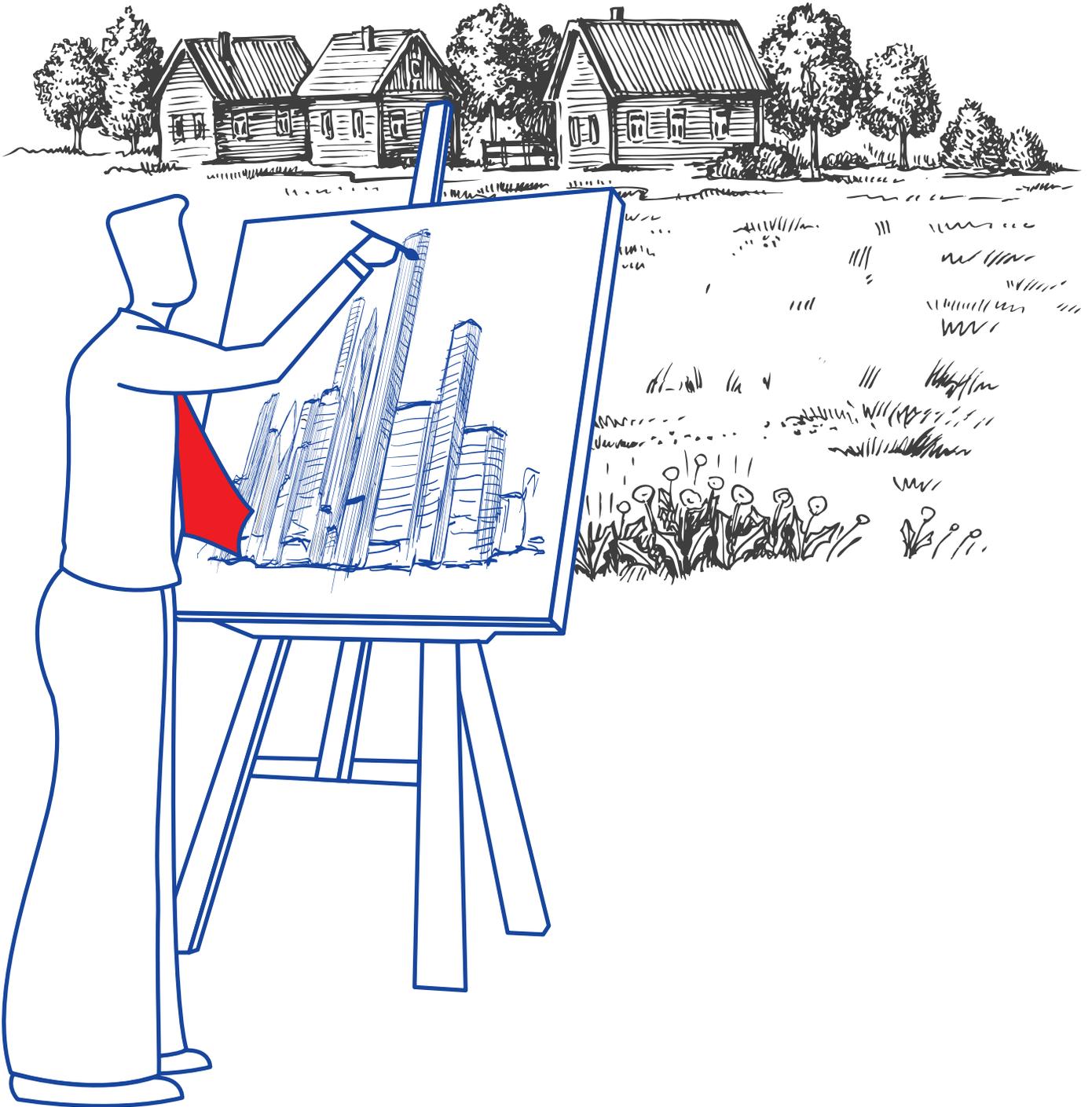


# **Towards Tomorrow**

**Expertise. Experience. Excellence.**





## CORPORATE INFORMATION

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### BOARD OF DIRECTORS

Mr. Vishal Kampani  
Ms. Dipti Neelakantan  
Mr. Manish Sheth  
Mr. Anil Bhatia

### CHIEF FINANCIAL OFFICER

Mr. Rajkumar Agrawal

### BANKERS

HDFC Bank Limited  
Tulsiani Chambers  
Nariman Point  
Mumbai – 400 021

### STATUTORY AUDITORS

M/s. Arun Arora & Co.  
304, Marine Chambers,  
New marine Lines,  
Mumbai - 400 020

### 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 INVESTMENT MANAGERS LIMITED

## Report on the Financial Statements

We have audited the accompanying financial statements of JM FINANCIAL INVESTMENT MANAGERS 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, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143 (11) of the Act.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical

requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017 and its Loss and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

