JM Financial Asset Reconstruction Company Limited

Annual Report 2024-25

JM FINANCIAL

POWERED BY PURPOSE

POWERED BY PURPOSE

At JM Financial, purpose is our North Star - a constant in a world of moving parts. It brings clarity when choices are complex, and offers direction when the path ahead demands conviction. In FY25, this unwavering sense of purpose shaped the way we consolidated, recalibrated, and renewed. Every decision - from how we deploy capital to how we engage with our clients - was guided by a deeper reflection: does it create lasting value?

This was a year where performance was measured not just by numbers alone, but by alignment with our values. We simplified processes where it required, leveraged our core strengths, and built platforms designed to serve, scale, and stand the test of time.

As we move forward, our purpose will remain our compass, anchoring us to what matters and guiding the way to outcomes that are resilient, responsible, and real.

Corporate Information

BOARD OF DIRECTORS

NON-EXECUTIVE DIRECTORS

Mr. V P Shetty

Mr. Narotam Sekhsaria (upto October 15, 2024)

Mr. Pulkit Sekhsaria

Mr. Adi Patel

Mr. Vishal Kampani

INDEPENDENT DIRECTORS

Ms. Rupa Vora

Dr. Vijay Kelkar

Mr. Ameet Desai

Mr. Satish Mathur (upto July 30, 2024)

Mr. Munesh Khanna

CHIEF EXECUTIVE OFFICER

Mr. Srinivasan Viswanathan

CHIEF FINANCIAL OFFICER

Mr. Sabyasachi Ray

COMPANY SECRETARY

Mr. Vineet Singh

REGISTERED OFFICE

JM Financial Asset Reconstruction Company Limited
7th Floor, Cnergy, Appasaheb Marathe Marg,
Prabhadevi, Mumbai - 400 025
Tel: 91-22-66303030 **Fax:** 91-22-66303223
Email ID: vineet.singh@jmfl.com
Website: www.jmfinancialarc.com
CIN: U67190MH2007PLC174287

BANKERS

RBL Bank Limited
IDBI Bank Limited
Indian Overseas Bank
Karur Vysya Bank
Dhanlaxmi Bank Limited

STATUTORY AUDITOR

Sharp & Tannan Associates

REGISTRAR & SHARE TRANSFER AGENTS

KFin Technologies Limited
Selenium Tower B, Plot No. 31 & 32,
Gachibowli, Financial District,
Nanakramguda, Serilingampally
Hyderabad - 500 032
Telephone: + 91 040 6716 2222
Fax: (040) 2343 1551
Email ID: venu.sp@kfintech.com
Website: www.kfintech.com

DEBENTURE TRUSTEE

SBICAP Trustee Company Limited
4th Floor, Mistry Bhavan,
122, Dinshaw Vachha Road,
Churchgate, Mumbai - 400 020.
Tel: + 91 22 4302 5555
Fax No: + 91 22 22040465
E-mail ID: corporate@sbicaptrustee.com
Website: www.sbicaptrustee.com

OUR OFFICES

Mumbai Corporate Office
Office No. 22, Lloyds Centre Point,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai - 400 025.

Borivali Office
3rd Floor, Suashish IT Park Building B,
Dattapada Road, Borivali East,
Mumbai - 400 066.

Delhi Office
Sood Tower (East Tower), 6th Floor,
Barakhamba Road, Connaught Place,
New Delhi - 110 001.

Notice

NOTICE IS HEREBY GIVEN THAT THE EIGHTEENTH (18TH) ANNUAL GENERAL MEETING (THE "AGM") OF THE MEMBERS OF JM FINANCIAL ASSET RECONSTRUCTION COMPANY LIMITED (THE "COMPANY") WILL BE HELD ON WEDNESDAY, JULY 30, 2025 AT 5:00 P.M. (IST) AT 7TH FLOOR, CNERGY, APPASAHEB MARATHE MARG, PRABHADEVI, MUMBAI - 400 025 TO TRANSACT THE FOLLOWING BUSINESS:

Ordinary Business

1. To receive, consider and adopt the audited standalone financial statements of the Company for the financial year ended March 31, 2025 together with the reports of the Board of Directors and of the Auditors thereon and to pass the following resolution as an **Ordinary Resolution**.

   "**RESOLVED THAT** the audited standalone financial statements of the Company consisting of the Balance Sheet as at March 31, 2025, the statement of profit and loss, cash flow statement and the statement of changes in equity for the year ended on that date and the explanatory notes annexed to, and forming part of, any of the said documents together with the reports of the Board of Directors and of the Auditors thereon be and are hereby approved and adopted."

2. To receive, consider and adopt the audited consolidated financial statements of the Company for the financial year ended March 31, 2025 and the report of the Auditors thereon and to pass the following resolution as an **Ordinary Resolution**.

   "**RESOLVED THAT** the audited consolidated financial statements of the Company consisting of the Balance Sheet as at March 31, 2025, the statement of profit and loss, cash flow statement and the statement of changes in equity for the year ended on that date and the explanatory notes annexed to, and forming part of, any of the said documents together with the Auditors' Report thereon be and are hereby approved and adopted."

3. To appoint a director in place of Mr. Adi Patel (DIN: 02307863), who retires by rotation pursuant to the provisions of Section 152 of the Companies Act, 2013 and being eligible, offers himself for re-appointment and to pass the following resolution as an **Ordinary Resolution**.

   "**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, the re-appointment of Mr. Adi Patel (DIN: 02307863), as a Director of the Company liable to retire by rotation, be and is hereby approved."

Special Business

4. **Payment of remuneration to Non-Executive Directors of the Company for FY 2024-25**

   To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Sections 197, 149 and other applicable provisions, if any, of the Companies Act, 2013 (the "**Act**") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Schedule V of the Act, including any amendments, statutory modifications and/or re-enactment thereof for the time being in force as amended from time to time, and basis the recommendation/approval of the Nomination and Remuneration Committee and the Board of Directors of the Company, consent of the members be and is hereby accorded for payment of remuneration by way of commission to the Non-Executive Directors (including independent directors) of the Company, in accordance with the limits prescribed under Schedule V of the Act and the same be paid to and distributed amongst the Non-Executive Directors (including independent directors) of the Company in such amounts or proportions and in such manner as may be directed by the Board of Directors of the Company, upto an amount not exceeding ₹ 28,00,000/- for financial year 2024-25 (as detailed in explanatory statement) in view of inadequate profits for financial year 2024-25."

   "**RESOLVED FURTHER THAT** the above remuneration shall be in addition to sitting fees payable to the Director(s) for attending the meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other meetings."

