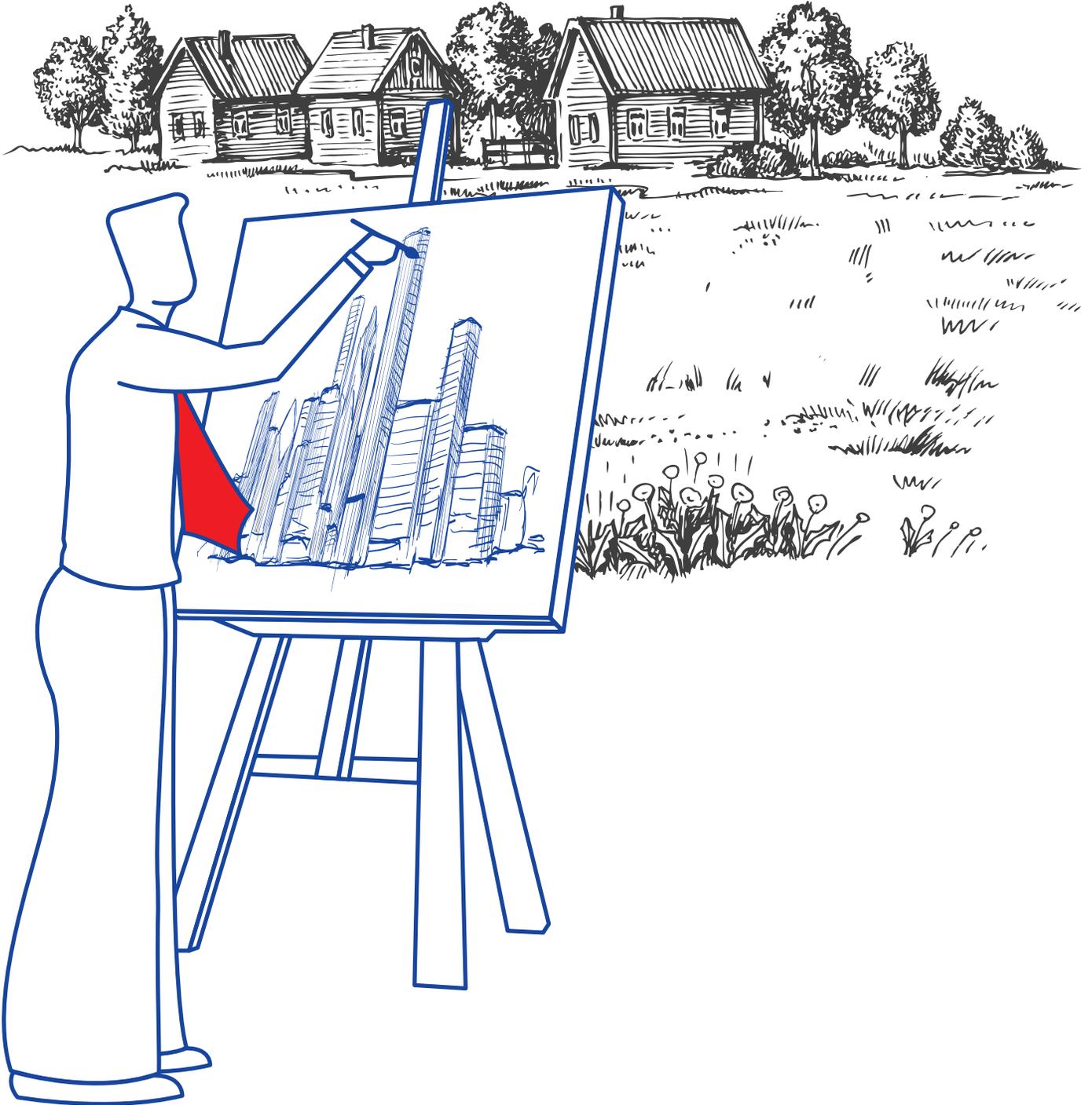


Towards Tomorrow
Expertise. Experience. Excellence.



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. V. P. Shetty - Chairman
Mr. Rajendra P. Chitale
Mr. Darius D. Pandole
Mr. G. M. Ramamurthy
Mr. V. P. Singh

AUDIT COMMITTEE

Mr. G. M. Ramamurthy
Mr. V. P. Shetty
Mr. Rajendra Chitale

CHIEF EXECUTIVE OFFICER

Mr. Bhanu Katoch

CHIEF FINANCIAL OFFICER

Mr. Vikram Shetty

COMPANY SECRETARY

Ms. Mayuri Datar

BANKERS

HDFC Bank Ltd
Maneckji Wadia Bldg,
Ground Floor,
Nanik Motwani Marg,
Fort. Mumbai – 400023

STATUTORY AUDITORS

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

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 JM FINANCIAL ASSET MANAGEMENT LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of JM FINANCIAL ASSET MANAGEMENT LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, 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.

In conducting 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 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 obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, 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 relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act.

INDEPENDENT AUDITOR'S REPORT

- e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 A".
- 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigation which would impact its financial position
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The Company has provided requisite disclosures in the financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

(Abhijit A. Damle)
Partner
(Membership No. 102912)

Place: Mumbai
Date: 24th April, 2017

INDEPENDENT AUDITOR'S REPORT

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **JM FINANCIAL ASSET MANAGEMENT LIMITED** ("the Company") as of March 31, 2017 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 respective 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

INDEPENDENT AUDITOR'S REPORT

are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established

by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants
(Firm's Registration No. 117366W / W-100018)

(Abhijit A. Damle)

Place: Mumbai
Date: 24th April, 2017

Partner
(Membership No. 102912)

INDEPENDENT AUDITOR'S REPORT

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

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

Having regard to the nature of the Company's business / activities, reporting under clause (ii) and (vi) Order is not applicable. In respect of other clause, we report as under:

- i. In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - b) All the fixed assets were physically verified during the year by the Management. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered agreements provided to us, we report that, the title deeds, comprising all the immovable properties of buildings, are held in the name of the Company as at the balance sheet date.
- ii. In respect of the loans, secured or unsecured, granted by the Company to companies, firms Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013:
 - 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 are no overdue amounts as at the year-end.
- iii. 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.

- iv. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.
- v. According to the information and explanations given to us and the books of account examined by 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, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payables in respect of the aforesaid dues in arrears as at 31st March, 2017 for a period of more than six months from the date of becoming payable.
 - b) There were no cases of non-deposit with appropriate authorities of disputed dues of sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess. Details of dues of income tax which have not been deposited as on 31st March, 2017 on account of dispute are given below:-

Statute	Nature of Dues	Forum where dispute is pending	Period for which the amount relates	Amount involved (Rupees)
Income Tax Act, 1961	Income Tax	Deputy Commissioner	2010-11	625,180

- vi. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued debentures. Hence reporting under clause (viii) of Order is not applicable to the Company.
- vii. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- viii. In our opinion 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.

