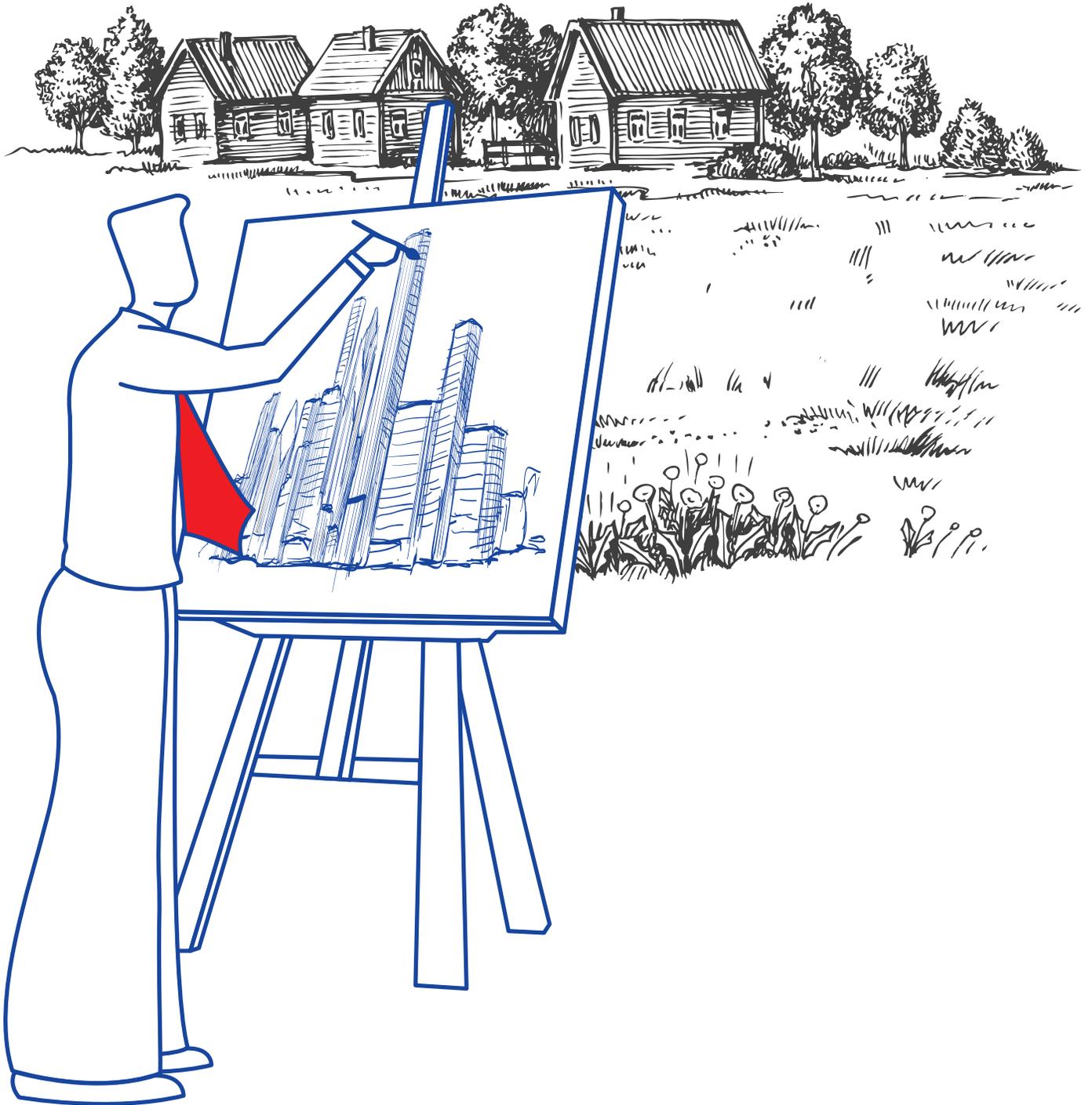


Towards Tomorrow
Expertise. Experience. Excellence.



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Vishal Kampani
Ms. Dipti Neelakantan
Mr. P K Choksi
Mr. Ranganath Char

BANKERS

HDFC Bank Limited
Manekji wadia Bldg.,
Gr. floor, Nanika motwani marg,
Fort, Mumbai – 400 001

STATUTORY AUDITORS

Khimji Kunverji & Co.
Sunshine Tower, Level 19
Senapati Bapat Marg
Elphinstone Road
Mumbai - 400 013

REGISTERED OFFICE

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

The red tie man,

is characterised as a visionary painter who can foresee the progress in the future. Despite the simple dwellings, he paints skyscrapers recognising the opportunities offered in the market just like the Company does. Moreover, the painting signifies the confidence and ability of JM Financial to make the most of the market opportunities with its expertise, experience and excellence. The Company is viewed as a trusted partner and advisor that consistently adds stakeholder value, just like the painting aims to do in sharp contrast to the actual settings.