   "**RESOLVED FURTHER THAT** the Board be and is hereby authorised to take all actions and do all such acts, deeds, matters and things including deciding on the manner of payment of commission, as it may in its absolute discretion deem necessary, proper or desirable to give effect to the above resolution and matters connected therewith or incidental thereto including settling all such questions, difficulties or doubts that may arise with regard to the aforesaid resolution, without being required to seek any further consent/approval from the members of the Company."

5. **Approval for alteration of Articles of Association of the Company**

   To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 14 and any other applicable provisions of the Companies Act, 2013 (the "**Act**") read with the applicable rules framed thereunder (including any amendment(s), statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the consent of the members of the Company be and is hereby accorded to amend the Articles of Association of the Company, pursuant to the modification of clauses as set out under the explanatory statement annexed to the notice.

   "**RESOLVED FURTHER THAT** the Board of Directors, be and is hereby authorized to do all such acts, deeds and things as may be required and take all such steps as may be necessary, proper and expedient to give effect to this resolution."

By Order of the Board

Vineet Singh
Company Secretary & Compliance Officer

Place: Mumbai
Date: April 30, 2025

Registered Office:
7th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai - 400 025
(CIN: U67190MH2007PLC174287)

NOTES:

1. Pursuant to the applicable provisions of the Companies Act, 2013 (the "**Act**"), a member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the company.
2. The instrument appointing a proxy in order to be valid must be duly completed and should be deposited at the registered office of the company not later than 48 hours before the commencement of the meeting.
3. A person can act as proxy on behalf of the members not exceeding fifty (50) in number and holding in aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. Proxies submitted must be supported by an appropriate resolution/authority, as applicable. A member holding more than ten percent (10%) of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.
4. The relevant statement to be annexed to the Notice pursuant to Section 102 of the Act setting out the details concerning the special business under item no. 4 & 5 of the Notice, along with the additional information as required under applicable provisions of the Act and other circulars issued thereunder, is annexed hereto and forming part of this Notice.
5. The body corporate/institutional investors, who are members of the Company, are encouraged to attend the meeting and vote. They are also requested to send scanned copy(ies) (PDF/JPG format) of their board or governing body resolution/authorisation, permitting their representatives to attend the AGM on their behalf and/or vote. The said resolution/authorization, if any, shall be emailed, through its registered email address to the Company Secretary at vineet.singh@jmfl.com.
6. Members/Proxies/Authorised Representatives are requested to:
   a. carry duly completed and signed attendance slips for attending the AGM.
   b. Quote their respective folio numbers or DP ID or client ID numbers in the attendance slip for easy identification of their attendance at the meeting.
7. In compliance with the applicable circulars, the Annual Report for the financial year 2024-25 including the Notice of the AGM along with Attendance Slip and Proxy Form are being sent by the Company in electronic mode to those members/debenture holders whose email IDs are registered with the Depository Participants ("**DPs**")/Depositories, the Company or its Registrar and Transfer Agents ("**RTA**"), viz., KFin Technologies Limited. Members/Debenture holders who wish to change their email IDs or have not registered their email IDs so far, are requested to promptly intimate the same to their respective DPs or to the Company/its RTA, as the case may be.
8. During the period beginning twenty-four (24) hours before the time fixed for the commencement of the AGM and ending with the conclusion of the AGM, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company.

Notice (Contd.)

9. Notice convening the Eighteenth (18th) AGM along with the Annual Report for the financial year 2024-25 will also be available on the Company's website at www.jmfinancialarc.com and on the website of the stock exchange i.e., BSE Limited (the "**BSE**") at www.bseindia.com.

10. The Company has paid the annual listing fees to BSE for the financial year 2025-26.

11. All the document referred to in this Notice and Statement annexed hereto and such other statutory documents as required under the Act, shall be available for inspection at the Company's registered office on all the working days (Monday to Friday) between 2:00 p.m. and 4:00 p.m. up to the date of this AGM and at the venue of the AGM during its duration. Any member interested in obtaining a copy of the same may write to the Company Secretary at vineet.singh@jmfl.com.

12. The relevant details as required under clause 1.2.5 of Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India (SS-2), in respect of the person seeking re-appointment as director is given in annexure forming part of this Notice.

13. The route map showing directions to reach the venue of the Eighteenth (18th) AGM forms part of this Notice.

STATEMENT TO BE ANNEXED TO THE NOTICE PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item no. 4

Pursuant to the provisions of Section 197 read with Schedule V of the Act, in respect of the payment of remuneration to Directors other than managerial personnel, in case of no profits or inadequacy of profits as calculated under Section 198 of the Act, the Company may pay such remuneration within the ceiling limit as specified in Schedule V of the Act, provided the members' approval by way of a Special Resolution has been obtained, compliance of disclosure requirements and other conditions stated therein.

In view of inadequate profits for the FY 2024-25, the Company has proposed to pay remuneration by way of commission to the non-executive directors (including independent directors) of the Company upto an amount not exceeding ₹ 28,00,000/- for the financial year 2024-25. The said amount is recommended, inter alia, considering the role assumed, number of meetings of the Board and the committees thereof attended by each of the non-executive/independent directors; the position held by them as the Chairperson and member of the Committees of the Board and overall contribution to the business; external competitive environment; track record; individual performance and performance of the Company.

The said amount will be distributed amongst eligible non-executive directors (including independent directors) of the Company, subject to the provisions of the Act read with Schedule V and is recommended by Nomination and Remuneration Committee and by the Board of Directors.

The additional information, required to be disclosed under Schedule V of the Act, is provided in **Annexure A**, forming part of this Notice.

The Board commends passing of the special resolution set out at item no. 4 of this Notice for approval by the members.

Except Mr. Vishal Kampani, Mr. Adi Patel and key managerial personnel of the Company, and their relatives, the other non-executive directors of the Company are interested in the special resolution set out at item no. 4 of this Notice.

Item no. 5

JM Financial Limited ("**JMFL**") and JM Financial Credit Solutions Limited ("**JMFCSL**") have concluded the transfer of 57,09,32,034 equity shares, representing 71.79% of the total paid up capital from JMFL to JMFCSL on March 18, 2025. As per the Share Purchase Agreement ("**SPA**") executed between JMFL and JMFCSL, the rights and obligations of Subscription Agreements executed between JMFL and other shareholders, are to be novated in favor of the JMFCSL.