INDEPENDENT AUDITOR'S REPORT

- ix. 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.
- x. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xi. In our opinion and according to the information and explanations given to us, the Company is in compliance with sections 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.
- xii. 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 Order is not applicable to the Company.
- xiii. 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.
- xiv. In our opinion and according to information and explanations provided to us, 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)

(Abhijit A. Damle)

Partner

(Membership No. 102912)

Place: Mumbai

Date: 24th April, 2017

BALANCE SHEET

as at 31st March 2017

	Note No.	Rupees in lakh	Rupees in lakh	As at 31.03.2016 Rupees in lakh
I. EQUITY AND LIABILITIES				
1 Shareholders' funds				
Share Capital	2	5,884.17		5,884.17
Reserves and Surplus	3	16,259.23		11,832.51
			22,143.40	17,716.68
2 Non-current liabilities				
Long-term borrowings	4	13.17		13.39
Deferred Tax Liability (Net)	26	80.36		-
Long-term provisions	5	164.18		145.10
			257.71	158.49
3 Current liabilities				
Trade payables	6			
(i) Total outstanding dues to micro enterprise and small enterprise		-		-
(ii) Total outstanding dues to creditors other than micro enterprise and small enterprise		111.69		110.65
Other current liabilities	7	791.12		1,001.89
Short-term provisions	8	100.06		85.11
			1,002.87	1,197.65
TOTAL			23,403.98	19,072.82
II. ASSETS				
Non-current assets				
1 Fixed assets				
(i) Tangible assets	9	3,264.21		3,347.33
(ii) Intangible assets		75.52		38.71
(iii) Capital Work-in-Progress		15.00		-
		3,354.73		3,386.04
Long-term loans and advances	10	271.94		306.33
			3,626.66	3,692.37
2 Current assets				
Current investments	11	17,512.06		12,695.41
Trade receivables	12	663.20		1,011.19
Cash and cash equivalents	13	30.00		32.60
Short-term loans and advances	14	1,572.05		1,535.63
Other current assets	15	-		105.62
			19,777.31	15,380.46
TOTAL			23,403.98	19,072.82
Notes to the Financial Statements	1 to 31			

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

Abhijit A. Damle
Partner

Mumbai, dated: 24th April, 2017

For JM Financial Asset Management Limited

V. P. Shetty
Chairman

Mayuri Datar
Company Secretary
Mumbai, dated: 24th April, 2017

G. M. Ramamurthy
Director

Vikram Shetty
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS

For the year ended 31st March 2017

	Note No.	Rupees in lakh	Previous year Rupees in lakh
INCOME			
Revenue from operations	16	7,379.93	8,318.83
Other income	17	1,548.96	242.88
TOTAL REVENUE		8,928.89	8,561.71
EXPENDITURE			
Employee benefits expense	18	2,196.51	2,190.44
Finance costs- interest expense on lease loan		3.55	3.62
Depreciation and amortization expense	9	171.29	132.32
Other expenses	19	815.01	601.20
TOTAL EXPENSES		3,186.36	2,927.58
Profit before tax		5,742.53	5,634.13
Tax Expenses			
Current Tax		1,874.00	1,186.00
Short Provision of Tax for earlier year		1.45	-
Deferred Tax		80.36	-
MAT credit utilised		(640.00)	-
		1,315.81	1,186.00
Profit after tax		4,426.72	4,448.13
Earning Per Equity Share			
(Face value of Rs.10/- each)	24		
Basic and Diluted		7.52	7.56
Notes to the Financial Statements	1 to 31		

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

Abhijit A. Damle
 Partner

Mumbai, dated: 24th April, 2017

For JM Financial Asset Management Limited

V. P. Shetty
 Chairman

Mayuri Datar
 Company Secretary
 Mumbai, dated: 24th April, 2017

G. M. Ramamurthy
 Director

Vikram Shetty
 Chief Financial Officer

STATEMENT OF CASH FLOW

for the year ended 31st March, 2017

	Rupees in lakh	Previous year Rupees in lakh
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	5,742.53	5,634.13
Adjustment for:		
Depreciation and amortization expense	171.29	132.32
Interest income	(151.68)	(104.01)
Provision for liabilities no longer required written back	(24.56)	-
Interest expenses	3.55	3.62
(Profit)/ Loss on sale of current investments (net)	(1,357.74)	7.49
Diminution in value of current investments	-	9.69
Provision for diminution in value of current investments written back	(9.69)	-
(Profit) on sale of fixed assets (net)	(1.40)	(0.05)
Dividend	(3.81)	(138.82)
Operating Profit before working capital changes	4,368.49	5,544.37
Adjustment for:		
Decrease / (Increase) in trade receivables	347.99	(680.80)
Decrease / (Increase) in long-term loans and advances	2.47	(2.44)
(Increase) / Decrease in short-term loans and advances	(36.42)	62.22
Increase in trade payables	25.60	0.11
Increase in short term provisions	14.95	9.43
Increase in long term provisions	19.08	18.06
(Decrease) / Increase in other current liabilities	(164.80)	385.21
Cash generated from operations	4,577.36	5,336.16
Direct taxes (paid) (net)	(1,203.54)	(837.14)
Net cash generated from Operating Activities (A)	3,373.82	4,499.02
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of current investments	(17,512.07)	(78,468.33)
Sale of current investments	14,168.46	75,702.96
Inter corporate deposit (given)	-	(1,500.00)
Purchase of fixed assets	(186.47)	(478.09)
Sale of fixed assets	1.72	0.68
Interest received	151.68	104.01
Dividend received	3.81	138.82
Net cash (used in) Investment Activities (B)	(3,372.87)	(4,499.95)
C CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(3.55)	(3.62)
Net cash (used in) Financing Activities (C)	(3.55)	(3.62)
Net (decrease) in cash and cash equivalents (A)+(B)+(C)	(2.60)	(4.55)
Cash and cash equivalents at the beginning of the year	32.60	37.15
Cash and cash equivalents at the end of the year (Refer note 13)	30.00	32.60

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

Abhijit A. Damle
Partner

Mumbai, dated: 24th April, 2017

For JM Financial Asset Management Limited

V. P. Shetty
Chairman

Mayuri Datar
Company Secretary
Mumbai, dated: 24th April, 2017

G. M. Ramamurthy
Director

Vikram Shetty
Chief Financial Officer

NOTES

to the Standalone Financial Statements

1 SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, [read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”)]. The financial statements have been prepared on accrual basis under the historical cost convention

Use of Estimates

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

Fixed Assets

Fixed assets are recorded at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any.

Depreciation

Depreciation is provided on straight line method as per the useful life and in the manner prescribed in Schedule II of the Companies Act, 2013. Accordingly, the useful life of assets are assessed as follows:

Asset Description	Useful Life
Office Premises	60 Years
Furniture and Fixtures	10 Years
Office Equipments	5 Years
Electrical fittings	10 Years
Computer Hardware	3 Years
Computer Hardware - Servers	6 Years

Leasehold improvements are amortised over a period of lease or ten years whichever is lesser. Assets taken on finance lease are depreciated over a period of lease.

Intangible Assets

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

Impairment Loss

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

Investments

Current investments are carried at lower of cost and fair value. Long term investments are carried at cost. Provision is made to recognise decline, other than temporary in the carrying amount of long-term investments.

NOTES

to the Standalone Financial Statements

Foreign Currency Transactions

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

Revenue Recognition

Revenue (income) is recognized when no significant uncertainty as to determination or realization exists. Management fee is recognized at specific rates agreed for the relevant schemes applied on the daily net assets of each scheme.

Arbitrage Activities

The Company enters into transactions in the Cash-Future Arbitrage.