## INDEPENDENT AUDITOR'S REPORT

- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.
- 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company 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 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 its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and the same are in accordance with its books of accounts maintained.
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 **Arun Arora And Co.**  
Chartered Accountants

**ARUN ARORA**  
Proprietor  
(Membership No. A- 12018)

Place: Mumbai  
Date: April 19, 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' 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 INVESTMENT MANAGERS LIMITED ("the Company") as of 31st March, 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 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

## INDEPENDENT AUDITOR'S REPORT

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

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Arun Arora And Co.**  
Chartered Accountants

**ARUN ARORA**  
Proprietor  
(Membership No. A- 12018)

Place: Mumbai  
Date: April 19, 2017

# INDEPENDENT AUDITOR'S REPORT

## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The fixed assets were physically verified during the year by the Management. According to the information and explanation given to us, no major discrepancies were noticed on such verification.
  - (c) The Company does not have immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the CARO 2016 is not applicable.
2. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
  3. According to the information and explanations given to us, the Company has not accepted any deposit during the year.
  4. According to the information and explanations given to us, in respect of statutory dues:
    - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities. There were no undisputed amounts payable 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 are no dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax as on 31st March, 2017 on account of disputes except as mentioned below:

Name of Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates (Financial Year)	Outstanding Amount involved (₹)
Income Tax Act, 1961	Tax demand (TDS)	Order giving effect to the order of Commissioner of Income Tax (Appeals) -59, Mumbai pending with I.T.O. (TDS) 1(3)	2009-10	74,521/-
Income Tax Act, 1961	Tax demand (TDS)	Order giving effect to the order of Commissioner of Income Tax (Appeals) -59, Mumbai pending with I.T.O. (TDS) 1(3)	2010-11	73,301/-
Income Tax Act, 1961	Tax demand (TDS)	Order giving effect to the order of Commissioner of Income Tax (Appeals) -59, Mumbai (Ratification pending)	2011-12	11,337/-

5. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of CARO 2016 is not applicable to the company.
6. 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 CARO 2016 Order is not applicable.
7. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

## INDEPENDENT AUDITOR'S REPORT

8. The company is not having any Manager and hence reporting under clause (xi) of CARO 2016 is not applicable.
9. The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
10. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 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.
11. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly

convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

12. 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.
13. The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For **Arun Arora And Co.**  
Chartered Accountants

Place: Mumbai  
Date: April 19, 2017

**ARUN ARORA**  
Proprietor  
(Membership No. A- 12018)

# BALANCE SHEET

as at 31st March 2017

		(₹ in Lacs)	
	Note No.	As at 31st March 2017	As at 31st March 2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' funds</b>			
a) Share Capital	2	180.00	180.00
b) Reserves and Surplus	3	11,344.96	11,975.40
		11,524.96	12,155.40
<b>2. Non-current liabilities</b>			
a) Long-term borrowings	4	8.39	6.53
b) Long-term provisions	5	478.65	1,334.41
		487.04	1,340.94
<b>3. Current liabilities</b>			
a) Short Term Borrowings	6	-	250.00
b) Trade payables			
Others		16.27	24.36
c) Other current liabilities	7	299.43	188.46
d) Short-term provisions	8	14.32	8.85
		330.02	471.67
<b>Total</b>		<b>12,342.02</b>	<b>13,968.01</b>
<b>II. ASSETS</b>			
<b>1. Non-current assets</b>			
a) Fixed assets	9		
(i) Tangible assets		20.67	9.71
(ii) Intangible assets		3.87	3.90
b) Non-current investments	10	11,151.55	12,181.70
c) Deferred tax assets (net)	11	45.76	53.49
d) Long-term loans and advances	12	222.51	193.64
		11,444.36	12,442.44
<b>2. Current assets</b>			
a) Current Investments	13	75.00	-
b) Trade Receivables	14	69.37	11.27
c) Cash and cash equivalents	15	421.18	1,184.40
d) Short-term loans and advances	16	74.22	20.08
e) Other current assets	17	257.89	309.82
		897.66	1,525.57
<b>Total</b>		<b>12,342.02</b>	<b>13,968.01</b>
See accompanying Notes to the financial statements			

In terms of our report attached

**For Arun Arora & Co.**

Chartered Accountants

For and on behalf of the Board

**Arun Arora**

Proprietor

Membership No. A-12018

**Vishal Kampani**

Chairman

DIN – 00009079

**Dipti Neelanantan**

Director

DIN – 00505452

**Raj Agrawal**

Chief Financial Officer

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 Lacs)	
		Current Period	Previous Year
<b>I. REVENUE FROM OPERATIONS</b>	18	174.09	526.22
<b>II. OTHER INCOME</b>	19	85.98	339.17
<b>III. Total revenue (I + II)</b>		<b>260.07</b>	<b>865.40</b>
<b>IV. EXPENSES</b>			
Employee benefits expense	20	642.22	389.87
Finance costs	21	25.34	27.74
Depreciation and amortization expense	9	5.30	3.87
Other expenses	22	209.92	231.68
<b>Total expenses</b>		<b>882.78</b>	<b>653.16</b>
<b>V. Profit before tax</b>		(622.71)	212.24
Tax expense			
Current tax		-	8.25
Deferred tax		7.73	0.92
		<b>7.73</b>	<b>9.17</b>
<b>VI. Profit after tax</b>		(630.44)	203.07
<b>VII. Earnings per share</b>		(35.02)	11.28
Basic/ Diluted			
See accompanying Notes to the financial statements			