In view of the above, it is proposed to make the following alterations in the existing Articles of Association ("**AoA**") of the Company:

Article no.	Heading	Modifications Clause
2.	Interpretation Clause	"JMFCSL" means JM Financial Credit Solutions Limited, a company incorporated under the laws of India with limited liability.
14.ii	Further Issue of Capital	Subject to the provisions of these Articles the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) of Article 14(a) herein above shall contain a statement of this right. Any exercise of the above right to renounce shall be subject to the prior written approval of JMFCSL;
71.(d) (i) 71.(d) (ii)	Board may refuse to register transfer	(i) If any shareholder intends to sell his shares, he shall give the 'First Right of Refusal' to JMFCSL to purchase the shares, subject to statutory provisions and all necessary approvals and shall send a notice to this effect to JMFCSL. Such 'First Right of Refusal' shall be accepted by JMFCSL within thirty (30) days of receipt of notice. In the event JMFCSL is unable to buy such shares or is not willing to buy such shares, JMFCSL shall intimate the same to such shareholder and the shares shall be sold to an entity agreeable to the shareholder and the Company ('the Purchaser'). (ii) The shareholder shall transfer the shares to JMFCSL or the Purchaser, as the case may be, at fair value as determined by an independent consultant who shall be appointed with the mutual consent of the shareholder and the Company.

Notice (Contd.)

The Board commends passing of the Special Resolution set out at item no. 5 of the Notice.

None of the other Directors/Key Managerial Personnel of the Company or their relatives, is in any way concerned or interested, financially or otherwise, in the Special Resolution set out at item no. 5 of the Notice.

By Order of the Board

Vineet Singh
Company Secretary & Compliance Officer

Place: Mumbai
Date: April 30, 2025

Registered Office:
7th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai - 400 025
(CIN: U67190MH2007PLC174287)

ADDITIONAL INFORMATION PURSUANT TO CLAUSE 1.2.5 OF SECRETARIAL STANDARD - 2 ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (INFORMATION AS ON THE DATE OF THIS NOTICE).

Name of the Director	**Mr. Adi Patel (DIN: 02307863)**
Date of birth	February 23, 1969
Date of first appointment on the Board	December 5, 2017
Designation	Non-Executive Director
Qualification(s)	Chartered Accountant
Experience/brief profile/ nature of expertise in specific functional areas	Mr. Adi Patel joined the Investment Banking Division of JM Financial Limited in November, 1993 and is currently the Managing Director of JM Financial Limited. Mr. Patel holds a Bachelor's degree in Commerce and is also a qualified Chartered Accountant. He has executed some landmark M&A / restructuring transactions for some of the leading business houses in India. Over the last 30 years, he has developed strong relationships with leading Indian and global clients across various Industry segments and has advised them on numerous strategic M&A / restructuring transactions.
Terms and conditions of appointment/ reappointment	Re-appointment as a Non-Executive Director of the Company liable to retire by rotation in accordance with the provisions of Section 152 of the Act.
Shares held in the Company along with the % of shareholding as on March 31, 2025	Nil
Relationship with other directors, manager and key managerial personnel (KMP)	None
No. of Board Meetings attended during the financial year 2024-25	4 out of 4
Directorships held in other bodies corporate	• JM Financial Limited • JM Financial Credit Solutions Limited • Infinite India Investment Management Limited
Membership/ Chairmanships of Committees held in other companies excluding foreign companies (only audit and stakeholders' relationship committee has been considered)	**Memberships** **Stakeholders' Relationship Committee** • JM Financial Limited • JM Financial Credit Solutions Limited **Chairmanships** None
Details of remuneration paid during the financial year 2024-25	Nil
Remuneration sought to be paid	Sitting Fees and Commission, if any

Annexure A to Notice

DISCLOSURE OF THE DETAILS AS REQUIRED UNDER SCHEDULE V TO THE COMPANIES ACT, 2013

I. General Information

Sr. No.	Description	Particulars
1.	Nature of Industry	The Company is an Asset Reconstruction Company, registered with the Reserve Bank of India, under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002. The Company is engaged in the business of acquisition of stressed assets from the banks/financial institutions and implementing resolution strategies for such acquired assets.
2.	Date or expected date of commencement of commercial production	The Company is in the business since September 23, 2008.
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4.	Financial Performance based on key indicators	See tables below
5	Foreign Investment or Collaborators, if any	As on March 31, 2025, Valiant Mauritius Partners FDI Limited is holding 3,35,50,551 equity shares representing 4.22% of the paid up capital of the Company.

Standalone Financial Performance

(₹ in crore)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25
Total Income	234.70	358.95	211.31
Profit/(Loss) before exceptional items and tax	(204.67)	(84.33)	(2.71)
Profit/(Loss) before tax	(204.67)	(931.19)	(2.71)
Net Profit/(Loss) after tax	**(154.93)**	**(942.44)**	**(29.79)**

Consolidated Financial Performance

(₹ in crore)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25
Total Income	218.89	343.91	176.54
Profit/(Loss) before exceptional items and tax	(193.62)	(87.74)	(60.69)
Profit/(Loss) before tax	(193.62)	(934.60)	(60.69)
Net Profit/(Loss) after tax	**(146.66)**	**(945.01)**	**(87.92)**

II. Information about the Directors

1. Background details of the directors to whom Commission is being proposed to be paid:

Sr. No.	Name of the Director	Background
1.	Mr. V P Shetty	Mr. V P Shetty is an authority in commercial banking, mergers & acquisitions in banking, corporate governance and turnaround management especially in Public Sector. He has had an illustrious Banking career spanning almost four decades.
2.	Mr. Pulkit Sekhsaria	Mr. Pulkit Sekhsaria has undertaken management courses at Wharton, Indian School of Business, London Business School and INSEAD. In the year 1996, he became a Whole Time Director on the Board of Ambuja Cements Limited. He was instrumental in execution and management of three terminals Mumbai, Surat and Muldwarka (import and export terminal) and the Shipping Division.
3.	Ms. Rupa Vora	Ms. Rupa Vora is an eminent Chartered Accountant and has a work experience of over 3 decades in finance, of which more than a decade in private equity and a decade in banking. She had held important positions in the past including Group Director & CFO – IDFC Alternatives, CFO – Antwerp Diamond Bank N.V., Financial Controller in KBC Bank, N.V., Credit Lyonnais, Oman International Bank. She holds bachelor's degree in Commerce in Mumbai University and Chartered Accountant by Profession.
4.	Dr. Vijay Kelkar	Dr. Vijay Kelkar has held many senior level positions in the Government of India including the most recent position as the Chairman of the Finance Commission; Advisor to Minister of Finance; Finance Secretary, Government of India; Secretary of Ministry of Petroleum & Natural Gas and Chairman of the Tariff Commission.
5.	Mr. Ameet Desai	Mr. Ameet Desai was the Advisor to Chairman at the Adani Group and has industry expertise in sectors such as ports, thermal energy, transmission, renewables and pharma. During his fifteen years at Adani, he successfully led 2 public issues and a QIP raising over US$ 2 bn, and mobilized over US$ 350 mn in private equity. He also raised over US$ 10 bn domestic and international loans and bonds.
6.	Mr. Munesh Khanna	Mr. Munesh Khanna is well founded in accounting, extensive understanding of tax and corporate affairs, an expert in corporate finance as well as strategy and business restructuring. He has been involved in complex transactions in India, such as restructuring of Enron Dabhol Power company, restructuring and subsequent privatization of DOT etc.