INDEPENDENT AUDITOR'S REPORT

To the Members of Infinite India Investment Management Limited

Report on the Financial Statements

1 We have audited the accompanying financial statements of Infinite India Investment Management Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2 The Management and Board of Directors of the Company are 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 specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014. 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; 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

3 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. We conducted our audit 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.

4 An audit involves performing procedures to obtain audit evidence about the amounts and 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 statement, 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 accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

6 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 2017, its Loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7 As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

8 As required by Section 143(3) of the Act, we further 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 purpose of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

INDEPENDENT AUDITOR'S REPORT

- c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014;
- e. on the basis of written representations received from the Directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, 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 B";
- g. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
- (i) The Company does not have any pending litigations which would impact its financial position.
- (ii) The Company did not have any long – term contracts including derivative contracts for which there existed any foreseeable losses.
- (iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sum does not arise.
- (iv) The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank (being Nil) during the period from 8 November, 2016 to 30th December, 2016 and as explained to us, the same are in accordance with books of accounts and records maintained by the company. (Refer Note 2.22).

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

Place: Mumbai
Date: April 19,2017

Hasmukh B Dedhia
Partner (F - 33494)

INDEPENDENT AUDITOR'S REPORT

Annexure A referred to in paragraph 7 of our report of even date to the members of Infinite India Investment Management Limited on the Financial Statements of the company for the year ended 31st March, 2017.

On the basis of such checks as we considered appropriate, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) According to the information and explanations given to us and based on the records of the company examined by us, fixed assets have been physically verified by the management at regular intervals; no material discrepancies were noticed on such verification;
- (c) According to the information and explanations given to us and based on the records of the company examined by us, the company does not have any immovable properties. Hence, clause 3(i, c) of the Order is not applicable to it.
- (ii) The nature of the business of the Company does not require it to have any inventory. Hence the requirement of clause 3(ii) of the Order is not applicable to it.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act. Hence the requirement of clause 3 (iii) of the order is not applicable.
- (iv) According to the records of the company examined by us and as per the information and explanations given to us, The Company has not granted any loans covered under Section 185 and 186 of the Act.
- (v) The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Act.
- (vi) As informed, the Company is not required to maintain any cost records prescribed under sub-section (1) of the section 148 of the Act.
- (vii) (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Income-tax, Sales-tax, Service Tax, Value added tax, Custom Duty, Excise Duty and other material statutory dues applicable to it. There are no undisputed statutory dues remaining outstanding for the period exceeding six months as at the date of the Balance sheet.
- (b) We have been informed that Employees' state insurance, Custom duty and Excise Duty are currently not applicable to the Company for the year under audit
- (b) According to the information and explanations given to us and based on the records of the Company examined by us, there are no outstanding dues of Income-tax, Sales-tax, Service Tax, value added tax, Custom Duty, Excise Duty which have not been deposited on account of any disputes.
- (viii) We have been informed that Custom duty and Excise Duty are currently not applicable to the Company for the year under audit.
- (viii) According to the information and explanations given to us and based on the records of the company examined by us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank, Government or dues to debenture holders.
- (ix) The company has not raised any money by way of initial public offer or further public offer (including debt instruments). Hence the provision of clause 3(ix) of the Order is not applicable.
- (x) During the course of our examination of the books and records of the company, carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud by the Company or on the Company by its officers or employees noticed or reported during the course of our audit nor have we been informed of any such instance by the Management.
- (xi) According to the records of the company examined by us and as per the information and explanations given to us, the

INDEPENDENT AUDITOR'S REPORT

provisions of Section 197 read with schedule V to the Act is not applicable to the Company.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Hence, clause 3 (xii) of the Order is not applicable to it.

(xiii) According to the information and explanations given to us and based on the records of the company examined by us, the provision of Section 177 is not applicable to the Company. The transactions with related parties entered into by the Company, disclosures whereof are made as per the applicable accounting standard, do not attract the provisions of section 188 of the Act.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence, clause 3 (xiv) of the Order is not applicable.