In terms of our report attached  
**For Arun Arora & Co.**  
Chartered Accountants

For and on behalf of the Board

**Arun Arora**  
Proprietor  
Membership No. A-12018

**Vishal Kampani**  
Chairman  
DIN – 00009079

**Dipti Neelanantan**  
Director  
DIN – 00505452

**Raj Agrawal**  
Chief Financial Officer

Place: Mumbai  
Date: April 19, 2017

Place: Mumbai  
Date: April 19, 2017

# STATEMENT OF CASH FLOW

for the year ended 31st March 2017

Particulars	(₹ in Lacs)	
	Current year	Previous year
<b>A Cash flow from operating activities</b>		
Profit before tax	(622.71)	212.24
<b>Adjustment for:</b>		
Depreciation	5.30	3.87
(Profit)/loss on sale of investments	(58.75)	15.28
Provision for gratuity	4.79	2.03
Provision for/(reversal of) compensated absences	5.51	0.15
Dividend income	(25.13)	(230.89)
Interest income	-	(92.15)
Interest expense	25.34	27.74
<b>Operating profit before working capital changes</b>	<b>(665.65)</b>	<b>(61.73)</b>
<b>Adjustment for:</b>		
(Increase)/decrease in long-term loans and advances	-	(76.93)
(Increase)/decrease in short-term loans and advances	(2.62)	99.40
(Increase)/decrease in trade receivables	(58.11)	(11.27)
(Increase)/decrease in other current assets	8.53	-
Increase/(decrease) in trade payables	(8.09)	8.16
Increase/(decrease) in long term liabilities	(860.60)	-
Increase/(decrease) in other current liabilities	106.20	(21.46)
Cash generated from/(used in) operations	<b>(1,480.34)</b>	<b>(63.83)</b>
Direct taxes paid	(28.87)	(75.77)
<b>Net cash from/(used in) operating activities - (A)</b>	<b>(1,509.21)</b>	<b>(139.60)</b>
<b>B Cash flow from investing activities</b>		
Purchase of non-current investments	(1,500.00)	-
Sale of non-current investments	2,580.83	342.66
Purchase of current investments	(1,107.13)	(544.84)
Sale of current investments	1,040.11	544.85
Purchase of fixed assets	(6.87)	(4.01)
(Increase)/Decrease in Bank fixed deposits maturing after three months (Refer Note 2 - #)	766.00	(88.40)
Interest Income	-	36.40
Dividend Income	17.11	158.33
<b>Net cash from/(used in) investment activities - (B)</b>	<b>1,790.05</b>	<b>444.99</b>
<b>C Cash flow from financing activities</b>		
Inter corporate deposit accepted	270.00	740.00
Inter corporate deposit repaid	(520.00)	(490.00)
Dividend Paid	-	(540.00)
Dividend Distribution Tax paid	-	(109.93)
Repayment of Borrowing	(2.73)	(0.61)
Interest paid	(25.33)	(27.74)
<b>Net cash from/(used in) financing activities - (C)</b>	<b>(278.06)</b>	<b>(428.28)</b>
<b>Net increase/(decrease) in Cash and cash equivalents (A+B+C)</b>	<b>2.78</b>	<b>(122.89)</b>
Cash & cash equivalents (opening)	24.50	147.39
Cash & cash equivalents (closing)	27.28	24.50

**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).
- Cash and cash equivalents

(₹ in Lacs)

# STATEMENT OF CASH FLOW

for the year ended 31st March 2017

	As at 31st March 2017	As at 31st March 2016
Cash and cash equivalents as per Balance Sheet (Refer Note 15)	421.18	1,184.40
Less: Bank balances not considered as Cash and cash equivalents (as defined in AS 3 - "Cash Flow Statements") #	(393.90)	(1,159.90)
<b>Balance as shown in Cash flow statement (as defined in AS 3 - "Cash Flow Statements")</b>	<b>27.28</b>	<b>24.50</b>
# Comprises of:		
(a) In deposit accounts with original maturity of more than 3 months	393.90	1,159.90
<b>Total</b>	<b>393.90</b>	<b>1,159.90</b>

In terms of our report attached

**For Arun Arora & Co.**

Chartered Accountants

For and on behalf of the Board

**Arun Arora**

Proprietor

Membership No. A-12018

**Vishal Kampani**

Chairman

DIN – 00009079

**Dipti Neelanantan**

Director

DIN – 00505452

**Raj Agrawal**

Chief Financial Officer

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, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable.