2. Past remuneration:

The details of remuneration (including sitting fees) paid for the last year is given below.

Sr. No.	Name of the Director	FY 2023-24
1.	Mr. V P Shetty	₹ 12,65,000
2.	Mr. Narotam Sekhsaria	₹ 4,00,000
3.	Mr. Pulkit Sekhsaria	₹ 4,50,000
4.	Ms. Rupa Vora	₹ 9,55,000
5.	Dr. Vijay Kelkar	₹ 6,40,000
6.	Mr. Ameet Desai	₹ 9,65,000
7.	Mr. Satish Chand Mathur	₹ 9,50,000
8.	Mr. Munesh Khanna	₹ 10,70,000

3. **Recognition or awards:** Industry stature and representation across several business/ industry forums of repute.

4. **Job profile and his suitability:** Considering the qualifications and excellent background of the Directors, they are well suited for the position in the Company.

5. **Remuneration proposed:** Not exceeding ₹ 28,00,000 for the FY 2024-25 (excluding sitting fees).

Annexure A to Notice (Contd.)

6. **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with reference to the country of his origin):** The remuneration proposed is commensurate with the experience of the Directors and comparable to the standards in the industry.

7. **Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any:**

   None of the Directors have any pecuniary relationship with the Company, other than their remuneration and are not related to any managerial personnel or other Director.

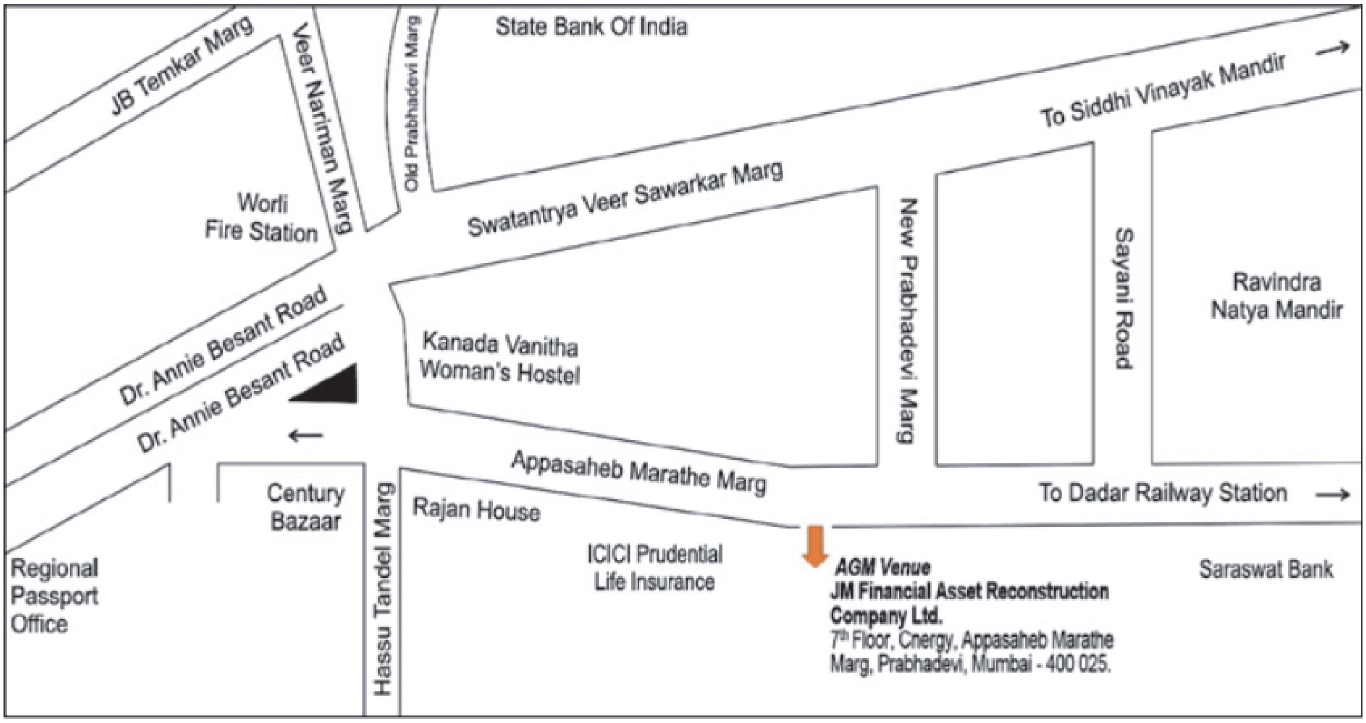
III. Other Information

1. **Reason of loss or inadequate profits:**
   - Impairments in some assets
   - Reduction of Management Fees
   - Resolution delays
   - Lower acquisitions in FY2024-25

2. **Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:**
   - Acquisition opportunities with strategic partners as exits are easier in such cases;
   - Acquisition focus will be on a co-investment model with foreign funds or domestic investors;
   - Reduce the concentration risk by diversifying the portfolio.

3. **Other Disclosures:** Not applicable

[ROUTE MAP FOR ANNUAL GENERAL MEETING VENUE]



Directors' Report

Dear Members,

The Board of Directors (the "**Board**") has pleasure in presenting the 18th Annual Report of the Company together with the audited financial statements for the financial year ended March 31, 2025.