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 mandatory '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 of the Company, encompassing purchase of equity shares in the cash market and selling the same in the futures market. 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.

Employee Retirement Benefits

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

Defined Contribution Plan:

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

Defined Benefit Plans:

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

(b) Short term employee benefits:

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

Borrowing Costs

Borrowing costs that are attributable to the acquisition/construction of qualifying assets are capitalised as part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

NOTES

to the Standalone Financial Statements

Taxes on Income

Tax expense comprises current tax 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 the 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.

Provision and Contingencies

Provisions are 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. Contingent liabilities are 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 recognised nor disclosed.

NOTES

to the Financial Statements

2 SHARE CAPITAL

	Rupees in lakh	As at 31.03.2016 Rupees in lakh
Authorised		
93,000,000 Equity Shares of Rs.10/- each	9,300.00	9,300.00
2,000,000 Optionally Convertible Redeemable Preference Shares of Rs.10/- each	200.00	200.00
TOTAL	9,500.00	9,500.00
Issued, Subscribed and Paid-up		
58,841,652 (Previous year 58,841,652) equity shares of Rs.10/- each fully paid-up	5,884.17	5,884.17
TOTAL	5,884.17	5,884.17

2.1 Details of shareholding more than 5%:

Equity Shareholders:

	Number of Shares held	% of Holding	As at 31.03.2016	
			Number of Shares held	% of Holding
JM Financial Limited- Holding Company	31,462,500	53.47%	31,462,500	53.47%
J.M. Financial & Investment Consultancy Services Private Limited	15,150,000	25.75%	15,150,000	25.75%
Mr. Nimesh N Kampani	3,125,000	5.31%	3,125,000	5.31%
J.M. Assets Management Private Limited	3,000,000	5.10%	3,000,000	5.10%

3 RESERVES AND SURPLUS

	Rupees in lakh	As at 31.03.2016 Rupees in lakh
Securities Premium Reserve		
As per last balance sheet	14,870.95	14,870.95
Balance in the Statement of Profit and Loss		
As per last balance sheet	(3,038.44)	(7,486.57)
Profit for the year	4,426.72	4,448.13
	1,388.28	(3,038.44)
TOTAL	16,259.23	11,832.51

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4 LONG-TERM BORROWINGS

	Rupees in lakh	As at 31.03.2016 Rupees in lakh
Finance lease obligations (Refer Note 23)	25.67	23.12
Less: Current maturities of finance lease obligations (Refer Note 7)	12.50	9.73
TOTAL	13.17	13.39

5 LONG-TERM PROVISIONS

	Rupees in lakh	As at 31.03.2016 Rupees in lakh
For employee benefits - Gratuity (Refer Note 21)	164.18	145.10
TOTAL	164.18	145.10

6 TRADE PAYABLES

There are no dues payable to micro and small enterprises and therefore disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 are not applicable.

7 OTHER CURRENT LIABILITIES

	Rupees in lakh	As at 31.03.2016 Rupees in lakh
Current maturities of finance lease obligations (Refer Note 23)	12.50	9.73
Creditors for Capital expenditure	45.25	93.99
Employees benefits payable	716.10	877.84
Statutory dues	17.27	20.33
TOTAL	791.12	1,001.89

8 SHORT-TERM PROVISIONS

	Rupees in lakh	As at 31.03.2016 Rupees in lakh
For employee benefits:		
Gratuity (Refer Note 21)	20.25	9.62
Compensated absences	79.81	75.49
TOTAL	100.06	85.11

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9 FIXED ASSETS

Rupees in lakh

Description	GROSS BLOCK			DEPRECIATION/ AMORTISATION				NET BLOCK	
	As at 01.04.2016	Additions	Deductions	As at 31.03.2017	Up to 31.03.2016	For the year	Deductions	Upto 31.03.2017	As at 31.03.2017
TANGIBLE ASSETS:									
Owned Assets:									
Office premises (Refer note 9.1)	3,275.08	-	-	3,275.08	426.31	49.42	-	475.73	2,799.35
Leasehold improvements	104.80	1.47	3.74	102.53	104.80	0.03	3.74	101.09	1.44
Computers hardware	277.64	50.52	28.09	300.06	178.95	31.13	28.08	181.99	118.07
Furniture and fixtures	459.14	-	4.44	454.70	220.46	30.77	4.19	247.04	207.66
Electrical fittings	76.81	-	1.36	75.45	45.69	3.75	1.34	48.10	27.35
Office equipment	188.05	2.52	15.05	175.52	79.26	24.23	15.00	88.49	87.03
Leased Assets:									
Vehicles on finance lease (Refer note 9.2)	35.76	13.39	3.26	45.89	14.47	11.37	3.26	22.58	23.31
TOTAL (A)	4,417.27	67.90	55.94	4,429.23	1,069.94	150.70	55.62	1,165.02	3,264.21
INTANGIBLE ASSETS:									
Computer software	437.22	57.39	-	494.62	398.51	20.59	-	419.10	75.52
TOTAL (B)	437.22	57.39	-	494.62	398.51	20.59	-	419.10	75.52
GRAND TOTAL (A + B)	4,854.49	125.29	55.94	4,923.85	1,468.45	171.29	55.62	1,584.12	3,339.73
Capital Work-in-Progress									15.00

Rupees in lakh

Description	GROSS BLOCK			DEPRECIATION/ AMORTISATION				NET BLOCK	
	As at 01.04.2015	Additions	Deductions	As at 31.03.2016	Up to 31.03.2015	For the year	Deductions	Upto 31.03.2016	As at 31.03.2016
TANGIBLE ASSETS:									
Owned Assets:									
Office premises (Refer note 9.1)	3,186.64	88.44	-	3,275.08	377.74	48.57	-	426.31	2,848.77
Leasehold improvements	104.80	-	-	104.80	104.80	-	-	104.80	-
Computers hardware	294.95	53.90	71.22	277.63	227.12	22.41	70.59	178.94	98.69
Furniture and fixtures	245.27	213.87	-	459.14	200.55	19.90	-	220.45	238.69
Electrical fittings	52.44	24.37	-	76.81	43.37	2.32	-	45.69	31.12
Office equipment	109.73	114.20	35.88	188.05	103.87	11.29	35.88	79.28	108.77
Leased Assets:									
Vehicles on finance lease (Refer note 9.2)	25.26	10.50	-	35.76	4.99	9.48	-	14.47	21.29
TOTAL (A)	4,019.09	505.28	107.10	4,417.27	1,062.44	113.97	106.47	1,069.94	3,347.33
INTANGIBLE ASSETS:									
Computer software	425.55	11.67	-	437.22	380.16	18.35	-	398.51	38.71
TOTAL (B)	425.55	11.67	-	437.22	380.16	18.35	-	398.51	38.71
GRAND TOTAL (A + B)	4,444.64	516.95	107.10	4,854.49	1,442.60	132.32	106.47	1,468.45	3,386.04
Capital Work-in-Progress									-

9.1 Office premises include,

- Rs.500/- (Previous year Rs.500/-) being the cost of shares in Laxmi Finance & Leasing Companies Commercial Premises Co-op. Society Limited received under the By-laws of the Co-op. Society.
- Rs.5,000/- (Previous year Rs.5000/-) being shares application money of Cnergy Premises Co-operative Society Limited