### 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

- (i) Revenue is recognised at the point when there is reasonable certainty of its ultimate realisation/ collection.
- (ii) Dividend income is recognised when the right to receive the dividend is established
- (iii) Interest income is recognised 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), based on rates as per management's

estimate of useful life of the fixed assets, or at the rates prescribed in Schedule II to the Companies Act, 2013, whichever is higher, as per the following table:

Asset	Useful Life
Furniture	10 years
Office equipment	5 years
Computers	3 years
Softwares	5 years

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

#### Owned intangible assets

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

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

#### Leased assets

Assets acquired under finance lease are capitalised at the inception of lease at the fair value of the assets or present value of minimum lease payments whichever is lower. These assets are fully depreciated on a straight line basis over the lease term or its useful life whichever is shorter.

### 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 long term or current. Long term investments are carried at cost, however, provision for diminution in the value of 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 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

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	(₹ in Lacs)	
	As at 31st March 2017	As at 31st March 2016
<b>2. SHARE CAPITAL</b>		
<b>Authorised</b>		
2,000,000 (Previous Year 2,000,000) Equity Shares of ₹ 10/- each	200.00	200.00
	<b>200.00</b>	<b>200.00</b>
<b>Issued, Subscribed and Paid-up</b>		
1,800,000 (Previous Year 1,800,000) Equity shares of ₹ 10/- each fully paid-up	180.00	180.00
<b>Total</b>	<b>180.00</b>	<b>180.00</b>

Note: a

Particulars	Equity Shares			
	As at 31st March 2017		As at 31st March 2016	
	Number	(₹ in Lacs)	Number	(₹ in Lacs)
Shares outstanding at the beginning of the year	1,800,000	180.00	1,800,000	180.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Any other movement (please specify)	-	-	-	-
Shares outstanding at the end of the year	1,800,000	180.00	1,800,000	180.00

Note: b

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	1,800,000	100%	1,800,000	100%

	(₹ in Lacs)	
	As at 31st March 2017	As at 31st March 2016
<b>3. RESERVES AND SURPLUS</b>		
a. Capital redemption reserve	0.02	0.02
b. Securities premium account	9,066.00	9,066.00
c. General reserve	127.55	127.55
d. Surplus in profit and loss account:		
Opening balance	2,781.83	2,578.75
Add: Profit for the year	(630.44)	203.07
Closing Balance	2,151.39	2,781.83
<b>Total</b>	<b>11,344.96</b>	<b>11,975.40</b>
<b>4. LONG-TERM BORROWINGS</b>		
Secured:		
Long term maturities of finance lease obligations (Secured by way of hypothecation of vehicles)	8.39	6.53
<b>Total</b>	<b>8.39</b>	<b>6.53</b>
<b>5. LONG-TERM PROVISIONS</b>		
For employee benefits - gratuity	17.48	12.65
For Clawback obligation	461.17	1,321.76
<b>Total</b>	<b>478.65</b>	<b>1,334.41</b>

# NOTES

to the Financial Statements

		(₹ in Lacs)	
		As at 31st March 2017	As at 31st March 2016
<b>6. SHORT-TERM BORROWINGS</b>			
	Inter Corporate Deposit accepted (Unsecured)	-	250.00
	<b>Total</b>	<b>-</b>	<b>250.00</b>
<b>7. OTHER CURRENT LIABILITIES</b>			
	Statutory dues	10.48	6.57
	Employee benefits payable - bonus	282.85	180.55
	Short term maturities of finance lease obligations (Secured by way of hypothecation of vehicles)	6.11	1.34
	<b>Total</b>	<b>299.43</b>	<b>188.46</b>
<b>8. SHORT-TERM PROVISIONS</b>			
	For employee benefits - gratuity	1.34	1.38
	For employee benefits - compensated absences	12.98	7.47
	<b>Total</b>	<b>14.32</b>	<b>8.85</b>