Financial Performance

(₹ in crore)

Particulars	Consolidated		Standalone	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Gross Income	176.54	343.91	211.31	358.95
Expenses	237.23	431.65	214.02	443.28
Profit/(Loss) before exceptional items and tax	**(60.69)**	**(87.74)**	**(2.71)**	**(84.33)**
Exceptional items	–	(846.86)	–	(846.86)
Profit/(Loss) after exceptional items	**(60.69)**	**(934.60)**	**(2.71)**	**(931.19)**
Tax Expenses	–	–	–	–
Current Tax	23.53	40.95	23.53	40.95
Deferred tax	3.70	(30.54)	3.55	(29.70)
Profit/(Loss) after tax	**(87.92)**	**(945.01)**	**(29.79)**	**(942.44)**
Other Comprehensive Income	(0.09)	(0.22)	(0.09)	(0.22)
Total Comprehensive Income /(Loss)	**(88.01)**	**(945.23)**	**(29.88)**	**(942.66)**
Net Profit/(Loss) attributable to :				
Owners of the Parent	**(29.30)**	**(941.98)**	**–**	**–**
Non-Controlling Interest	(58.62)	(3.03)	–	–
Other Comprehensive Income Attributable to owners of the parent	(0.09)	(0.22)	–	–
Total Comprehensive Income /(Loss) attributable to :				
Owners of the Parent	**(29.39)**	**(942.20)**	**–**	**–**
Non-Controlling Interest	(58.62)	(3.03)	–	–

The standalone and consolidated financial statements of the Company are prepared in accordance with the applicable provisions of the Companies Act, 2013 (the "**Act**") including Accounting Standards as specified in Section 133 of the Act, read with the Companies (Accounts) Rules, 2014, and amendments thereof. The standalone and consolidated financial statements, together with the relevant documents and audited financial statements, pursuant to Section 136 of the Act, are available on the website of the Company at www.jmfinancialarc.com/Home/FinancialInformation.

The standalone and consolidated financial highlights of the Company for the financial year ended March 31, 2025, are summarised as follows:

Key highlights of Consolidated Financial Performance

- Gross income of the Company for the financial year ended March 31, 2025 stood at ₹ 176.54 crore as compared to ₹ 343.91 crore in the previous year; and
- The total comprehensive income/(loss) attributable to owners of the parent for the said year stood at (₹ 29.39 crore) as compared to (₹ 942.20 crore) in the previous year.

The consolidated financials reflect the cumulative performance of the Company together with its Trusts where the Company has a controlling interest.

Key highlights of Standalone Financial Performance

- Gross income of the Company for the financial year ended March 31, 2025 stood at ₹ 211.31 crore as compared to ₹ 358.95 crore in the previous year; and
- The total comprehensive income/(loss) for the said year is (₹ 29.88 crore) as compared to (₹ 942.66 crore) in the previous year.

The reason for loss in FY 2024-2025 was attributable to impairment in some assets, reduction in management fees, delays in resolutions and lower acquisitions.

General Reserve

In view of the loss, no amount is transferred to the general reserve for the year ended March 31, 2025.

Dividend

Considering the Company's financial performance, the Board has not recommended any dividend for the financial year ended March 31, 2025.

Material Changes and Commitments affecting the financial position of the Company

No material changes and commitments have occurred between the end of the financial year to which the financial statements relate and the date of this Report, which would affect the financial position of your Company.

Share Capital

As on March 31, 2025, the authorised, issued, subscribed and paid-up share capital of the Company, stood as below:

Share Capital	Amount
Authorised Share Capital	₹ 2,000 crore (Rupees Two Thousand crore Only) comprising of: 1,85,00,00,000 equity shares of ₹ 10/- each 15,00,00,000 preference shares of ₹ 10/- each
Issued, Subscribed and Paid-up share capital	₹ 795.31 crore divided into 79,53,10,930 (Seventy Nine crore Fifty Three Lakh Ten Thousand Nine Hundred Thirty) equity shares of ₹ 10/- (Rupees Ten only) each fully paid up.

Pursuant to the rights issue of equity shares, the Company allotted 35,73,66,435 equity shares to JM Financial Limited and 3,96,18,958 equity shares to JM Financial Credit Solutions Limited on May 28, 2024.

The entire shareholding of the Company is in dematerialized form.

Change in the Sponsor of the Company

During the year, the following changes took place in the Sponsor of the Company:

- Mr. Narotam Sekhsaria and Mr. Radhakrishna Bimalkumar Private Limited (considered as a single block along with Mr. Sekhsaria) ceased to be Sponsor of the Company due to their shareholding had fallen below 10% due to non-subscription of their respective entitlement in the rights issue. RBI vide its letter dated August 8, 2024 has conveyed their post facto approval for the above cessation of sponsor.
- JM Financial Limited (“**JMFL**”) and JM Financial Credit Solutions Limited (“**JMFCSL**”) concluded the transfer of 57,09,32,034 equity shares, representing 71.79% of the total paid up capital from JMFL to JMFCSL on March 18, 2025. Post the above transfer, JMFL no longer holds direct shares in the Company. JMFCSL shareholding in the Company now stands at 81.77%. Further, JMFL has ceased to be the Sponsor and JMFCSL is the Sponsor of the Company.

Employees Stock Option Scheme

The Company’s Employees’ Stock Option Scheme (the “**ESOP Scheme**”) is in compliance with Section 62(1)(b) of the Act read with the Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014.

The disclosure of information as required under Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 for the financial year ended March 31, 2025 is set out in **Annexure I**.

Deposits

The Company being a Non-Banking Financial Company has neither invited nor accepted any deposits from the public and as such, no amount of principal or interest on deposits from public, in terms of Section 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014, was outstanding as on the date of the balance sheet.

Details of Subsidiary

As on March 31, 2025, the Company did not have any subsidiary company.

Credit Rating

The Company enjoys the following credit rating facilities for its borrowing instruments:

Means of Borrowings	Rating Agency	Rating assigned	Outlook
Commercial Papers	ICRA	ICRA A1+	–
	CRISIL	CRISIL A1+	–
Non-Convertible Debentures	ICRA	ICRA AA-/	Stable
	CRISIL	CRISIL AA-	Stable
Long term Market Linked Debentures (principal protected)	ICRA	PP-MLD [ICRA] AA-	Stable
Bank Lines	ICRA	ICRA AA-	Stable
	CRISIL	CRISIL AA-	Stable

The above credit ratings indicate a very strong degree of safety with regards to timely payment of financial obligations.

Overview of the Indian Economy

The global economy in FY 2024-2025 navigated through a complex environment of slowing growth momentum in advanced economies, persistent geopolitical tensions and trade tariff related measures. India remained a bright spot, bolstered by strong investment activity, a rebound in private consumption and supportive government policies. Inflationary pressures moderated, albeit remaining above long-term averages, influencing central banks’ monetary policies globally.

Despite external uncertainties, India’s real GDP growth remained robust, supported by strong performance in construction, manufacturing, financial services sectors and healthy credit growth across the banking sector.

Directors' Report (Contd.)

