,589	4,786,789
Later than 1 year and not later than 5 years	2,506,066	7,603,452	221,926	1,063,057	2,284,140	6,540,395
<b>Total</b>	<b>6,629,555</b>	<b>13,780,905</b>	<b>853,826</b>	<b>2,453,721</b>	<b>5,775,729</b>	<b>11,327,184</b>

**b) Operating Lease:**

The operating leases for premises are executed for a period ranging from 36 months to 60 months with a renewal clause.

Minimum lease rentals outstanding in respect of non-cancellable operating lease are as under:

Due	Total lease payments outstanding	
	as at 31.03.2016	as at 31.03.2015
Not later than 1 year	102,537,247	105,256,567
Later than 1 year and not later than 5 years	266,665,341	418,110,823
<b>Total</b>	<b>369,202,588</b>	<b>523,367,390</b>
Expense debited to Statement of Profit and Loss	102,634,623	101,120,876

The Company has taken certain premises on cancellable operating leases. Lease rentals debited to the Statement of Profit and Loss, Rs.29,45,895/- (previous year, Rs. 5,94,025/-).

**JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED**
**Notes to the financial statements for the year ended 31st March, 2016**
**29 Derivative Instruments:**

Company does not enter into any derivative instruments for hedge or speculation. The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

**a) Amounts receivable in foreign currency on account of the following:**

Particulars	As at 31.03.2016 Amount in (Rs.)	As at 31.03.2016 Amount in Foreign Currency	As at 31.03.2015 Amount in (Rs.)	As at 31.03.2015 Amount in Foreign Currency
Export of Services	6,217,160	USD 94,000	781,625	USD 12,500
Expense reimbursement	-	-	321,904	USD 5,148

**b) Amounts payable in foreign currency on account of the following:**

Particulars	As at 31.03.2016 Amount in (Rs.)	As at 31.03.2016 Amount in Foreign Currency	As at 31.03.2015 Amount in (Rs.)	As at 31.03.2015 Amount in Foreign Currency
Payable	2,478,769	USD 37,497	476,732	USD 8,354
	7,709,559	SGD 1,57,692	10,356,050	SGD 2,27,606

**30 Employee benefits**
**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.23,292,922/- (Previous year Rs.21,708,453/-).

**Defined Benefit Plan**
**Gratuity**

In accordance with Payment of Gratuity Act, 1972 the Company provides for gratuity, a defined benefit retirement plan covering all eligible employees. The plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee's salary and the years of employment with the Company subject to maximum of Rs.10 lakh. The gratuity benefit is provided through unfunded plan and annual contributions are charged to Statement of Profit and Loss.

	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	33,927,215	34,370,844
Net liability in the Balance Sheet	33,927,215	34,370,844
II. Movement in net liability recognised in the Balance Sheet		
Net liability as at the beginning of the year	34,370,844	29,323,919
Net expense recognised in the Statement of Profit and Loss	8,454,914	9,119,427
Liabilities Assumed on Acquisition	(262,092)	(280,815)
Benefits Paid	(8,636,451)	(3,791,687)
Net liability as at the end of the year	33,927,215	34,370,844

	Gratuity (Unfunded)	
	Rupees	Previous year Rupees
III. Expense recognised in the Statement of Profit and Loss (Under the head "Employee benefit expenses" Refer Note 19)		
Current Service Cost	2,868,699	2,452,855
Interest cost	2,844,278	2,742,815
Actuarial (Gains)/ Losses	2,741,937	3,923,757
Expense charged to Statement of Profit and Loss	8,454,914	9,119,427
IV. Reconciliation of defined benefit commitments		
Commitments at the beginning of the year	34,370,844	29,323,919
Current Service Cost	2,868,699	2,452,855
Interest Cost	2,844,278	2,742,815
Actuarial (Gains)/ Losses	2,741,937	3,923,757
Benefits Paid	(8,636,451)	(3,791,687)
Liabilities Assumed on Acquisition	(262,092)	(280,815)
Commitments at the year end	33,927,215	34,370,844