		(₹ in Lacs)										
		GROSS BLOCK			DEPRECIATION/AMORTISATION				NET BLOCK			
Description	As at 01.04.2016	Additions	Disposals	As at 31st March 2017	Up to 31st March 2016	For the period	Deductions/ Adjustments	Upto 31st March 2017	As at 31st March 2017	As at 31st March 2016		
<b>i) TANGIBLE ASSETS:</b>												
<b>Owned Assets:</b>												
	Furniture and Fixtures	13.11	-	-	13.11	11.39	1.31	-	12.70	0.41	1.72	
	Office Equipments	19.61	-	-	19.61	19.61	-	-	19.61	-	-	
	Computers	20.77	6.01	1.03	25.75	20.43	0.67	1.03	20.07	5.67	0.34	
	Vehicles	110.15	-	-	110.15	110.15	-	-	110.15	-	-	
<b>Leased Assets:</b>												
	Vehicles (refer note below)	8.48	9.35	-	17.83	0.82	2.42	-	3.24	14.59	7.65	
	<b>Total</b>	<b>172.12</b>	<b>15.36</b>	<b>1.03</b>	<b>186.45</b>	<b>162.40</b>	<b>4.40</b>	<b>1.03</b>	<b>165.77</b>	<b>20.67</b>	<b>9.71</b>	
<b>ii) INTANGIBLE ASSETS:</b>												
	Software	27.74	0.86	-	28.60	23.84	0.90	-	24.74	3.87	3.90	
	<b>Total</b>	<b>27.74</b>	<b>0.86</b>	<b>-</b>	<b>28.60</b>	<b>23.84</b>	<b>0.90</b>	<b>-</b>	<b>24.74</b>	<b>3.87</b>	<b>3.90</b>	
	<b>Total</b>	<b>199.86</b>	<b>16.22</b>	<b>1.03</b>	<b>215.05</b>	<b>186.24</b>	<b>5.30</b>	<b>1.03</b>	<b>190.51</b>	<b>24.54</b>	<b>13.62</b>	
	Previous Year	191.38	12.50	4.02	199.86	186.39	3.87	4.02	186.24	13.62	4.99	

Note:

Vendor has lien over the assets taken on lease.

# NOTES

to the Financial Statements

## 10. NON CURRENT INVESTMENTS

Particulars	As at 31st March 2017		As at 31st March 2016	
	Nos. of Units/Shares	(₹ in Lacs)	Nos. of Units/Shares	(₹ in Lacs)
<b>Other Investments</b>				
<b>(a) Investment in venture capital fund/Alternative Investment Fund units</b>				
<b>Unquoted:</b>				
(Face Value ₹ 100/-) (Fully paid up) (at cost)				
JM Financial India Fund - Scheme A - Class D units	769,266	769.27	1,192,803	1,192.80
JM Financial India Fund III - Scheme C - Class D units	715,270	715.27	715,270	715.27
(Face Value ₹ 1/-) (Fully paid up) (at cost)				
JM Financial India Fund - Scheme A - Class C units	307,434	3.07	307,434	3.07
JM Financial India Fund - Scheme B - Class C units	264,806	2.65	264,806	2.65
JM Financial India Fund III - Scheme C - Class C units	41,590	0.42	41,590	0.42
JM Financial India Fund III - Scheme D - Class C units	33,107	0.33	33,107	0.33
JM Financial India Fund (Settlor's contribution)	NA	0.10	NA	0.10
JM Financial India Fund III (Settlor's contribution)	NA	0.10	NA	0.10
(Face Value ₹ 10,000/-) (at cost)				
JM Financial Property Fund - Class C units (Partly paid up)	75,000	3,276.33	75,000	4,108.72
JM Financial Property Fund I - Class B units (Partly paid up)	50	4.92	50	4.92
JM Financial Property Fund II - Class B units (Fully paid up)	50	4.63	50	4.63
JM Financial Property Fund (Settlor's contribution)	NA	0.10	NA	0.10
(Face Value ₹ 1,00,000/-) (at cost)				
JM Financial India Fund II - Class D units	1,500	1,500.00		-
<b>(b) Investment in equity shares</b>				
<b>Quoted:</b>				
(Face Value ₹ 10/-) (Fully paid up) (at cost)				
HCL Technologies Ltd	-	-	66,000	649.23
<b>Unquoted:</b>				
(Face Value ₹ 10/-) (Fully paid up) (at cost)				
Investment in Subsidiary				
CR Retails Malls (India) Limited	20,000,000	4,374.36	20,000,000	4,374.36
<b>(c) Investments in preference shares</b>				
(Face Value ₹ 10/-)(Fully paid up)(at cost)				
6% Optionally Convertible Preference Shares of CR Retail Malls (India) Limited	-	-	6,250,000	625.00
(Face Value ₹ 100/-)(Fully paid up)(at cost)				
6% Redeemable Non Cumulative Preference Shares of VCK Forex Services Pvt. Ltd.	500,000	500.00	500,000	500.00
		<b>11,151.55</b>		<b>12,181.70</b>

**Notes:**

	As at 31st March 2017		As at 31st March 2016	
	Cost	Market Value	Cost	Market Value
<b>1. Aggregate value of</b>	₹	₹	₹	₹
Quoted Investments	-	-	649.23	536.84

- The aggregate cost of unquoted investments is ₹ 11,151.55 Lacs (Previous Year ₹ 11,532.47 Lacs).
- Redemption of units of venture capital fund/Alternative Investment Fund is at the sole discretion of the trustees to the venture capital fund/Alternative Investment Fund. However, the contributor can transfer the units with prior approval of the trustees to the venture capital fund.