The Asset Reconstruction (ARC) industry faced growth headwinds during the year due to low GNPA levels in the banking sector, which limited the availability of stressed assets. Nevertheless, recovery momentum remained strong, supported by IBC, restructuring and settlements and underlying stress in certain pockets continues to offer opportunities for ARCs;

- GNPAs of Scheduled Commercial Banks (SCBs) remain sizeable at ₹ 4.8 lakh crore as of March 2024.
- The share of large borrowal accounts (above ₹ 5 crore) remains significant at 43.9%, indicating concentration of stress in bigger exposures.
- For NBFCs, GNPA stood at 3.4%, with early stress signs visible as SMA-1 and SMA-2 accounts aggregating 3.5%.
- Higher stress levels are observed particularly in MSME and Retail Lending segments, especially among NBFCs.
- There has been an increase in write-offs across certain loan segments.
- Both Banks and NBFCs have accelerated the sale of distressed assets to ARCs, creating renewed acquisition opportunities despite the overall lower GNPA environment.

The regulatory environment continued to evolve positively during FY25, providing strong support for the asset reconstruction business. RBI allowed all NBFCs to purchase Security Receipts ("**SRs**") issued by ARCs, as opposed to the earlier restriction applicable only to NBFCs with asset sizes above ₹ 100 crore. RBI relaxed norms for settlement of loans up to ₹ 1 crore by ARCs, simplifying operational execution for smaller exposures. These regulatory enhancements are expected to foster efficiency and provide push to the ARCs.

Overview of Business Performance of the Company

During FY 2025, JMFARC demonstrated resilience and operational excellence despite sectoral headwinds:

- We acquired dues of ₹ 1,559 crore during the financial year;
- Recoveries stood strong at ₹ 3,050 crore, an increase of 7% over the previous year's ₹ 2,855 crore, underlining our focus on recoveries;
- SRs worth ₹ 2,459 crore were redeemed, an increase of 89% over the previous year's ₹ 1,303 crore, reflecting our expertise in resolutions;
- Our AUM stands at ₹ 12,878 crore as of March 31, 2025 compared to ₹ 14,500 crore as of March 31, 2024. The portfolio is well-diversified across multiple sectors, minimizing concentration risk;
- The outstanding contribution of JMFARC stood at ₹ 3,387 crore as of March 31, 2025, compared to ₹ 3,789 crore as of the previous year end.

Since inception till March 31, 2025:

- We have acquired total dues of ₹ 79,321 crore at a gross consideration of ₹ 24,839 crore.
- We have successfully completed 97 exits (trusts) across various sectors, which is a testament to our strong track record and expertise in distressed asset resolution.

JMFARC remains uniquely positioned to capitalize on the evolving distressed assets landscape. Our strong track record of over 15 years, backed by a robust parentage from JM Financial Group and a highly experienced professional team, provides a solid foundation for sustainable growth.

We continue to leverage strategic partnerships and co-investment models with domestic investors and foreign funds to enhance acquisition opportunities and ensure timely exits. Going forward, our focus remains on predictable growth through diversified acquisitions, resolution excellence and fee-based revenue stability.

Acquisition activities

A summary of the debts acquired during the year as compared to the previous financial year is given below:

(₹ in crore)

Details of Financial Assets acquired by the Company	FY 2024-25	FY 2023-24
Dues acquired	**1,559**	**4,255**
Investment by the Company	344	582
Issue of SRs to other investors	570	1,663
Total acquisition cost	**914**	**2,245**
SRs acquired by the Company	11	21
Total outstanding dues acquired (Cumulative as on March 31, 2025)	**79,321**	**77,763**
Total gross acquisition cost (Cumulative as on March 31, 2025)	**24,839**	23,925

Resolution and Recovery activities

The summary of resolution of assets as compared to the previous financial year is given below:

(₹ in crore)

Details of Financial Assets resolved by the Company	FY 2024-25	FY 2023-24
Redemption of face value of SRs	2,459	1,303
Total Recovery	**3,050**	**2,855**

Assets under management

The synopsis of the category of the assets under the management as on March 31, 2025 compared to the previous financial year is given below:

(₹ in crore)

Comparison of assets under management	As on March 31, 2025	As on March 31, 2024
Corporate Accounts	7,836	8,204
Portfolio Accounts	3,201	3,881
Retail Accounts	1,841	2,415
Total	**12,878**	**14,500**

Security Receipts issued and outstanding

The summary of Security Receipts ("**SRs**") issued and outstanding as on March 31, 2025 as compared to the previous financial year is given below:

(₹ in crore)

SRs issued, redeemed and outstanding	As on March 31, 2025	As on March 31, 2024
SRs issued during the year	914	2,245
SRs redeemed during the year*	2,536	1,303
SRs outstanding as at the end of the year	12,878	14,500

* SRs redeemed includes SRs written off due to the trust closure amounting to ₹ 77 crore during the FY 2024-25.

Additional Priority Loan book

The Company provides additional priority financing/loans to borrowers for their business growth and working capital requirements. The loans disbursed by the Company and outstanding as on March 31, 2025 is ₹ 325 crore as against ₹ 494 crore in the previous year.

Borrowings

The Borrowings of the Company for the financial year ended March 31, 2025 is ₹ 1,495 crore as against ₹ 2,789 crore in the previous year.

Non-Convertible Debentures

The Non-Convertible Debentures (the "**NCDs**") issued by the Company are listed on the Wholesale Debt Market Segment of BSE Limited. During the year, there were no fresh issuance of NCDs. The payment of interest and/or redemption amount on the NCDs, has been timely paid by the Company on their respective due dates.

Debenture Redemption Reserve

Pursuant to Section 71 of the Act and Rules made thereunder, Debenture Redemption Reserve is not required to be created for debentures issued by a Non-Banking Financial Company.

Recovery Expense Fund

The Company has also created and maintained Recovery Expense Fund in terms of Regulation 11 of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, with respect to the NCDs issued by it.

Credit Lines from Banks and Financial Institutions

During the financial year 2024-25, the Company had not availed any fresh term loan through Bank and Financial Institutions. An amount aggregating ₹ 160.36 crore remained outstanding by way of borrowing through various Banks and Financial Institutions.

Inter-Corporate Borrowings

During the year under review, the Company availed Inter-Corporate Borrowings of ₹ 915 crore from its group companies. As on March 31, 2025, Inter-Corporate Borrowings of ₹ 230 crore remained outstanding.

Debt Equity Ratio, Capital Adequacy Ratio and Net Worth

Particulars	As of March 31, 2025
Capital Adequacy	31.89%
Net Worth	₹ 1,160 crore
Debt Equity Ratio	1.31

Directors and Key Managerial Personnel

Composition of the Board of Directors ("Board")

The Company recognises and embraces the importance of diverse culture of the Board. The Company believes that the Board enhances the quality of the decisions made by it, which is necessary for achieving desired objectives and sustainable results.