9.2 Vendors have a lien over assets taken on finance lease.

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10 LONG TERM LOANS AND ADVANCES (Unsecured and considered good)

	Rupees in lakh	As at 31.03.2016 Rupees in lakh
Advance tax (net of provisions for tax)	200.97	232.89
Security deposits	69.27	70.13
Staff loans	1.70	3.31
TOTAL	271.94	306.33

11 CURRENT INVESTMENTS

	Rupees in lakh	As at 31.03.2016 Rupees in lakh
Unquoted (At lower of cost and fair value)		
In mutual fund units:		
Units of various schemes of JM Financial Mutual Funds of Rs.10/- each (Refer Note 27)	17,512.06	12,695.41
TOTAL	17,512.06	12,695.41

12 TRADE RECEIVABLES (Unsecured and considered good)

	Rupees in lakh	As at 31.03.2016 Rupees in lakh
Over six months from due date	-	-
Others	663.20	1,011.19
TOTAL	663.20	1,011.19

13 CASH AND CASH EQUIVALENTS

	Rupees in lakh	As at 31.03.2016 Rupees in lakh
Cash in hand	-	-
Balances with banks:		
- in current accounts	30.00	32.60
TOTAL	30.00	32.60

14 SHORT-TERM LOANS AND ADVANCES (Unsecured and considered good)

	Rupees in lakh	As at 31.03.2016 Rupees in lakh
Loans and advances to related party (Refer Note 14.1)	1,500.00	1,500.00
Prepaid expenses	47.13	23.93
Staff loans	2.48	0.37
Service tax credit receivable	17.51	6.86
Others (Refer Note 14.2)	4.93	4.47
TOTAL	1,572.05	1,535.63

14.1 Loans have been granted to a related party for the purpose of refinancing existing loan. Interest is charged on such loans @ 9.75%. These loans are repayable on demand.

14.2 Includes staff advances and advances to vendors for services

15 OTHER CURRENT ASSETS

	Rupees in lakh	As at 31.03.2016 Rupees in lakh
Receivable on sale of current investment	-	105.62
TOTAL	-	105.62

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16 REVENUE FROM OPERATIONS

	Rupees in lakh	Previous year Rupees in lakh
Management fees	7,379.93	7,757.23
Other Operating Income		
Income from Arbitrage Activities	-	561.60
TOTAL	7,379.93	8,318.83

17 OTHER INCOME

	Rupees in lakh	Previous year Rupees in lakh
Interest income:		
- on loans and advances to related party (Refer Note 22)	146.25	51.69
- on income tax	4.79	52.05
- on others	0.64	0.27
Profit on sale of current investments(net)	1,357.74	-
Provision for liabilities no longer required written back	24.56	-
Provision for diminution in value of current Investments written back	9.69	-
Profit on sale of fixed assets (net)	1.40	0.05
Dividend	3.81	138.82
Miscellaneous income	0.08	-
TOTAL	1,548.96	242.88

18 EMPLOYEE BENEFITS EXPENSE

	Rupees in lakh	Previous year Rupees in lakh
Salaries, bonus, other allowances and benefits	2,111.23	2,107.27
Contribution to provident and other funds (Refer Note 21)	75.70	71.39
Staff welfare	9.58	11.79
TOTAL	2,196.51	2,190.44

19 OTHER EXPENSES

	Rupees in lakh	Previous year Rupees in lakh
Operating Lease Rental (Refer Note 23)	64.06	60.38
Rates and taxes	73.58	33.27
Electricity expenses	29.49	32.63
Insurance expenses	26.22	25.70
Information technology expenses	56.95	51.80
Legal and professional fees	46.54	20.54
Communication expenses	18.64	19.20
Mutual Fund expenses	167.96	73.91
Motor car expenses	21.87	17.80
Travelling and conveyance	36.34	28.94
Manpower expenses	68.72	60.88
Repairs and maintenance - Building	49.32	59.45
Repairs and maintenance - Others	7.56	5.11
Printing and stationery	7.98	8.99
Auditors' remuneration (Refer Note 20)	8.31	10.50
Membership and subscriptions	8.60	7.95
Advertisement and other related expenses	39.81	19.68
Directors sitting fees	15.05	17.20
Loss on sale of current investments (net)	-	7.49
Donation	52.00	15.00
Diminution in value of current investments	-	9.69
Miscellaneous expenses	16.01	15.08
TOTAL	815.01	601.20

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20 PAYMENT TO AUDITORS' (NET OF SERVICE TAX):

	Rupees in lakh	Previous year Rupees in lakh
Audit Fees	6.00	8.50
In any other manner (Certifications, limited reviews, tax audit, etc.)	2.20	2.00
Out of pocket expenses	0.11	-
TOTAL	8.31	10.50

21 EMPLOYEE BENEFITS:

Defined Contribution Plan:

Both the employees and the Company make predetermined contributions to the Provident Fund. Amount (net) recognised as expense amounts to Rs.70.38 lakh (Previous year Rs.66.38 lakh).

Defined Benefit Plan: [Gratuity (Unfunded)]	Previous year Rupees in lakh	
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	184.43	154.73
Net liability in the Balance Sheet	184.43	154.73

		Previous year Rupees in lakh	
II. Movement in net liability recognised in the Balance Sheet			
Net liability as at the beginning of the year	154.73	136.60	
Net expense recognised in the statement of profit and loss	35.63	20.10	
Payments during the year	(5.93)	(1.97)	
Net liability as at the end of the year	184.43	154.73	

		Previous year Rupees in lakh	
III. Expense recognised in the statement of profit and loss (Under the head employee benefit expenses)			
Current Service Cost	10.07	10.30	
Interest Cost	12.72	11.37	
Actuarial Losses/ (Gains)	12.84	(1.57)	
Expense charged to the statement of profit and loss	35.63	20.10	

		Previous year Rupees in lakh	
IV. Reconciliation of defined benefit commitments			
Commitments at the beginning of the year	154.73	136.60	
Current Service Cost	10.07	10.30	
Interest Cost	12.72	11.37	
Actuarial Losses/ (Gains)	12.84	(1.57)	
Benefits Paid	(5.93)	(1.97)	
Commitments at the year end	184.43	154.73	

V. Experience Adjustments #	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Defined Benefit Obligation	184.43	154.73	136.60	122.01	127.93
Plan Assets	-	-	-	-	-
Surplus/ (Deficit)	(184.43)	(154.73)	(136.60)	(122.01)	(127.93)
Experience Adj. on Plan Liabilities	(1.25)	(2.40)	3.28	(3.31)	(11.96)
Experience Adj. on Plan Assets	-	-	-	-	-

disclosed to the extent information available with the Company.

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to the Financial Statements

VI. Actuarial Assumptions		Previous year
Mortality table	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Discount rate (per annum)	7.20%	7.95%
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 certified by the actuary.