## NOTES

to the Financial Statements

	As at 31st March 2017	(₹ in Lacs) As at 31st March 2016
<b>11. DEFERRED TAX ASSETS (NET)</b>		
Differences in the tax and books written down value of fixed assets	34.98	40.69
Provision for Leave encashment	4.49	2.59
Provision for Gratuity	6.29	4.63
Employee benefits payable	-	5.58
<b>Total</b>	<b>45.76</b>	<b>53.49</b>
<b>12. LONG TERM LOANS AND ADVANCES</b>		
<b>a. Security Deposits</b>		
Unsecured, considered good		
to Related Parties	76.93	76.93
to Others	0.31	0.31
	<b>77.24</b>	<b>77.24</b>
<b>b. Other loans and advances</b>		
Unsecured, considered good		
Advance Tax and Tax Deducted at source (Net of provisions)	145.27	116.40
	145.27	116.40
<b>Total</b>	<b>222.51</b>	<b>193.64</b>
<b>13. Current Investments</b>		
JM Money Manager- Super Plan (Direct) - Growth Option	75.00	-
<b>Total</b>	<b>75.00</b>	<b>-</b>
Note: Net Asset Value of Mutual fund units as on 31.03.2017 is ₹ 75 Lakh (previous year - Nil)		
<b>14. TRADE RECEIVABLES</b>		
Outstanding for a period less than six months	51.16	11.27
Outstanding for a period exceeding six months	18.21	-
<b>Total</b>	<b>69.37</b>	<b>11.27</b>
<b>15. CASH AND CASH EQUIVALENTS</b>		
Bank Balances:		
In Current Accounts	27.28	24.50
In Deposit Accounts (less than 3 months maturity)	-	-
	<b>27.28</b>	<b>24.50</b>
Other Bank Balances:		
In Deposit Accounts	393.90	1,159.90
<b>Total</b>	<b>421.18</b>	<b>1,184.40</b>
<b>16. SHORT-TERM LOANS AND ADVANCES</b>		
Advances recoverable in cash or in kind or for value to be received	74.22	20.08
<b>Total</b>	<b>74.22</b>	<b>20.08</b>
<b>17. OTHER CURRENT ASSETS</b>		
Interest Accrued on Fixed Deposits	8.64	60.16
Interest Accrued Others	168.31	176.84
Other Receivables	80.94	72.82
<b>Total</b>	<b>257.89</b>	<b>309.82</b>

# NOTES

to the Financial Statements

	(₹ in Lacs)	
	Current Year	Previous Year
<b>18. REVENUE FROM OPERATIONS</b>		
Management & Other Fees	125.64	426.75
Interest earned on Bank Deposits	48.45	99.47
<b>Total</b>	<b>174.09</b>	<b>526.22</b>
<b>19. OTHER INCOME</b>		
Dividend	25.13	230.89
Interest Income	-	92.15
Profit on sale of Investment	58.75	-
Miscellaneous Income	2.10	16.13
<b>Total</b>	<b>85.98</b>	<b>339.17</b>
		(₹ in Lacs)
	Current Year	Previous Year
<b>20. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Bonus and Allowances	616.80	379.19
Contribution to Provident Fund and Other Funds	14.54	9.38
Staff Welfare	10.88	1.30
<b>Total</b>	<b>642.22</b>	<b>389.87</b>
<b>21. FINANCE COSTS</b>		
Interest Expense	25.34	27.74
<b>Total</b>	<b>25.34</b>	<b>27.74</b>
<b>22. OTHER EXPENSES</b>		
Space and Other Related Costs	59.48	57.95
Rates and Taxes	19.54	11.99
Insurance Expenses	3.90	4.03
Repairs and Maintenance	0.26	0.82
Communication Expenses	3.29	2.78
Legal and Professional Fees	14.70	14.99
Auditors' Remuneration		
Statutory Audit	1.20	1.00
Taxation Matters	1.98	2.65
Management Services	-	0.03
Other Services	0.39	0.53
Membership and Subscriptions	19.88	19.91
Electricity Expenses	6.69	6.48
Fund Expenses	8.43	29.05
Donation	23.00	32.00
Loss on sale of Investments (net)	-	15.28
Motor Car Expenses	12.19	10.73
Manpower Expenses	5.54	5.78
Miscellaneous Expenses	29.45	15.68
<b>Total</b>	<b>209.92</b>	<b>231.68</b>

# NOTES

to the Financial Statements

## 23. 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 Lacs	
	As at 31st March 2017	As at 31st March 2016
Profit after tax (Rupees)	(630.44)	203.07
Profit attributable to the equity shareholders for the purpose of basic/diluted earnings per share (₹)	(630.44)	203.07
Weighted average number of equity shares outstanding during the year for basic/diluted earnings per share	1,800,000	1,800,000
Basic/diluted earnings per share – ₹	(35.02)	11.28
Nominal value per share – ₹	10.00	10.00

## 24. CONTINGENT LIABILITY

Particulars	₹ in Lacs	
	As at 31st March 2017	As at 31st March 2016
Contingent liability in respect of income tax demands for various years disputed in appeal	26.66	26.66
<b>Total</b>	<b>26.66</b>	<b>26.66</b>

## 25. EXPENDITURE IN FOREIGN CURRENCY

Particulars	₹ in Lacs	
	As at 31st March 2017	As at 31st March 2016
Fund Expenses	8.43	29.05
Legal and Professional Fees	-	1.05
Hotel and Conveyance Expenses	0.84	-
Conference & Seminar Expenses	2.54	-
<b>Total</b>	<b>11.81</b>	<b>30.10</b>

₹ 19.57 Lacs paid by the Company in foreign currency towards Legal & Professional Fees, which is subsequently recovered.