The Board is a blend of professionals having diverse skills, experience, knowledge, capabilities, expertise, attributes and educational qualifications, amongst others. All our Board members are highly experienced professional with good repute and eminence. It has a diverse mix of non-executive and independent directors representing an optimal mix of professionalism, knowledge and experience required for the financial services industry.

As on March 31, 2025, the Board of the Company comprises eight (8) directors viz., four (4) are independent directors including one (1) women independent director and four (4) are non-executive and non-independent directors.

The brief profile of all the directors on the Board is available on the Company's website at www.jmfinancialarc.com/Home/Management.

Directors' Report (Contd.)

Retirement by rotation

In accordance with the applicable provisions of Section 152 of the Act, Mr. Adi Patel (DIN: 02307863), a non-executive director of the Company, being longest in office since his last appointment, retires by rotation at the forthcoming Annual General Meeting (the "**AGM**") of the Company. Being eligible, Mr. Patel has offered himself for re-appointment as a director.

A resolution seeking his re-appointment along with the brief particulars as required under the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India forms part of the Notice convening the 18th AGM of the Company.

None of the directors are disqualified from being appointed as 'Director', pursuant to Section 164 of the Act or under any other applicable laws.

Cessation of Mr. Satish Mathur

Mr. Satish Mathur (DIN: 03641285), an Independent Director, ceased to be the director of the Company with effect from July 30, 2024 on non-approval of his re-appointment as the Independent Director for the second term by the Reserve Bank of India.

Cessation of Mr. Narotam Sekhsaria

Mr. Narotam Sekhsaria (DIN: 00276351), has ceased to be a Director of the Company consequent upon his resignation vide letter dated October 15, 2024.

Key Managerial Personnel

As on March 31, 2025, Mr. Srinivasan Viswanathan, Chief Executive Officer, Mr. Sabyasachi Ray, Chief Financial Officer and Mr. Vineet Singh, Company Secretary are the KMPs of the Company within the meaning of Section 2(51) read with Section 203(1) of the Act.

Declaration by the Independent Directors

Pursuant to the provisions of Section 149 of the Act, the independent directors of the Company, have submitted the requisite declaration confirming that each of them meets the criteria of independence as prescribed under the Act read with rules made thereunder and that they continue to comply with the Code of Conduct laid down under Schedule IV to the Act.

Further, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the independent directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs.

Accordingly, based on the said declarations and after reviewing and verifying its veracity, the Board is of the opinion that the independent directors are persons of integrity, possess relevant expertise, experience, proficiency, fulfil the conditions of independence specified in the Act are independent of the management of the Company.

There has been no change in the circumstances affecting their status as independent directors of the Company.

Declarations given by the Directors and Senior Management Personnel

The Company has adopted the Code of Conduct for its directors and senior management personnel (the "**Code of Conduct**") in accordance with applicable provisions of the Act. On an annual basis, all the Board members and senior management personnel have affirmed compliance with the Code of Conduct.

Fit and Proper declarations given by the Sponsor, Directors and the CEO

In accordance with the RBI Master Direction for Asset Reconstruction Companies, the Company has received the requisite annual declarations and undertaking from the sponsor, directors and the CEO of the Company.

Directorships/memberships in other companies

None of the directors of the Company are director in more than twenty (20) companies and within which not more than ten (10) public companies.

Board Meetings

During the financial year 2024-25, the Board met four (4) times. The interval between the two (2) consecutive meetings was well within the maximum gap of one hundred and twenty (120) days. The Board meetings are usually held at the registered office of the Company in Mumbai. As permitted under Section 173(2) of the Act read with Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014, the facility to participate in the meetings through video conferencing is also made available to the Board members as and when requested by them due to their inability to attend the meeting in person.

The Board and committee meetings are pre-scheduled and tentative dates of the said meetings are informed well in advance to facilitate the directors to plan their calendar. The Board meets at least once in a quarter to review financial results and business operations of the Company.

The agenda, setting out the business to be transacted at the meeting, action taken report comprising of actions emanating from the earlier Board/Committee meetings and status updates thereof, with well-structured and comprehensive notes on agenda, is circulated to the Board members well in advance, to enable them to go through the same and take informed decisions. Agenda papers are circulated at least seven (7) days prior to the date of meeting. The directors opting for physical copy of the agenda are provided hard copies. Additional agenda items are taken up with the permission of the Chair and with the requisite consent of the majority of directors present at the meeting. However, in case of special and urgent business, the approval of the Board and the committee members are obtained by passing the circular resolutions as permitted under the applicable Act, which are noted and confirmed in the subsequent Board and Committee meetings.

With a view to ensure high standards of confidentiality of the Board papers and to leverage technology and reducing paper consumption, the Board and committee meetings agenda and pre-read materials are circulated in electronic mode through a secured software which complies with high standards of security and integrity. The Directors can securely view the agenda and pre-read papers through their hand-held devices, laptops, i-pads and browser.

In order to facilitate effective discussions, the agenda is bifurcated into items requiring consideration and approval and items which are to be noted by the Board. Clarification/queries, if any, on the items which are to be noted/taken on record by the Board are sought and resolved before the meeting itself. This ensures focused and effective discussions at the meetings.

Detailed presentations and notes are laid before each meeting, by the management and senior executives of the Company to apprise the Board on the overall performance on quarterly basis. The senior executives/management of the Company are also invited to attend the meetings, to make presentations on business plans, business performance, operations, financial performance, risk management, update on regulatory changes applicable to the Company and to provide update on other significant issues and matters to the Board on a periodical basis. These processes provide an opportunity to the Board/committee members to interact with the members of the management.

The Board, inter alia, reviews strategy and business plans, succession planning, annual operating and capital expenditure budgets, investment limits, risk management, cyber security, the compliance confirmations in respect of laws and regulations applicable to the Company. This also includes review of legal issues, if any, minutes of the previous meetings of the Board and committees, significant transactions, approval of quarterly/half-yearly/annual financial results, risk management, major accounting provisions and write-offs, material default in financial obligations, if any, etc.

The Board is provided with all the information in a timely manner in order to discharge its duties and to take well informed decisions. The Company Secretary attends all the meetings of the Board and its committees and is, inter alia, responsible for recording the minutes of such meetings. The draft minutes of the meetings of the Board and its committees are circulated to the Board/committee members for their review/comments, if any, within fifteen (15) days from conclusion of the meeting in accordance with the Secretarial Standard on meetings of the Board of Directors (the "**SS-1**"), issued by the Institute of Company Secretaries of India. Suggestions/comments/changes, if any, received from the Board/committee members are suitably incorporated in the draft minutes, in consultation with the Chairman of the Board/committee. Thereafter, the minutes are entered in the minutes book within the prescribed time limit.