(xv) According to the records of the Company examined in course of our audit and as per the information and explanations given to us, the Company has not entered in any non-cash transactions with directors or persons connected with them during the year under audit. Hence, provisions of Section 192 are not applicable to the Company.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

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

Place: Mumbai
Date: April 19, 2017

Hasmukh B Dedhia
Partner (F - 33494)

INDEPENDENT AUDITOR'S REPORT

Annexure B referred to in paragraph 8(f) of our report of even date to the members of Infinite India Investment Management Limited on the Financial Statements of the company for the year ended 31st March, 2017

Report on the Internal Financial Controls 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 Infinite India Investment Management Limited ("the Company") as of 31 March 2017 in conjunction with our audit of 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 ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 are established and maintained and whether such controls operated effectively in all material respects.

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

Internal financial control over financial reporting is a process designed by the Company 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 details, 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 authorizations of Management and Board of Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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. Further, 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 owing to changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate or for other reasons.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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.

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

Place: Mumbai
Date: April 19, 2017

Hasmukh B Dedhia
Partner (F - 33494)

BALANCE SHEET

as at 31st March 2017

Particulars	Note No.	(₹ in Lakh)	
		As at 31st March 2017	As at 31st March 2016
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
a Share Capital	2.1	160.00	160.00
b Reserves and Surplus	2.2	756.81	990.41
		916.81	1,150.41
2 Non-current liabilities			
a Long-term provisions	2.3	39.81	38.82
		39.81	38.82
3 Current liabilities			
a Trade payables	2.4	38.70	59.42
b Other current liabilities	2.5	54.42	44.24
c Short-term provisions	2.6	2.77	2.16
		95.89	105.82
Total		1,052.51	1,295.05
II. ASSETS			
1 Non-current assets			
a Fixed assets	2.7		
Tangible assets		1.14	0.21
Intangible assets		0.43	-
b Non current investments	2.8	1.72	507.97
c Deferred tax assets (net)	2.9	2.71	2.71
d Long-term loans and advances	2.10	133.78	118.63
		139.78	629.52
2 Current assets			
a Current investments	2.11	-	97.53
b Trade receivables	2.12	-	70.74
c Cash and bank balances	2.13	898.46	481.02
d Short-term loans and advances	2.14	11.61	13.35
e Other current assets	2.15	2.66	2.89
		912.73	665.53
Total		1,052.51	1,295.05
Significant accounting policies & notes to financial statements	1 & 2		

As per our attached reports of even date

For Khimji Kunverji & Co.

Chartered Accountants

Firm registration no. 105146W

For and on behalf of the Board

Hasmukh B. Dedhia

Partner

Membership No. 33494

Vishal Kampani

Chairman

DIN- 00009079

Dipti Neelakantan

Director

DIN- 00505452

Place : Mumbai

Date : April 19, 2017

Place : Mumbai

Date : April 19, 2017

STATEMENT OF PROFIT AND LOSS

for the year ended 31st March 2017

Particulars	Note No.	(₹ in Lakh)	
		Current year	Previous year
I REVENUE FROM OPERATIONS	2.16	165.96	397.95
II OTHER INCOME	2.17	13.53	36.61
III Total Revenue (I + II)		179.49	434.56
IV EXPENSES			
Employee benefits expense	2.18	115.70	73.00
Depreciation and amortization expense	2.7	0.51	0.59
Other expenses	2.19	296.88	135.40
Total expenses		413.09	208.99
V Profit before tax		(233.60)	225.57
Tax expense			
Current tax		-	55.00
Deferred tax		-	(0.05)
(Excess)/ Short provision for tax in respect of earlier year (net)		-	(0.66)
		-	54.30
VI Profit/(Loss) after tax for the year		(233.60)	171.28
VII Earnings per share	2.20		
Basic & diluted		(14.60)	10.70
Significant accounting policies & notes to financial statements	1 & 2		

As per our attached reports of even date

For Khimji Kunverji & Co.