22 RELATED PARTY DISCLOSURE:

Names of related parties and description of Relationship

- (i) Names of related parties and description of relationship where control exists
Holding Company
JM Financial Limited
- (ii) Names of related parties and description of relationship where transactions have taken place
- (A) Holding Company
JM Financial Limited
- (B) Fellow Subsidiaries
JM Financial Services Limited
JM Financial Properties and Holdings Limited

(iii) Details of transactions with related parties (net of service tax)

Name of the related party	Nature of relationship	Rupees in lakh	Previous Year Rupees in lakh
JM Financial Limited	(A)		
Reimbursement of expenses		23.88	16.58
JM Financial Services Limited	(B)		
Services received (Brokerage)		-	91.50
Services received (Demat Account Maintenance Charges)		0.01	0.01
Closing balance as at the year end - (Debit)		-	0.01
JM Financial Properties and Holding Limited	(B)		
Inter corporate deposits given		-	1,500.00
Interest on inter corporate deposits		146.25	51.69
Closing balance as at the year end - debit		1,500.00	1,500.00

- (iv) There are no provision for doubtful debts/ advances or amounts written off or written back for debts due from/ due to related parties.

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to the Financial Statements

23 LEASE TRANSACTIONS:**Finance leases**

The Company has taken vehicles on finance lease for a period ranging from 36-48 months with an option of prepayment and foreclosure. The minimum lease rentals outstanding as at the year end are as under:

Due	Total Minimum Lease Payments outstanding as at the year end	Interest expenses	Rupees in lakh
			Present value of the minimum lease payments
Not later than one year	15.40	2.90	12.50
	(12.44)	(2.71)	(9.73)
Later than one year and not later than five years	15.54	2.37	13.17
	(14.76)	(1.37)	(13.39)
Later than five years	-	-	-
	(-)	(-)	(-)
TOTAL	30.94	5.27	25.67
	(27.20)	(4.08)	(23.12)

Figures in brackets are for previous year

Operating leases

The Company has taken office premises on cancellable operating lease basis. The tenure of the lease agreements is upto 60 months.

24 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		Previous Year
Profit attributable to equity shareholders (Rupees in lakh)	4,426.72	4,448.13
Weighted average number of shares outstanding during the year	58,841,652	58,841,652
Basic and Diluted Earnings per share (Rupees)	7.52	7.56
Nominal value per share (Rupees)	10.00	10.00

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to the Financial Statements

25 SEGMENT INFORMATION :

The Company has identified following two reportable business segments as per Accounting Standard 17 - Segment reporting:-

- i. **Asset Management Business**
- ii. **Arbitrage Activities**

(Amount in Rupees in lakh)

Particulars	Asset Management Business	Arbitrage Activities	Unallocable	Total
i) Revenue from operations	7,379.93	-	-	7,379.93
	<i>7,757.23</i>	<i>561.60</i>	-	<i>8,318.83</i>
Segment revenue	7,379.93	-	-	7,379.93
	<i>7,757.23</i>	<i>561.60</i>	-	<i>8,318.83</i>
ii) Segment results before taxes	4,275.80	-	-	4,275.80
	<i>4,848.62</i>	<i>561.56</i>	-	<i>5,410.18</i>
Unallocable corporate income (net)			1,470.28	1,470.28
			<i>227.56</i>	<i>227.56</i>
Finance cost			3.55	3.55
			<i>3.61</i>	<i>3.61</i>
Profit before tax	4,275.80	-	1,466.73	5,742.53
	<i>4,848.62</i>	<i>561.56</i>	<i>223.95</i>	<i>5,634.13</i>
Tax expenses			1,315.81	1,315.81
			<i>1,186.00</i>	<i>1,186.00</i>
Profit / (Loss) after tax	4,275.80	-	150.93	4,426.72
	<i>4,848.62</i>	<i>561.56</i>	<i>(962.05)</i>	<i>4,448.13</i>
iii) Other information:				
Segment assets	4,160.95	-	19,243.03	23,403.98
	<i>4,506.29</i>	-	<i>14,566.52</i>	<i>19,072.82</i>
Segment liabilities	1,154.55	-	106.03	1,260.58
	<i>1,333.02</i>	-	<i>23.12</i>	<i>1,356.14</i>
Capital expenditure	186.47	-	-	186.47
	<i>516.96</i>	-	-	<i>516.95</i>
Depreciation and Amortization expense	171.29	-	-	171.29
	<i>132.32</i>	-	-	<i>132.32</i>

Figures in Italics are in respect of previous year.

26 DEFERRED TAX LIABILITY (NET)

Major components of Deferred Tax (Liability) / Asset are as under:

Particulars	As at 31.03.2017 Rupees in lakh	As at 31.03.2016 Rupees in lakh
Deferred Tax Liability		
Difference in tax and book written down value of Fixed Assets	(172.63)	(89.08)
Deferred Tax Assets		
Provision for gratuity	63.83	51.16
Provision for compensated absences	27.62	24.96
Finance Lease obligation	0.82	0.61
Unabsorbed business loss	-	56.20
	92.27	132.93
Net Deferred Tax (Liability) / Asset	(80.36)	- *

* On consideration of prudence, deferred tax asset was recognised only to the extent of deferred tax liability in the previous year.