## 26. PAYMENTS TO AUDITORS

Particulars	₹ in Lacs	
	As at 31st March 2017	As at 31st March 2016
a. audit fees	1.20	1.23
b. for taxation matters	1.98	2.65
c. for other services	0.39	0.33
<b>Total</b>	<b>3.57</b>	<b>4.21</b>

## 27. EMPLOYEE STOCK OPTION

Based on the request made by JM Financial Investment Managers 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. 49,998 stock options have been granted on May 06, 2013, 39,999 stock options have been granted on April 01, 2014, 39,996 stock options have been granted on April 16, 2015 and 1,59,846 stock options have been granted on May 16, 2016.

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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 (₹)
6th May 2014	16,666	Vested	Seven years from the date of Grant	1
6th May 2015	16,666	Vested	Seven years from the date of Grant	1
6th May 2016	16,666	Vested	Seven years from the date of Grant	1
1st April 2015	13,333	Vested	Seven years from the date of Grant	1
1st April 2016	13,333	Vested	Seven years from the date of Grant	1
1st April 2017	13,333	To be vested	Seven years from the date of Grant	1
16th April 2016	13,332	Vested	Seven years from the date of Grant	1
16th April 2017	13,332	To be vested	Seven years from the date of Grant	1
16th April 2018	13,332	To be vested	Seven years from the date of Grant	1
16th May 2017	53,282	To be vested	Seven years from the date of Grant	1
16th May 2018	53,282	To be vested	Seven years from the date of Grant	1
16th May 2019	53,282	To be vested	Seven years from the date of Grant	1

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

Particulars	Current Year Nos.	Previous Year Nos.
Outstanding at the beginning of the year	83,328	106,664
Granted during the year	159,846	39,996
Lapsed/transferred during the year	-	-
Exercised during the year	43,331	63,332
Outstanding at the end of the year	199,843	83,328
Exercisable at the end of the year	-	-

The charge on account of the above scheme included in employee benefit expense aggregate ₹ 44.61 Lakh (Previous Year ₹ 12.70 Lakh). 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.

## 28. SEGMENT REPORTING

### a) Primary Segment (by Business segments):

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.

## 29. LEASES

### a) Finance Lease

The Company has acquired vehicles under the finance lease agreement. The tenure of lease agreement is for 60 months with an option to prepayments/foreclosure.

₹ in Lacs

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

Particulars	Total minimum lease payment outstanding as at March 31, 2017	Lease finance charges not due as at March 31, 2017	Present value of the minimum lease payment as at March 31, 2017	Total minimum lease payment outstanding as at March 31, 2016	Lease finance charges not due as at March 31, 2016	Present value of the minimum lease payment as at March 31, 2016
Not later than 1 year	7.81	1.70	6.11	2.41	1.06	1.35
Later than 1 year but not later than 5 years	9.62	1.23	8.39	8.43	1.91	6.53
<b>Total</b>	<b>17.43</b>	<b>2.93</b>	<b>14.50</b>	<b>10.84</b>	<b>2.97</b>	<b>7.88</b>

## NOTES

to the Financial Statements

## b) Operating Lease

The current office premises of the Company is under operating lease upto March 31, 2020.

₹ in Lacs

Particulars	Total lease payments outstanding as at 31st March 2017	Total lease payments outstanding as at 31st March 2016
Not later than 1 year	57.30	57.30
Later than 1 year but not later than 5 years	229.22	171.91
Later than 5 years	-	-
Expenditure debited to profit & loss account	59.48	57.95

## 30. EMPLOYEE BENEFITS

## A) Defined benefit plans

## a) Gratuity

₹ in Lacs

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	18.82	14.03
Fair value of plan assets	-	-
Net liability	18.82	14.03

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	0.99	0.96
Interest on defined benefit obligations	1.14	0.99
Expected return on plan assets	-	-
Net actuarial (gain) /loss recognised during the year	2.99	0.08
Past service cost	-	-
Net gratuity cost	5.12	2.03

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

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	14.03	11.99
Current service cost	0.99	0.97
Interest cost	1.14	0.99
Actuarial (gain)/loss	2.99	0.08
Past service cost	-	-
Liability assumed on acquisition/(settled on divestiture)	(0.33)	-
Benefits paid	-	-
Closing defined benefit obligation	18.82	14.03