Chartered Accountants

Firm registration no. 105146W

For and on behalf of the Board

Hasmukh B. Dedhia

Partner

Membership No. 33494

Place : Mumbai

Date : April 19, 2017

Vishal Kampani

Chairman

DIN- 00009079

Place : Mumbai

Date : April 19, 2017

Dipti Neelakantan

Director

DIN- 00505452

CASH FLOW STATEMENT

as at 31st March 2017

Particulars	(₹ in Lakh)	
	For the year ended 31st March 2017	For the year ended 31st March 2016
A Cash flow from operating activities		
Profit before tax	(233.60)	225.57
Adjustment for:		
Depreciation	0.51	0.59
(Profit)/loss on sale of investments	170.04	(8.13)
Sundry balances written off	0.74	-
Provision for gratuity	1.00	(0.59)
Provision for/(reversal of) compensated absences	0.59	0.41
Dividend income	(7.14)	(20.14)
Interest income	(3.62)	(8.31)
Operating profit before working capital changes	162.12	(36.17)
Adjustment for:		
(Increase)/decrease in trade receivables	70.73	200.03
(Increase)/decrease in short-term loans and advances	1.73	(0.03)
(Increase)/decrease in other current assets	0.23	(0.20)
Increase/(decrease) in trade payables	(20.72)	(1.69)
Increase/(decrease) in other current liabilities	10.18	(8.77)
Cash generated from/(used in) operations	224.27	153.17
Direct taxes paid	(15.89)	(22.62)
Net cash from/(used in) operating activities	208.38	130.55
B Cash flow from investing activities		
Purchase of non-current investments - Others	(5.56)	(54.40)
Purchase of current investments - Others	(1,303.87)	(766.17)
Sale of non-current investments - Others	362.78	66.58
Sale of current investments - Others	1,380.41	759.76
Purchase of fixed assets	(1.86)	-
Interest Income	3.62	8.31
Dividend Income	7.14	20.14
Net cash from/(used in) investment activities	442.66	34.22
Net increase/(decrease) in Cash and cash equivalents	417.44	390.34
Cash & cash equivalents (opening)	481.02	90.68
Cash & cash equivalents (closing)	898.46	481.02

Notes

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

As per our attached reports of even date

For Khimji Kunverji & Co.

Chartered Accountants

Firm registration no. 105146W

For and on behalf of the Board

Hasmukh B. Dedhia

Partner

Membership No. 33494

Vishal Kampani

Chairman

DIN- 00009079

Dipti Neelakantan

Director

DIN- 00505452

Place : Mumbai

Date : April 19, 2017

Place : Mumbai

Date : April 19, 2017

NOTES

to the Financial Statements

1 SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation of financial statements

The financial statements of the Company have been prepared on accrual basis under the historical cost convention and 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 ("the Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act.

b. Use of estimates

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

c. Revenue recognition

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

The Company earns revenues in the nature of management fees on funds under management and advisory fees income which are recognized based on contractual arrangement. Income is recognized net of service tax.

Dividend income on investments is accounted for when the company's right to receive dividend is established.

Interest income is recognized on accrual basis.

d. Fixed assets and depreciation

Owned tangible assets

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

Depreciation on tangible fixed assets is provided, on a pro-rata basis for the period of use, on the Straight Line Method (SLM), considering the useful lives of the assets as per Schedule II to the Companies Act, 2013 or

as per the management's assesment (supported by technical advice) of useful life whichever is lower. The useful Lives are as follows:

Asset	Useful Life
Furniture	10 years
Office equipment	5 years
Computers	3 years
Leasehold Improvements	10 years or lease period whichever is lower

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

Owned intangible assets

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

The Company capitalises software and related implementation costs where it is reasonably estimated that the software has an enduring useful life. Software is depreciated over management estimate of its useful life not exceeding 6 years.

Leased assets

Assets acquired under finance lease are accounted for at the inception of lease at the fair value of the assets or present value of minimum lease payments whichever is lower. At the end of lease term, asset will revert back to the lessor; hence they are fully depreciated on a straight line basis over the lease term or its useful life whichever is shorter.

At the Balance sheet date, assets held for disposal are valued at Written Down Value (WDV) or Net Realizable Value (NRV), whichever is lower.

e. Impairment of assets

An asset is considered as impaired when on the balance sheet date there are indications of impairment in the carrying amount of the assets, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the assets' net selling price and value in use). The carrying amount is reduced to the level of recoverable amount and the reduction is recognised as an impairment loss in the profit and loss account.

NOTES

to the Financial Statements

f. Investments

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

g. Employee Benefits

Defined contribution plan

The Company makes defined contribution to the provident fund, which is recognized in the profit and loss account on an accrual basis.

Defined benefit plan

The Company's liabilities under the Payment of Gratuity Act are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Actuarial gains and losses are recognised in the statement of profit and loss account as income or expense respectively. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields on the date of balance sheet on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

Short term employee benefits

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

h. Taxation

Tax expense comprises current tax and deferred tax.

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

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

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

i. Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost 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 the profit and loss account.

j. Operating leases

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

k. Foreign currency transactions

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

l. Provisions, contingent liabilities and contingent assets

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

NOTES

to the Financial Statements

2.1 SHARE CAPITAL

	(₹ in Lakh)	
	As at 31st March 2017	As at 31st March 2016
Authorised		
35,00,000 (previous year 35,00,000) Equity Shares of ₹ 10/- each	350.00	350.00
	350.00	350.00
Issued, Subscribed and Paid-up		
16,00,000 (previous year 16,00,000) Equity Shares of ₹ 10/- each fully paid up	160.00	160.00
Total	160.00	160.00

Note a.