V. Experience history	31-03-2012	31-03-2013	31-03-2014	31-03-2015	31-03-2016
Defined Benefit Obligation	26,410,748	30,220,975	29,323,919	34,370,844	33,927,215
Plan Assets	-	-	-	-	-
Surplus/ (Deficit)	(26,410,748)	(30,220,975)	(29,323,919)	(34,370,844)	(33,927,215)
Experience Adj. on Plan Liabilities	852,276	890,271	1,330,525	640,192	2,585,721
Experience Adj. on Plan Assets	-	-	-	-	-

VI. Actuarial Assumptions	31/03/2016	31/03/2015
Mortality table	Indian Assured Lives Mortality (2006-08) Ult table	Indian Assured Lives Mortality (2006-08) Ult table
Discount rate (per annum)	7.95%	8.00%
Rate of escalation in salary (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 as certified by the actuary.

#### Short term employee benefit - Accumulated Compensated Absences:

The Company provides for accumulated compensated absences as at balance sheet using full cost method to the extent leave will be utilised. Accumulated provision on account of the above is Rs.21,620,120/- (previous year, Rs.19,412,856/-).

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**JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED**
**Notes to the financial statements for the year ended 31st March, 2016**
**31 Related party Disclosures:**

Names of related parties where control exists

Holding Company	JM Financial Limited.
Subsidiary Companies	JM Financial Overseas Holdings Private Limited. (Mauritius)
Subsidiaries of subsidiary	JM Financial Singapore Pte. Limited. JM Financial Securities Inc. PT JM Financial Securities Indonesia.(Upto August 25,2015)

**Related parties where transaction have taken place during the year**

<b>Relationship</b>	<b>Name of the Party</b>
Holding Company	JM Financial Limited
Subsidiaries	JM Financial Overseas Holdings Private Limited.(Mauritius)
Subsidiaries of subsidiary	JM Financial Singapore Pte Limited JM Financial Securities Inc.
Fellow Subsidiaries	JM Financial Services Limited JM Financial Investment Managers Limited JM Financial Products Limited Infinite India Investment Management Limited JM Financial Properties and Holdings Limited CR Retail Malls (India) Ltd JM Financial Credit Solutions Limited
Key Management Personnel	Surendra Nayak
Entities over which individual exercising significant influence on the reporting enterprise Mr.Nimesh Kampani is able to exercise significant influence	J.M. Financial & Investment Consultancy Services Private Limited Capital Market Publishers India Private Limited

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**JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED**
**Notes to the financial statements for the year ended 31st March, 2016**

Name of Related Party	Nature of Transaction	31.03.2015	
		Rupees	Rupees
JM Financial Limited	Final Dividend on equity/ preference shares paid	336,000,000	334,093,501
	Interim Dividend on equity shares paid	210,000,000	-
	Reimbursement of Employee Stock Option cost	44,507,964	50,394,474
JM Financial Overseas Holdings Pvt. Ltd, Mauritius	Investment in Equity Shares as at the year end	602,728,700	602,728,700
JM Financial Services Ltd.	Demat Charges Paid*	2,341	3,350
	Sub- Brokerage expense Primary Market Transaction*	3,920,000	-
	Dividend on equity shares received	4,500,000	-
JM Financial Investment Managers Limited	Reimbursement of Expenses Received*	76,446	48,694
	ICD Given	-	67,500,000
	ICD Received back	-	67,500,000
	Interest income on ICD given	-	582,534
JM Financial Products Ltd.	Payment of Gratuity Liability in respect of Employee transferred	-	46,658
	ICD Taken	300,000,000	-
	ICD Repaid	300,000,000	-
	Interest expense on ICD taken	85,164	-
	Reimbursement of Expenses Received*	142,300	6,580,097
Infinite India Investment Management Ltd.	Reimbursement of Expenses Received*	26,967	32,730
	Sale of equity shares	-	50,625,000
J.M. Financial & Investment Consultancy Services Pvt. Ltd.	Reimbursement of Expenses Received*	26,050	18,620
	Rent*	13,648,800	13,648,800
	Reimbursement of Expenses Paid*	-	284,350
	Support Service (expense)*	7,350,000	7,350,000
	Security deposit for office premises received back	-	3,232,108
	Security deposit for office premises given	-	6,824,400
	Security deposit for office premises as at the year end	6,824,400	6,824,400
	Security deposit (others) as at the year end	602,960	602,960
JM Financial Properties and Holdings Ltd.	Rent and other related cost*	88,888,451	84,655,664
	Reimbursement of Expenses Paid*	19,160,708	18,250,155
	Payment of Gratuity Liability in respect of Employee transferred	-	234,157
	Reimbursement of Expenses Received*	31,944	46,579
	ICD Given	500,000,000	100,000,000