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to the Financial Statements

27 CURRENT INVESTMENT IN MUTUAL FUND UNITS COMPRISES OF THE FOLLOWING:

Name of the Mutual Fund Schemes	Face Value (Rs.)	Numbers		Rupees in lakh	
		As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016
JM High Liquidity Fund (Direct) - Growth Option	10.00	1,294,690	1,902,391	568.06	776.88
JM Arbitrage Advantage Fund(Direct) - Dividend Option	10.00	635	602	0.07	0.06
JM Arbitrage Advantage Fund(Direct) - Growth Option	10.00	255,137	255,137	50.05	50.05
JM Basic Fund (Direct) - Dividend Option	10.00	520	520	0.05	0.05
JM Balanced Fund (Direct) - Dividend Option	10.00	192	192	0.05	0.05
JM Core 11 Fund (Direct) - Dividend Option	10.00	1,300	1,300	0.05	0.05
JM Core 11 Fund (Direct) - Growth Option	10.00	587,876	587,876	34.36	32.03
JM Equity Fund (Direct) - Dividend Option	10.00	342	342	0.05	0.05
JM Equity Fund (Direct) - Growth Option	10.00	58,285	58,285	32.20	30.71
JM Floater Long Term Fund - (Direct) Daily Dividend Option	10.00	8,346	614	0.84	0.06
JM Floater Long Term Plan - (Direct) - Weekly Dividend Option	10.00	616	580	0.06	0.06
JM Floater Long Term Fund - (Direct) - Dividend Option	10.00	281	281	0.05	0.05
JM Floater Long Term Fund - (Direct) - Growth Option	10.00	13,363,719	11,022,306	3,401.06	2,505.05
JM Floater Short Term Fund (Direct) - Growth Option	10.00	75,231	75,231	16.36	16.36
JM Floater Short Term Fund (Direct) - Daily Dividend	10.00	631	602	0.06	0.06
JM Floater Long Term Fund - Dividend Option	10.00	281	281	0.05	0.05
JM Floater Long Term Fund - Weekly Dividend Option	10.00	602	571	0.06	0.06
JM Floater Long Term Fund - Daily Dividend Option	10.00	635	602	0.06	0.06
JM Floater Short Term Fund - Daily Dividend Option	10.00	610	587	0.06	0.06
JM G-Sec Fund - (Direct) Quarterly Dividend Option	10.00	292	292	0.05	0.05
JM G-Sec Fund - (Direct) - Bonus Option - Principal Units	10.00	276	276	0.05	0.05
JM G-Sec Fund - Bonus Option - Principal Units	10.00	276	276	0.05	0.05
JM Income Fund (Direct) - Bonus Option - Principal Units	10.00	354	354	0.05	0.05
JM Income Fund - (Direct) Quarterly Dividend Option	10.00	422	422	0.05	0.05
JM Income Fund (Direct) - Growth Option	10.00	32,684	32,684	13.74	13.74
JM High Liquidity Fund (Direct) - Daily Dividend Option	10.00	611	582	0.06	0.06
JM High Liquidity Fund (Direct) - Bonus Option - Principal Units	10.00	495	495	0.05	0.05
JM High Liquidity Fund - Bonus Option - Principal Units	10.00	495	495	0.05	0.05
JM High Liquidity Fund (Direct) - Quarterly Dividend Option	10.00	280	280	0.05	0.05
JM High Liquidity Fund (Direct) - Weekly Dividend Option	10.00	580	552	0.06	0.06
JM Money Manager Fund - Super Plus Plan - (Direct) Weekly Dividend Option	10.00	717	570	0.08	0.06
JM Money Manager Fund - Super Plus Plan - (Direct) Fortnightly Dividend Option	10.00	616	584	0.06	0.06
JM Money Manager Fund - Regular Plan - (Direct) Daily Dividend Option	10.00	641	608	0.06	0.06
JM Money Manager Fund - Regular Plan - (Direct) Weekly Dividend Option	10.00	611	574	0.06	0.06
JM Money Manager Fund - Regular Plan - (Direct) Fortnightly Dividend Option	10.00	629	592	0.06	0.06
JM Money Manager Fund - Super Plan - (Direct) Daily Dividend Option	10.00	1,382	605	0.14	0.06
JM Money Manager Fund - Super Plan - (Direct) Weekly Dividend Option	10.00	601	571	0.06	0.06
JM Money Manager Fund - Super Plan - (Direct) Fortnightly Dividend Option	10.00	619	588	0.06	0.06
JM MIP Fund (Direct) - Dividend Option - Monthly Dividend	10.00	591	526	0.06	0.06
JM MIP Fund (Direct) - Dividend Option - Quarterly Dividend	10.00	384	384	0.05	0.05
JM MIP Fund (Direct) - Dividend Option - Annual Dividend	10.00	360	360	0.05	0.05
JM MIP Fund (Direct) - Growth Option	10.00	84,873	37,872,291	19.80	8,910.76
JM Multi Strategy Fund (Direct) - Dividend Option	10.00	406	406	0.05	0.05
JM Short Term Fund (Direct) - Dividend	10.00	601	566	0.06	0.06

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Name of the Mutual Fund Schemes	Face Value (Rs.)	Numbers		Rupees in lakh	
		As at	As at	As at	As at
		31.03.2017	31.03.2016	31.03.2017	31.03.2016
JM Short Term Fund (Direct) - Daily Dividend	10.00	543	543	0.05	0.05
JM Short Term Fund (Direct) - Growth	10.00	250,634	250,634	50.05	50.05
JM Tax Gain Fund (Direct) - Dividend Option	10.00	731	731	0.05	0.05
JM Tax Gain Fund (Direct) - Growth Option	10.00	255,842	255,842	29.43	28.32
JM Balanced Fund (Direct) - Growth Option	10.00	17,171	17,171	6.57	6.57
JM Money Manager Fund - Super Plan - (Direct) Growth Option	10.00	6,863,314	248,514	1,589.70	50.05
JM Floater Short Term Fund - (Direct) Monthly Dividend	10.00	496	496	0.05	0.05
JM Floater Short Term Fund - Monthly Dividend Option	10.00	488	488	0.05	0.05
JM MIP Fund - (Direct) Bonus Option - Principal Units	10.00	222	222	0.05	0.05
JM MIP Fund - Bonus Option - Principal Units	10.00	231	231	0.05	0.05
JM Equity Fund - Dividend Option	10.00	430	430	0.10	0.10
JM Equity Fund - Growth Option	10.00	175	175	0.10	0.10
JM Balanced Fund - Half Yearly Dividend Option	10.00	195	195	0.05	0.05
JM Balanced Fund - (Direct) - Half Yearly Dividend Option	10.00	192	192	0.05	0.05
JM Balanced Fund - Growth Option	10.00	142	142	0.05	0.05
JM Balanced Fund - Bonus Option - Principal Units	10.00	142	142	0.05	0.05
JM Balanced Fund - (Direct) Bonus Option - Principal Units	10.00	139	139	0.05	0.05
JM Balanced Fund - Annual Bonus Option - Principal Units	10.00	142	142	0.05	0.05
JM Balanced Fund - (Direct) - Annual Bonus Option - Principal Units	10.00	139	139	0.05	0.05
JM Balanced Fund - Annual Dividend Option	10.00	195	195	0.05	0.05
JM Balanced Fund - (Direct) - Annual Dividend Option	10.00	192	192	0.05	0.05
JM Balanced Fund - Half Yearly Bonus Option Principal Units	10.00	142	142	0.05	0.05
JM Balanced Fund - (Direct) Half Yearly Bonus Option Principal Units	10.00	139	139	0.05	0.05
JM Balanced Fund - Quarterly Bonus Option Principal Units	10.00	142	142	0.05	0.05
JM Balanced Fund - (Direct) Quarterly Bonus Option Principal Units	10.00	139	139	0.05	0.05
JM Balanced Fund - Monthly Dividend	10.00	195	195	0.05	0.05
JM Balanced Fund - (Direct) Monthly Dividend	10.00	192	192	0.05	0.05
JM Balanced Fund - Quarterly Dividend	10.00	208	195	0.05	0.05
JM Balanced Fund - (Direct) Quarterly Dividend	10.00	297	192	0.08	0.05
JM Basic Fund - Dividend Option	10.00	660	660	0.10	0.10
JM Basic Fund - Growth Option	10.00	461	461	0.10	0.10
JM Basic Fund (Direct) - Growth Option	10.00	235,365	235,365	50.10	47.87
JM Arbitrage Advantage Fund - Dividend Option	10.00	1,089	1,032	0.11	0.11
JM Arbitrage Advantage Fund - Growth Option	10.00	522	522	0.10	0.10
JM Arbitrage Advantage Fund - Bonus Option - Principal Units	10.00	960	960	0.10	0.10
JM Arbitrage Advantage Fund - (Direct) Bonus Option - Principal Units	10.00	962	962	0.10	0.10
JM Arbitrage Advantage Fund - Annual Bonus Option - Principal Units	10.00	522	522	0.10	0.10
JM Arbitrage Advantage Fund - (Direct) - Annual Bonus Option - Principal Units	10.00	516	516	0.10	0.10
JM Arbitrage Advantage Fund - Half Yearly Bonus Option Principal Units	10.00	522	522	0.10	0.10
JM Arbitrage Advantage Fund - (DIRECT) Half Yearly Bonus Option Principal Units	10.00	516	516	0.10	0.10
JM Arbitrage Advantage Fund - Quarterly Bonus Option Principal Units	10.00	522	522	0.10	0.10
JM Arbitrage Advantage Fund - (DIRECT) Quarterly Bonus Option Principal Units	10.00	516	516	0.10	0.10
JM Tax Gain Fund - Dividend Option	10.00	837	837	0.10	0.10