The Company has only one class of issued shares referred to as equity shares having a Face Value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share.

Note b.

Particulars	Equity Shares			
	As at 31st March 2017		As at 31st March 2016	
	Number	₹ in Lakh	Number	₹ in Lakh
Shares outstanding at the beginning of the year	1,600,000	160.00	1,600,000	160.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,600,000	160.00	1,600,000	160.00

Note c.

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

Particulars	Nature of Relationship	As at 31st March 2017		As at 31st March 2016	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares:					
JM Financial Limited	Holding Company	1,600,000	100	1,600,000	100

NOTES

to the Financial Statements

	(₹ in Lakh)	
	As at 31st March 2017	As at 31st March 2016
2.2 RESERVES AND SURPLUS		
a. Securities premium account	318.00	318.00
b. Surplus / (deficit) in profit and loss account:		
Opening balance	672.41	501.13
(+) Profit / (loss) for the year	(233.60)	171.28
Closing balance	438.81	672.41
Total	756.81	990.41

	(₹ in Lakh)	
	As at 31st March 2017	As at 31st March 2016
2.3 LONG-TERM PROVISIONS		
For employee benefits - gratuity	2.54	1.55
Clawback obligation towards JM Financial Property Fund II	18.16	18.16
Clawback obligation towards JM Financial Property Fund I	19.11	19.11
Total	39.81	38.82

	(₹ in Lakh)	
	As at 31st March 2017	As at 31st March 2016
2.4 TRADE PAYABLES		
Trade Payables		
*Total outstanding dues to creditors other than Micro, Small and Medium Enterprises	38.70	59.42
Total	38.70	59.42

* The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any relating to amounts repaid as at the year end together with interest paid / payable as required under the said Act have not been given.

	(₹ in Lakh)	
	As at 31st March 2017	As at 31st March 2016
2.5 OTHER CURRENT LIABILITIES		
Payable to employees	51.76	42.70
Statutory dues	2.66	1.54
Total	54.42	44.24
2.6 SHORT-TERM PROVISIONS		
For employee benefits - compensated absences	2.70	2.11
For employee benefits - gratuity	0.07	0.05
Total	2.77	2.16

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2.7 FIXED ASSETS

(₹ in Lakh)

Description	GROSS BLOCK			DEPRECIATION/AMORTISATION				NET BLOCK		
	As at 1-Apr-16	Additions	Deductions / Adjustments	As at 31-Mar-17	As at 1-Apr-16	For the year	Deductions / Adjustments	As at 31-Mar-17	As at 31-Mar-17	As at 31-Mar-16
i) TANGIBLE ASSETS:										
Owned Assets:										
Office Equipments	1.20	-	-	1.20	1.17	0.03	-	1.20	-	0.03
Computers	5.15	1.38	-	6.53	5.15	0.24	-	5.39	1.14	-
Furniture & Fixtures	2.12	-	-	2.12	1.94	0.18	-	2.12	-	0.18
ii) INTANGIBLE ASSETS:										
Software	-	0.48	-	0.48	-	0.05	-	0.05	0.43	-
Total	8.47	1.86	-	10.33	8.26	0.51	-	8.76	1.57	0.21
Previous Year	10.95	-	2.48	8.47	10.15	0.59	2.48	8.26	0.21	-

2.8 NON-CURRENT INVESTMENTS

	As at 31st March 2017		As at 31st March 2016	
	Nos. of Shares	₹ in Lakh	Nos. of Shares	₹ in Lakh
TRADE INVESTMENTS				
(a) Investment in Venture capital fund units (at cost) (refer note 2 below)				
Unquoted:				
JM Financial Property Fund I - Class B units	9	0.89	9	0.89
(Face value in current year ₹ 10,000 and in previous year ₹ 10,000)				
(Paid -up value in current year ₹ 9833.89 and in previous year ₹ 9833.89)				
JM Financial Property Fund II - Class B units	8	0.83	8	0.83
(Face value in current year ₹ 10,000 and in previous year ₹ 10,000)				
OTHER THAN TRADE INVESTMENTS				
(a) Investment in equity instruments (at cost)				
Quoted:				
In other companies				
Nitesh Estates Limited	-	-	3,750,000	506.25
(Equity Shares of ₹ 10/- each fully paid up)				
Total		1.72		507.97

Notes:

- The aggregate cost of unquoted investments is ₹ 1.72 Lac (previous year ₹ 1.72 Lac)
- Redemption of units is at the sole discretion of the trustee to the Venture Fund in consultation with Investment Manager and Contributor to be effected either at the par value or net asset value per unit or at such price as deemed appropriate. Transfer of these units is at discretion of trustees to the fund.