# NOTES

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

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

Principal actuarial assumptions at the balance sheet date	For the year ended 31st March 2017	For the year ended 31st March 2016
Discount rate	7.20%	7.95%
Estimated rate of return on plan assets	0%	0%
Retirement age	-	-
Salary escalation	7.20%	7.00%

#### Valuation assumptions

- 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 Company policy, provision of ₹ 5.51 Lakh has been made (previous year provision of ₹ 0.15 Lakh) towards compensated absence carry forward on actual basis. Provision for compensated absence as at 31st March 2017 is ₹ 12.98 Lakh (previous year ₹ 7.47 Lakh).
- B. Defined contribution plans**  
Amount recognised as an expense and included in the 'Contribution to provident fund & other funds' ₹ 14.53 Lakh (previous year ₹ 9.37 Lakh).

### 31. RELATED PARTY TRANSACTIONS

Disclosure in respect of Related parties pursuant to Accounting Standard 18:-

**(A) List of related parties:-**

- (i) Holding Company**  
JM Financial Limited
- (ii) Subsidiaries**  
CR Retail Malls (India) Limited
- (iii) Fellow Subsidiaries**  
JM Financial Products Limited  
Infinite India Investment Management Limited  
JM Financial Institutional Securities Limited  
JM Financial Properties and Holdings Limited  
JM Financial Services Limited
- (iv) Individual exercising control or significant influence by way of voting power in reporting enterprise and relatives of any such person**  
Individual exercising control or significant influence  
Nimesh N Kampani
- (v) Enterprise over which individuals control or significant influence by way of voting power in reporting enterprise along with relatives have significant influence**  
J.M. Financial and Investment Consultancy Services Private Limited

**NOTES**

to the Financial Statements

**B) Related Party Transactions**

			₹ in Lacs	
Name of Related Party	Relationship	Nature of Transaction	2016-17	2015-16
JM Financial Limited	Holding Company	ESOP Charges	44.62	12.71
		Dividend Paid	-	540.00
		Closing Balance receivable/(Payable)	-	-
CR Retail Malls (India) Limited	Subsidiary	Redemption of Preference Shares	625.00	-
		Closing Balance Receivable	-	-
JM Financial Institutional Securities Limited		Reimbursement of Expenses Paid	1.77	0.76
		Closing Balance receivable/(payable)	-	-
J.M. Financial & Investment Consultancy Services Pvt Ltd	Enterprise over which individuals control or significant influence by way of voting power in reporting enterprise along with relatives have, significant influence	Expenses reimbursement	4.62	4.37
		Closing Balance receivable/(Payable)	-	-
JM Financial Products Limited	Fellow Subsidiaries	Inter Corporate Deposit taken	270.00	740.00
		Inter Corporate Deposit repaid	520.00	490.00
		Interest paid on the ICD	23.69	27.14
		Closing Balance receivable/(Payable)	-	250.00
JM Financial Properties and Holdings Ltd	Fellow Subsidiaries	Business Service Center Charges	57.30	57.30
		Property Tax	20.44	-
		Expenses paid for Energy Premises	9.27	12.87
		Security Deposit Receivable	76.93	76.93
JM Financial Services Limited	Fellow Subsidiaries	Secondary Brokerage paid	0.87	-
		Closing Balance	-	-
JM Financial Asset Reconstruction Company Pvt Ltd	Fellow Subsidiaries	Transfer of Gratuity Liability Pursuant to Transfer of an employee	0.33	-
		Closing Balance	-	-

**32. 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

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

In terms of our report attached

**For Arun Arora & Co.**

Chartered Accountants

For and on behalf of the Board of Directors

**Arun Arora**

Proprietor

Membership No. A-12018

**Vishal Kampani**

Chairman

DIN - 00009079

**Raj Agrawal**

Chief Financial Officer

**Dipti Neelanantan**

Director

DIN - 00505452

Place: Mumbai

Date: April 19, 2017

Place: Mumbai

Date: April 19, 2017

# FORM AOC - 1

**Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014  
Statement containing salient features of the financial statement of subsidiary company as on March 31, 2017**

Name of the Subsidiary	Currency	Paid up Capital	Reserves	Total assets including investments	Total liabilities	Investments	Turnover	Profit / (Loss) before Tax	Provision for taxation	Profit / (Loss) after Tax	Dividend proposed	% of shareholding
CR Retail Malls (India) Limited	INR	2,000.00	1,036.34	11,068.61	8,032.28	787.50	2,005.32	433.35	104.53	328.82	-	100%

For and on behalf of Board

**Vishal Kampani**  
Chairman  
DIN. 00009079

**Dipti Neelakantan**  
Director  
DIN. 00505452

**Raj Agrawal**  
Chief Financial Officer

Place : Mumbai

Date : April 19, 2017





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