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to the Standalone Financial Statements

Name of the Mutual Fund Schemes	Face Value (Rs.)	Numbers		Rupees in lakh	
		As at	As at	As at	As at
		31.03.2017	31.03.2016	31.03.2017	31.03.2016
JM Tax Gain Fund - Growth Option	10.00	837	837	0.10	0.10
JM Multi Strategy Fund - Dividend Option	10.00	480	480	0.10	0.10
JM Multi Strategy Fund - Growth Option	10.00	446	446	0.10	0.10
JM Multi Strategy Fund (Direct) - Growth Option	10.00	234,139	234,139	50.10	47.56
JM Core 11 Fund - Dividend Option	10.00	1,669	1,669	0.10	0.10
JM Core 11 Fund - Growth Option	10.00	1,669	1,669	0.10	0.10
JM Income Fund - Bonus Option - Principal Units	10.00	591	591	0.10	0.10
JM Income Fund - Quarterly Dividend Option	10.00	711	711	0.10	0.10
JM G-Sec Fund - (Direct) - Growth Option	10.00	37,837	37,837	16.94	16.94
JM Income Fund - Growth Option	10.00	242	242	0.10	0.10
JM Short Term Fund - Dividend Option	10.00	1,052	991	0.11	0.10
JM Short Term Fund - Growth Option	10.00	505	505	0.10	0.10
JM Short Term Fund - Daily Dividend Option	10.00	949	949	0.10	0.10
JM High Liquidity Fund - Growth Option	10.00	263	263	0.10	0.10
JM High Liquidity Fund - Weekly Dividend Option	10.00	1,008	961	0.11	0.11
JM High Liquidity Fund - Daily Dividend Option	10.00	1,064	1,015	0.11	0.11
JM High Liquidity Fund - Quarterly Dividend Option	10.00	465	465	0.10	0.10
JM Floater Long Term Fund - Growth Option	10.00	474	474	0.10	0.10
JM Floater Long Term Fund - Bonus Option - Principal Units	10.00	474	474	0.10	0.10
JM Floater Long Term Fund - (Direct) - Bonus Option - Principal Units	10.00	470	470	0.10	0.10
JM Floater Long Term Fund - Half Yearly Bonus Option Principal Units	10.00	474	474	0.10	0.10
JM Floater Long Term Fund - (Direct) Half Yearly Bonus Option Principal Units	10.00	469	469	0.10	0.10
JM Floater Long Term Fund - Monthly Dividend Option	10.00	472	472	0.10	0.10
JM Floater Long Term Fund - (Direct) Monthly Dividend Option	10.00	466	466	0.10	0.10
JM Floater Short Term Fund - Growth Option	10.00	466	466	0.10	0.10
JM Floater Short Term Fund - Bonus Option - Principal Units	10.00	466	466	0.10	0.10
JM Floater Short Term Fund - (Direct) - Bonus Option - Principal Units	10.00	465	465	0.10	0.10
JM Floater Short Term Fund - Half Yearly Bonus Option Principal Units	10.00	466	466	0.10	0.10
JM Floater Short Term Fund - (Direct) Half Yearly Bonus Option Principal Units	10.00	464	464	0.10	0.10
JM Money Manager Fund - Super Plus Plan - Daily Dividend	10.00	1,108	1,057	0.11	0.11
JM Money Manager Fund - Super Plus Plan - (Direct) Daily Dividend Option	10.00	27,859	1,057	2.82	0.11
JM Money Manager Fund - Super Plus Plan - Fortnightly Dividend	10.00	1,077	1,022	0.11	0.11
JM Money Manager Fund - Super Plus Plan - Growth	10.00	508	508	0.10	0.10
JM Money Manager Fund - Super Plus Plan - (Direct) Growth Option	10.00	49,323,884	251,098	11,517.52	50.10
JM Money Manager Fund - Super Plus Plan - Weekly Dividend	10.00	1,048	994	0.11	0.11
JM G-Sec Fund - Quarterly Dividend Option	10.00	495	495	0.10	0.10
JM Money Manager Fund - Super Plus Plan - Bonus Option - Principal Units	10.00	843	843	0.10	0.10
JM Money Manager Fund - Super Plus Plan - (Direct) - Bonus Option - Principal Units	10.00	841	841	0.10	0.10
JM Money Manager Fund - Super Plan - Daily Dividend	10.00	1,103	1,055	0.11	0.11
JM Money Manager Fund - Super Plan - Fortnightly Dividend	10.00	1,073	1,023	0.11	0.11
JM Money Manager Fund - Super Plan - Growth	10.00	504	504	0.10	0.10
JM Money Manager Fund - Super Plan - Weekly Dividend	10.00	1,040	992	0.11	0.11
JM Money Manager Fund - Super Plan - Bonus Option - Principal Units	10.00	904	904	0.10	0.10
JM Money Manager Fund - Super Plan - (Direct) - Bonus Option - Principal Units	10.00	903	903	0.10	0.10
JM Money Manager Fund - Regular Plan - Daily Dividend	10.00	1,113	1,057	0.11	0.11

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to the Standalone Financial Statements

Name of the Mutual Fund Schemes	Face Value (Rs.)	Numbers		Rupees in lakh	
		As at	As at	As at	As at
		31.03.2017	31.03.2016	31.03.2017	31.03.2016
JM Money Manager Fund - Regular Plan - Fortnightly Dividend	10.00	1,093	1,033	0.11	0.11
JM Money Manager Fund - Regular Plan - Growth	10.00	518	518	0.10	0.10
JM Money Manager Fund - Regular Plan - (Direct) Growth Option	10.00	255,159	255,159	50.10	50.10
JM Money Manager Fund - Regular Plan - Weekly Dividend	10.00	1,055	998	0.11	0.11
JM Money Manager Fund - Regular Plan - Bonus Option - Principal Units	10.00	518	518	0.10	0.10
JM Money Manager Fund - Regular Plan - (Direct) - Bonus Option - Principal Units	10.00	515	515	0.10	0.10
JM MIP Fund - Dividend Option - Annual Dividend	10.00	580	580	0.10	0.10
JM MIP Fund - Growth Option	10.00	466	466	0.10	0.10
JM MIP Fund - Dividend Option - Monthly Dividend	10.00	940	895	0.11	0.10
JM MIP Fund - Dividend Option - Quarterly Dividend	10.00	618	618	0.10	0.10
JM G-Sec Fund - Growth Option	10.00	226	226	0.10	0.10
JM Arbitrage Advantage Fund - (Direct) Annual Bonus Option - Bonus Units	10.00	485	485	-	-
JM Arbitrage Advantage Fund - (Direct) Half Yearly Dividend	10.00	928	928	0.10	0.10
JM Arbitrage Advantage Fund (Direct) Monthly Dividend	10.00	928	928	0.10	0.10
JM Arbitrage Advantage Fund (Direct) Quarterly Dividend	10.00	928	928	0.10	0.10
JM Arbitrage Advantage Fund (Direct) - Annual Dividend Option	10.00	928	928	0.10	0.10
JM Arbitrage Advantage Fund - Half Yearly Dividend	10.00	953	953	0.10	0.10
JM Arbitrage Advantage Fund - Monthly Dividend	10.00	953	953	0.10	0.10
JM Arbitrage Advantage Fund - Quarterly Dividend	10.00	953	953	0.10	0.10
JM Arbitrage Advantage Fund - Annual Dividend Option	10.00	953	953	0.10	0.10
JM Balanced Fund - Dividend Option	10.00	769	769	0.10	0.10
JM Equity Fund Annual Dividend Option	10.00	445	445	0.10	0.10
JM Equity Fund - (Direct) Annual Dividend Option	10.00	436	436	0.10	0.10
JM Equity Fund - (Direct) Half Yearly Dividend Option	10.00	436	436	0.10	0.10
JM Equity Fund - (Direct) Monthly Dividend Option	10.00	436	436	0.10	0.10
JM Equity Fund - (Direct) Quarterly Dividend Option	10.00	436	436	0.10	0.10
JM Equity Fund Half Yearly Dividend Option	10.00	445	445	0.10	0.10
JM Equity Fund Monthly Dividend Option	10.00	445	445	0.10	0.10
JM Equity Fund Quarterly Dividend Option	10.00	445	445	0.10	0.10
JM G-Sec Fund - Annual Dividend Option	10.00	498	498	0.10	0.10
JM G-Sec Fund - (Direct) Annual Dividend Option	10.00	488	488	0.10	0.10
JM G-Sec Fund - (Direct) Half Yearly Dividend Option	10.00	488	488	0.10	0.10
JM G-Sec Fund - (Direct) Monthly Dividend Option	10.00	488	488	0.10	0.10
JM G-Sec Fund - Half Yearly Dividend Option	10.00	498	498	0.10	0.10
JM G-Sec Fund - Monthly Dividend Option	10.00	498	498	0.10	0.10
Total				17,512.06	12,695.41