(₹ in Lakh)

	As at 31st March 2017	As at 31st March 2016
2.9 DEFERRED TAX ASSETS / (LIABILITY)		
Differences in the tax and books written down value of fixed assets	1.48	1.48
Provision for Gratuity	0.53	0.53
Compensated Absences	0.70	0.70
Total	2.71	2.71

Deferred tax assets arising due to timing difference on account of brought forward loss has not been recognized as a measure of prudence.

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to the Financial Statements

	(₹ in Lakh)	
	As at 31st March 2017	As at 31st March 2016
2.10 LONG TERM LOANS AND ADVANCES		
Other loans and advances		
Unsecured, considered good		
(i) Advance Tax and Tax Deducted at source (net of provision of tax)	66.17	50.28
(ii) Deposits	67.61	67.61
(iii) Other deposits	-	0.74
Total	133.78	118.63

2.11 CURRENT INVESTMENTS

	As at 31st March 2017		As at 31st March 2016	
	Nos. of Units/ Shares	₹ in Lakh	Nos. of Units/ Shares	₹ in Lakh
OTHER THAN TRADE INVESTMENTS				
(a) Investment in equity instruments (at cost)				
Quoted:				
In other companies				
City Union Bank Limited (Equity Shares of ₹ 1/- each fully paid up)	-	-	13,243	10.48
Sanghvi Movers Limited (Equity Shares of ₹ 2/- each fully paid up)	-	-	2,512	5.58
Oriental Carbon & Chemicals Limited (Equity Shares of ₹ 10/- each fully paid up)	-	-	887	4.70
Dynamatic Technologies Limited (Equity Shares of ₹ 10/- each fully paid up)	-	-	139	3.19
HDFC Bank Limited (Equity Shares of ₹ 2/- each fully paid up)	-	-	508	5.31
Mangalam Cement Limited (Equity Shares of ₹ 10/- each fully paid up)	-	-	1,072	2.91
Rain Industries Limited (Equity Shares of ₹ 2/- each fully paid up)	-	-	3,463	1.38
VST Industries Limited (Equity Shares of ₹ 10/- each fully paid up)	-	-	196	3.24
SJVN Limited (Equity Shares of ₹ 10/- each fully paid up)	-	-	17,688	5.44
ICICI Bank Limited (Equity Shares of ₹ 2/- each fully paid up)	-	-	1,563	3.13
IIFL Holdings Limited (Equity Shares of ₹ 2/- each fully paid up)	-	-	453	0.93
Jubilant Life Sciences Limited (Equity Shares of ₹ 1/- each fully paid up)	-	-	791	3.31
(b) Investment in mutual funds (at cost)				
Unquoted:				
HDFC Liquid Fund- Direct Plan- Growth Option	-	-	1,680	47.93
Total		-		97.53

Notes:

Net asset value of the mutual fund units as on 31 March, 2017 is ₹ Nil (Previous year ₹ 50.18 Lacs)

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	(₹ in Lakh)	
	As at 31st March, 2017	As at 31st March, 2016
2.12 TRADE RECEIVABLES		
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	-	70.74
Total	-	70.74
2.13 CASH AND BANK BALANCES		
Cash and cash equivalents		
Cash on hand	-	-
Bank balances:		
In current accounts	18.31	43.82
In deposit accounts	880.15	437.20
Total	898.46	481.02
2.14 SHORT-TERM LOANS AND ADVANCES		
Staff Loans & Advances (Unsecured)	0.03	0.03
Advances recoverable in cash or in kind or for value to be received	11.58	13.32
Total	11.61	13.35
2.15 OTHER CURRENT ASSETS		
Interest accrued but not due on Fixed Deposits	2.66	2.89
Total	2.66	2.89