Name of Related Party	Nature of Transaction	31.03.2015	
		Rupees	Rupees
	ICD Received back	100,000,000	-
	Interest income on ICD	19,620,829	2,369,445
	Security deposit for office premises received back	-	17,781,000
	ICD Receivable as at the year end	500,000,000	100,000,000
	Security Deposit for office premises as at the year end	112,419,000	112,419,000
JM Financial Singapore Pte. Ltd	Support Service (expense)	40,305,877	54,524,507
	Closing balance - payable	7,572,352	10,356,050
JM Financial Securities Inc.	Professional fees (expense)	1,190,520	-
	Closing balance - payable	1,067,895	-
CR Retail Malls (India) Ltd	ICD Given	-	210,000,000
	ICD Received back	210,000,000	-
	Interest income on ICD	21,854,384	6,813,493
	Reimbursement of Expenses Received*	3,746	-
	Sale of equity shares	-	78,518,600
	ICD Receivable as at the year end	-	210,000,000
Capital Market Publishers India Pvt Ltd	Subscription charges*	135,000	180,000
JM Financial Credit Solutions Limited	Reimbursement of Expenses Received*	127,949	10,626
	Payment of Gratuity Liability in respect of Employee transferred out	262,092	-
	Recovery of Car Lease loan in respect of employee transferred out	765,562	-
	Transfer of Leased assets in respect of employee transferred out	722,405	-
Surendra Nayak	Remuneration	9,455,484	8,508,657
	Contribution to provident fund	2,88,000	288,000
	Closing balance - payable	(4,000,000)	(3,115,000)
Amishi Kampani	Remuneration	NA	2,709,736
	Contribution to provident fund	NA	73,600
	Closing balance - payable	NA	(1,250,000)

\* Figures are excluding service tax.

**Note:**

There are no provisions for doubtful debts/ advances or amounts written off or written back for debts due from/due to related parties Nil (Previous year Rs.60,06,253/- written back in respect of due to JM Financial Services Ltd.)

**JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED**
**Notes to the financial statements for the year ended 31st March, 2016**
**32 Employee stock option**

Based on the request made by 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. 50,87,792 stock options have been granted on April 21, 2011 in respect of Series IV, 47,93,346 have been granted on April 16, 2012 in respect of Series V, 24,20,778 stock options have been granted on May 6, 2013 in respect of Series VI, 25,35,279 stock options have been granted on April 01, 2014 in respect of Series VII and 9,60,456 stock options have been granted on April 16, 2015 in respect of Series VIII.

The option shall be eligible for vesting as per following schedule:

Vesting Date	Options (Nos.)	Status	Exercise Year	Exercise Price (Rupee)
21st April, 2012	1,695,931	Vested	Seven years from the date of Grant	1
21st April, 2013	1,695,931	Vested	Seven years from the date of Grant	1
21st April, 2014	1,695,931	Vested	Seven years from the date of Grant	1
16th April, 2013	1,597,782	Vested	Seven years from the date of Grant	1
16th April, 2014	1,597,782	Vested	Seven years from the date of Grant	1
16th April, 2015	1,597,782	Vested	Seven years from the date of Grant	1
06th May, 2014	806,926	Vested	Seven years from the date of Grant	1
06th May, 2015	806,926	Vested	Seven years from the date of Grant	1
06th May, 2016	806,926	To be vested	Seven years from the date of Grant	1
1st April, 2015	845,093	Vested	Seven years from the date of Grant	1
1st April, 2016	845,093	To be vested	Seven years from the date of Grant	1
1st April, 2017	845,093	To be vested	Seven years from the date of Grant	1
16th April, 2016	320,152	To be vested	Seven years from the date of Grant	1
16th April, 2017	320,152	To be vested	Seven years from the date of Grant	1
16th April, 2018	320,152	To be vested	Seven years from the date of Grant	1

The details of stock option granted to employees are as under:

Particulars	Current Year Nos.	Previous Year Nos.
Outstanding at the beginning of the year	6,823,404	7,796,704
Granted during the year	960,456	2,535,279
Options in respect of employees transferred in	30,000	-
Lapsed during the year	173,090	372,169
Exercised during the year	2,777,557	3,136,410
Options in respect of employees transferred out	10,398	-
Outstanding at the end of the year	4,852,815	6,823,404
Exercisable at the end of the year	1,706,170	1,859,451

The charge on account of the above scheme included in employee benefit expense aggregate Rs.4,45,07,964/- (Previous year Rs.5,03,94,474/-). Since the options are issued by JM Financial Limited, the Holding company, basic and diluted earnings per share of the Company would remain unchanged.

- 33** 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.53,06,832/- (previous year, Rs.16,57,811/-)
- b. Amount spent and paid during the year by way of donations to charitable trusts– Rs.54,00,000/-(previous year, Rs.18,00,000/-)
- 34** Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification.

**For and on behalf of the Board of Directors**

**Chintal Sakaria**  
Company Secretary

**Nimesh Kampani**  
Chairman  
DIN -00009071

**Surendra R Nayak**  
Whole-time Director and  
Chief Financial Officer  
DIN – 00039894

**Place : Mumbai**

**Date : 3<sup>rd</sup> May, 2016**

**JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED**

Statement containing salient features of the financial statement of subsidiaries/associate companies as on March 31, 2016

Form AOC - 1

Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014

**Part "A": Subsidiaries**

(Rupees / US\$ / SGD in Lakh)

Sr No.	Name of the Subsidiary	Reporting period of subsidiary if different from the Company	Currency	Share Capital	Reserves & Surplus	Total assets including investments	Total liabilities <sup>a</sup>	Investments <sup>b</sup>	Turnover	Profit / (Loss) before Tax	Provision for tax	Profit / (Loss) after Tax	Proposed Dividend	% of share-holding
1	JM Financial Overseas Holdings Private Limited	N.A.	Rupees	6,027.29	8,714.51	14,768.85	27.05	8,990.26	429.28	339.33	27.92	311.41	-	100.00%
			US\$	120.00	102.24	222.65	0.41	135.53	19.55	5.18	0.43	4.75	-	
2	JM Financial Singapore Pte. Ltd.	N.A.	Rupees	3,587.54	(2,566.52)	1,204.44	183.42	-	1,013.32	(286.06)	40.26	(326.32)	-	100.00%
			SGD	71.00	(50.07)	24.69	3.76	-	21.36	(6.08)	0.86	(6.94)	-	
3	JM Financial Securities, Inc.	N.A.	Rupees	0.11	803.42	850.03	46.50	-	11.91	(178.19)	1.54	(179.73)	-	100.00%
			US\$	0.00	12.11	12.82	0.70	-	0.18	(2.72)	0.03	(2.75)	-	

\* Exchange rate as on March 31, 2016: 1 US Dollar US\$ =Rs.66.33, 1 SGD =Rs.48.78.

**Notes**

- Total liabilities exclude share capital and reserves.
- Investments exclude investment in subsidiaries.
- Names of subsidiaries which are yet to commence operations -None
- Names of subsidiaries which have been liquidated or sold during the year – "PT JM Financial Securities, Indonesia" has been wound up on 25-08-2015.

**Part “B”: Associates and Joint Ventures (JV)**

(Rupees in Lakh)

Particulars	
Latest audited Balance Sheet Date	
<b>Shares of Associate/JV held by the company on the year end</b>	
Nos.	
Amount of Investment in Associates/JV	
Extend of Holding%	
Description of how there is significant influence	N.A.
Reason why the associate/JV is not consolidated	
Net worth attributable to shareholding as per latest audited Balance Sheet	
Profit for the year	
(i) Considered in Consolidation	
(ii) Not Considered in Consolidation	

**Notes**

- a. Name of associates or joint ventures which are yet to commence operations – NA  
b. Name of associates or joint ventures which have been liquidated or sold during the year – NA

**For and on behalf of the Board of Directors**

**Chintal Sakaria**  
Company Secretary

**Nimesh Kampani**  
Chairman  
DIN – 00009071

**Surendra R Nayak**  
Whole-time Director and  
Chief Financial Officer  
DIN – 00039894