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28 Employee Stock Option Plan/ Employee Stock Option Scheme:

- a) Based on the request made by JM Financial Asset 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 its equity stock options, inter alia, to the eligible employees and/or directors (the Employees) of the Company. 233,331 Stock Options have been granted on 16th April, 2012, 99,999 Stock Options have been granted on 1st April, 2014, 49,998 Stock Options have been granted on 16th April, 2015 and 61,197 Stock options have been Granted on 12th May, 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 the following schedule:

Vesting Date	Series	No. of Stock Options	Exercise Period	Exercise Price per Option (Rupees)
16th April, 2013	V	77,777	Seven years from the date of Grant	1
16th April, 2014	V	77,777	Seven years from the date of Grant	1
16th April, 2015	V	77,777	Seven years from the date of Grant	1
1st April, 2015	VII	33,333	Seven years from the date of Grant	1
1st April, 2016	VII	33,333	Seven years from the date of Grant	1
1st April, 2017	VII	33,333	Seven years from the date of Grant	1
16th April, 2016	VIII	16,666	Seven years from the date of Grant	1
16th April, 2017	VIII	16,666	Seven years from the date of Grant	1
16th April, 2018	VIII	16,666	Seven years from the date of Grant	1
12th May, 2017	IX	20,399	Seven years from the date of Grant	1
12th May, 2018	IX	20,399	Seven years from the date of Grant	1
12th May, 2019	IX	20,399	Seven years from the date of Grant	1

The current status of the stock options granted to the Employees is as under:

Particulars	Number of outstanding Options	
	Current year	Previous year
Outstanding at the beginning of the year	194,441	177,776
Granted during the year	61,197	49,998
Lapsed/ forfeited during the year	-	-
Exercised during the year	127,776	33,333
Transferred out during the year	-	-
Expired during the year	-	-
Outstanding at the end of the year	127,862	194,441
Exercisable at the end of the year	70,398	77,777

The charge on account of the above scheme is included in employee benefit expense aggregating Rs. 23.88 lakh (Previous year Rs.16.58 lakh). Since the options are granted by JM Financial Limited, basic and diluted earnings per share of the Company would remain unchanged.

- b) Board of Directors have granted 3,000,000 and 725,000 Equity Stock Options on 24th December, 2007 and 28th April, 2010 respectively to its employees under ESOP to be settled by issue of equity shares.

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

Vesting Date	No. of Stock Options	Exercise Period	Exercise Price per Option (Rupees)
27th December, 2008	300,000	Three years from the date of vesting	10
27th December, 2009	600,000	Three years from the date of vesting	10
27th December, 2010	900,000	Three years from the date of vesting	10
27th December, 2011	1,200,000	Three years from the date of vesting	10
28th April, 2011	72,500	Three years from the date of vesting	10
28th April, 2012	145,000	Three years from the date of vesting	10
28th April, 2013	217,500	Three years from the date of vesting	10
28th April, 2014	290,000	Three years from the date of vesting	10

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The current status of the stock options granted to the Employees is as under:

Particulars	No. of outstanding Options	
	Current year	Previous year
Outstanding at the beginning of the year	507,500	652,500
Granted during the year	-	-
Lapsed/ forfeited during the year	217,500	145,000
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at the end of the year	290,000	507,500
Exercisable at the end of the year	290,000	507,500

The Company has followed the intrinsic value method to account for the grant of Stock Options. Since the intrinsic value, being the difference between the Net Asset Value and the Exercise Price, is Nil, the grant of options does not have any financial implications. Had the fair value method been followed, profit for the year would have been Rs. 4,426.72 lakh (Previous year profit of Rs.4,448.13 lakh) as against the reported figure of Rs.4,426.72 lakh (Previous year profit of Rs.4,448.12 lakh). The Diluted Earnings per share (EPS) would be Re. 7.52 (Previous year Re.7.56) as against the basic EPS of Re. 7.52 (Previous year Re.7.56). The diluted earnings per share remains unchanged since the stock options are anti-dilutive.

Following are details with regard to determination of the fair value of Stock Options:

Option Pricing Model used - Black-Scholes-Merton formula

Weighted average share price – Rs.10/- per share

Expected volatility – 0.5

Option Life – 2.5 years to 5.5 years

Expected dividends – 10% yield

Risk-free interest rate – 7.7763% to 7.8471%.

29 Expenditure towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 (read with schedule VII thereof)

- Gross amount required to be spent by the Company during the year – Rs. 51.11 lakh (previous year, Rs.14.57 lakh)
- Amount spent and paid during the year by way of donations to charitable trusts– Rs.52.00 lakh (previous year, Rs.15.00 lakh)

30 Disclosure as per notification dated March 30, 2017, of Ministry of Corporate Affairs are as follows:

Particulars	SBNs	Other Denomination Notes	Rs. in lakh
			Total
Closing cash in hand as on 08.11.2016	0.18	0.00	0.18
(+) Permitted receipts	-	0.11	0.11
(-) Permitted payments	-	0.05	0.05
(-) Amount deposited in Banks	0.18	-	0.18
Closing cash in hand as on 30.12.2016	-	0.06	0.06

31 Previous year's figures have been rearranged and regrouped wherever necessary so as to make them comparable with those of the current year.

For JM Financial Asset Management Limited

V. P. Shetty
Chairman**G. M. Ramamurthy**
Director**Mayuri Datar**
Company Secretary
Mumbai, dated: 24th April, 2017**Vikram Shetty**
Chief Financial Officer



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