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to the Financial Statements

	(₹ in Lakh)	
	Current year	Previous year
2.16 REVENUE FROM OPERATIONS		
Fees and Commission		
Management fees	165.96	397.95
Total	165.96	397.95
2.17 OTHER INCOME		
Interest Income	3.99	8.32
Dividend	7.14	20.14
Profit on sale of investments	-	8.13
Miscellaneous Income	2.40	0.02
Total	13.53	36.61
2.18 EMPLOYEE BENEFITS EXPENSE		
Salaries, Bonus and Allowances	111.11	71.48
Contribution to Provident Fund and Other Funds	2.61	1.34
Gratuity	1.00	(0.59)
Staff Welfare	0.98	0.77
Total	115.70	73.00
2.19 OTHER EXPENSES		
Space and other related cost	50.35	50.35
Rates and taxes	17.85	10.24
Insurance expenses	0.94	1.50
Repairs and maintenance	0.08	0.08
Communication expenses	1.25	1.23
Legal and professional fees	10.08	8.33
PMS Related Expenses	0.71	1.88
Auditors' remuneration		
Statutory audit	1.00	1.00
Certification/ Limited Review	0.60	0.60
Travelling expenses	-	0.54
Conveyance expenses	1.46	0.92
Information Technology Expenses	3.62	3.36
Printing and stationery	0.25	0.83
Manpower Expenses	2.10	2.28
Fund Expenses	27.60	41.74
Electricity Expenses	5.88	5.63
Loss on sale of Investments	170.04	-
Miscellaneous expenses	3.07	4.89
Total	296.88	135.40

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to the Financial Statements

2.20 Earning per share

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

Particulars	(₹ in Lakh)	
	For the year ended 31st March 2017	For the year ended 31st March 2016
Profit after tax (₹)	(233.60)	171.28
Profit attributable to the equity shareholders for the purpose of basic & diluted earnings per share (₹)	(233.60)	171.28
Weighted average number of equity shares outstanding during the year for basic & diluted earnings per share	1,600,000	1,600,000
Basic & diluted earnings per share – ₹	(14.60)	10.70
Nominal value per share – ₹	10	10

2.21 Expenditure in Foreign Currency

Particulars	(₹ in Lakh)	
	For the year ended 31st March 2017	For the year ended 31st March 2016
Other expenditure		
- Fund expenses	27.60	41.74
- Professional fees	10.67	-

2.22 Specified Bank Notes (SBN)

Details of Specified Bank Notes (SBN) held and transacted during the period 8th November, 2016 to 30th December, 2016 as provided in the Table below:

Particulars	SBNs	Other denomination	Total
Closing cash in hand as on 08.11.2016	Nil	Nil	Nil
(+) Permitted receipts	Nil	Nil	Nil
(-) Permitted payments	Nil	Nil	Nil
(-) Amount deposited in Banks	Nil	Nil	Nil
Closing cash in hand as on 30.12.2016	Nil	Nil	Nil

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2.23 Employee stock option

Based on the request made by Infinite India Investment Management 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. 36,717 stock options have been granted on May 16, 2016.

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	Options (Nos.)	Status	Exercise Year	Exercise Price (Rupee)
May 16, 2017	12,239	To be vested	Seven years from the date of Grant	1
May 16, 2018	12,239	To be vested	Seven years from the date of Grant	1
May 16, 2019	12,239	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	Previous Year
	Nos.	Nos.
Outstanding at the beginning of the year	-	-
Granted during the year	36,717	-
Lapsed/transferred during the year	-	-
Exercised during the year	-	-
Outstanding at the end of the year	36,717	-
Exercisable at the end of the year	-	-

The charge on account of the above scheme included in employee benefit expense aggregate ₹ 4.48 Lacs (Previous Year ₹ Nil). Since the options are issued by JM Financial Limited, the Ultimate Holding company, basic and diluted earnings per share of the Company would remain unchanged.

2.24 Segment Reporting

a) Primary Segment:

The Company operates in the business of providing asset management and other related services. As such, that is the only reportable business segment as per accounting standard 17 on "Segment Reporting".

b) Secondary Segment (by Geographical segments):

The Company operates only in one geographical segment.

2.25 Leases

A Operating Lease

The current office premises of the Company is under operating lease upto March 31, 2017 which further extended upto March 31, 2022 as per mutual concern between parties.

The minimum lease rentals outstanding with respect to these assets are as under:

Particulars	(₹ in Lakh)	
	Total lease payment outstanding as at 31st March 2017	Total lease payment outstanding as at 31st March 2016
Not later than 1 year	50.35	50.35
Later than 1 year but not later than 5 years	201.40	151.05
Later than 5 years	-	-
Total	251.75	201.40
Debit Profit & Loss Account	50.35	50.35

NOTES

to the Financial Statements

2.26 Employee benefits

A Defined benefit plans

a) Gratuity

	(₹ in Lakh)	
Amount recognised in the balance sheet with respect to gratuity	For the year ended 31st March 2017	For the year ended 31st March 2016
Present value of the defined benefit obligation at the year end	2.60	1.60
Fair value of plan assets	-	-
Net liability	2.60	1.60

	(₹ in Lakh)	
Amount recognised in salary, wages and employee benefits in the profit and loss account with respect to gratuity	For the year ended 31st March 2017	For the year ended 31st March 2016
Current service cost	0.50	0.36
Interest on defined benefit obligations	0.16	0.20
Expected return on plan assets	-	-
Net actuarial (gain)/loss recognised during the year	0.34	(1.16)
Past service cost	-	-
Net gratuity cost	1.00	(0.59)

	For the year ended 31st March 2017	For the year ended 31st March 2016
Actual return on plan assets		
Expected return on plan assets	-	-
Actuarial gain/(loss) on plan assets	-	-

	(₹ in Lakh)	
Reconciliation of present value of the obligation and the fair value of the plan assets:	For the year ended 31st March 2017	For the year ended 31st March 2016
Opening defined benefit obligation	1.60	2.19
Current service cost	0.50	0.36
Interest cost	0.16	0.20
Actuarial (gain)/loss	0.34	(1.16)
Past service cost	-	-
Liability assumed on acquisition/(settled on divestiture)	-	-
Benefits paid	-	-
Closing defined benefit obligation	2.60	1.60

	For the year ended 31st March 2017	For the year ended 31st March 2016
Change in fair value of plan assets		
Opening fair value of the plan assets	-	-
Expected return on plan assets	-	-
Actuarial (gain)/loss	-	-
Assets acquired on acquisition/ (Distributed on divestiture)	-	-
Contributions by the employer	-	-
Benefits paid	-	-
Closing fair value of the plan assets	-	-

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Investment details of plan assets	For the year ended 31st March 2017	For the year ended 31st March 2016
Investment details of plan assets	-	-

Valuation assumptions

For the purpose of arriving at the liability, the following assumptions have been considered:

Change in fair value of plan assets	2016-17	2015-16
Retirement Age	60 years	60 years
Salary Escalation (over a long term.)	7.00%	7.00%
Rate of Discounting	7.20%	7.95%
Mortality Table	Under the Indian Assured Lives Mortality (2006-08) Ult table	Under the Indian Assured Lives Mortality (2006-08) Ult table

Withdrawal Rates : Age related

- The estimates of future salary increases, takes into account inflation, seniority, promotion and other relevant factors in the employment market.
- The above information is certified by the actuary.

b) Compensated absences

As per companies policy, additional provision of ₹ 0.59 Lac has been made (previous year additional provision made of ₹ 0.41 lac) towards compensated absence carry forward on actual basis. Provision for compensated absence as at March 31, 2017 is ₹ 2.70 Lacs (previous year ₹ 2.11 Lacs).

B Defined contribution plans

Amount recognised as an expense and included in the Note 2.18 – ‘Contribution to provident fund’ ₹ 2.61 Lacs/- (previous year ₹ 1.34 Lac).

2.27 Disclosure in respect of related parties pursuant to accounting standard 18:

I. Names of related parties and description of relationship where control exists

A. Holding company

JM Financial Limited

B. Fellow Subsidiaries

JM Financial Institutional Securities Limited
 JM Financial Properties and Holdings Limited
 JM Financial Services Limited
 CR Retail Malls (India) Limited

C. Individual exercising control or significant influence by way of voting power in reporting enterprise and relatives of such peron. Individual exercising control or significant influence

Mr. Nimesh Kampani

NOTES

to the Financial Statements

II. Related party relationship have been identified by the management and relied upon by the auditors.

During the year the following transactions were carried out with the related parties in the ordinary course of business.

Particulars	Nature of Transaction	₹ in Lakh)	
		2016-17 Amount	2015-16 Amount
Holding Company			
JM Financial Limited	(i) Reimbursement of Employees expenses	4.48	-
Fellow Subsidiaries			
JM Financial Institutional Securities Limited	(i) Expenses reimbursed	0.32	0.27
JM Financial Properties and Holdings Limited	(i) Business service centre expenses paid	50.35	50.35
	(ii) Rates & Taxes paid	20.47	4.96
	(iii) Expenses reimbursed	6.71	6.36
	(iv) Security deposit recoverable	67.61	67.61
JM Financial Services Limited	(i) Demat charges paid	0.01	0.01
	(ii) Brokerage paid	3.75	-
CR Retail Malls (India) Limited	(i) Inter Company loan given	-	30.00
	(ii) Inter Company loan repaid	-	30.00
	(iii) Interest received	-	0.12

No amount is written off or written back during the year in respect of debts due from or to related parties

2.28 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board

Vishal KampaniChairman
DIN- 00009079**Dipti Neelakantan**Director
DIN- 00505452

Place : Mumbai

Date : April 19, 2017

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