The details of meetings held along with the attendance of the directors thereat during the financial year 2024-25 and at the last AGM held on July 25, 2024, is given below. The required quorum was present at all the meetings, as shown below.

Name of the Directors	**Number of Board meetings held**				**% of Attendance of the directors**	**Attendance at last AGM held on July 25, 2024 (Yes/No/Not Applicable)**
	1	**2**	**3**	**4**		
	May 16, 2024	**July 25, 2024**	**October 17, 2024**	**January 17, 2025**		
Mr. V P Shetty	📹	👤	👤	📹	100	👤
Mr. Narotam Sekhsaria*	L	L	NA	NA	0	L
Mr. Pulkit Sekhsaria	L	📹	👤	👤	75	📹
Ms. Rupa Vora	👤	📹	👤	📹	100	📹
Mr. Adi Patel	👤	👤	👤	👤	100	👤
Dr. Vijay Kelkar	📹	📹	👤	📹	100	L
Mr. Ameet Desai	👤	📹	📹	📹	100	L
Mr. Satish Chand Mathur**	👤	👤	NA	NA	100	👤
Mr. Vishal Kampani	👤	👤	👤	👤	100	👤
Mr. Munesh Khanna	👤	👤	👤	👤	100	👤
Overall attendance at the meeting (in %)	80	90	100	100		

* Mr. Narotam Sekhsaria ceased to be the director on the Board of the Company w.e.f October 15, 2024.
** Mr. Satish Chand Mathur ceased to be the director on the Board of the Company w.e.f July 30, 2024.

👤 - Present in Person L - Leave of absence 📹 - Attended through Video Conferencing

Directors' Report (Contd.)

Board Committees

In compliance with the statutory requirements, the Board has established various committees, details of which are given below. These committees monitor the activities as per the scope defined in their respective terms of reference, which are reviewed annually by the Board.

Audit Committee

Ms. Rupa Vora (Chairperson)
Mr. V P Shetty
Mr. Ameet Desai

Nomination and Remuneration Committee

Mr. Munesh Khanna (Chairman)
Mr. V P Shetty
Ms. Rupa Vora

Corporate Social Responsibility Committee

Mr. V P Shetty (Chairman)
Dr. Vijay Kelkar
Mr. Vishal Kampani

Stakeholders' Relationship Committee

Mr. V P Shetty (Chairman)
Mr. Adi Patel
Ms. Rupa Vora

Risk Management Committee

Mr. Ameet Desai (Chairman)
Mr. V P Shetty
Mr. Adi Patel
Mr. Sabyasachi Ray

Issue and Allotment Committee

Mr. V P Shetty (Chairman)
Mr. Vishal Kampani
Mr. Adi Patel

Committee Constituted for Conversion of Debt into Shares

Mr. V P Shetty (Chairman)
Ms. Rupa Vora
Mr. Adi Patel
Mr. Ameet Desai
Mr. Munesh Khanna

Asset Acquisition Committee

Mr. Vishal Kampani (Chairman)
Mr. Adi Patel
Mr. Srinivasan Viswanathan
Mr. Harish Lalchandani

Asset Resolution Committee

Mr. Vishal Kampani (Chairman)
Mr. Adi Patel
Mr. Munesh Khanna
Mr. Srinivasan Viswanathan
Mr. Harish Lalchandani

Executive Committee for Acquisitions and Resolutions

Mr. Adi Patel (Chairman)
Mr. Srinivasan Viswanathan
Mr. Harish Lalchandani

Asset Liability Management Committee

Mr. Adi Patel (Chairman)
Mr. Srinivasan Viswanathan
Mr. Sabyasachi Ray
Mr. Harish Lalchandani

Independent Advisory Committee

Mr. Sujit Kumar Varma (Chairman)
Mr. Sanjay D Kelkar

Board Committee for Settlement Proposals

Mr. Ameet Desai (Chairman)
Mr. V P Shetty
Mr. Munesh Khanna

Committee for Submission of Resolution Plan

Mr. Munesh Khanna (Chairman)
Mr. Adi Patel
Ms. Rupa Vora

A. Audit Committee

The Audit Committee comprises of minimum three (3) directors, with independent directors forming a majority thereby meeting the requirements of Section 177 of the Act read with rules thereto and the RBI Guidelines for ARCs. All members of the Audit committee are financially literate and possess relevant knowledge of the financial services industry.

Ms. Rupa Vora, an independent director and a qualified chartered accountant is the Chairperson of the Audit committee.

The matters considered by the Audit Committee during the year, inter alia, included review of internal audit reports, review of financial results/statements, risk event update, grant of omnibus approval for related party transactions, review of internal audit scope and performance of internal auditors, review of quarterly statement of related party transactions, functioning of whistle blower mechanism, interaction with Statutory auditors on quarterly review and annual audit, declaration of Net Asset Value, executive business summary, ageing analysis of sundry debtors, valuation of security receipts and statement of capital adequacy, appointment of auditors (includes statutory, internal and secretarial) and review of policies, etc.

During the financial year 2024-25, five (5) meetings of the Audit committee were held and the attendance of the members thereat was as under.

Name of the members	Position	Category	Number of Audit Committee meetings held					% of Attendance of the members
			1	2	3	4	5	
			May 16, 2024	July 25, 2024	October 17, 2024	December 23, 2024	January 17, 2025	
Ms. Rupa Vora	Chairperson	Independent Director	👤	📹	👤	📹	📹	100
Mr. V P Shetty	Member	Non-Executive Director	📹	👤	👤	📹	📹	100
Mr. Ameet Desai	Member	Independent Director	👤	📹	📹	📹	📹	100
Overall attendance at the meeting (in %)			100	100	100	100	100	

👤 - Present in Person 📹 - Attended through Video Conferencing

The required quorum was present at all the Audit committee meetings and the gap between two (2) consecutive meetings did not exceed a period of one hundred and twenty (120) days.

The broad terms of reference of the Audit Committee, inter-alia, includes the following:

a) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;

b) review and monitor the auditor's independence and performance, and effectiveness of audit process;

c) examination of the financial statement and the auditors' report thereon;

d) approval or any subsequent modification of transactions of the company with related parties;

The Chairperson of the Audit committee apprises the Board about significant discussions and decisions taken at the committee meetings including those relating to the financial results, internal audit reports, statutory audit reports and the limited review reports provided by them.

The Audit Committee annually meets credit rating agencies to discuss matter pertaining to related party transactions, internal financial control and other material disclosures made by the management, which have a bearing on rating of the listed NCDs.

B. Nomination and Remuneration Committee

The Nomination and Remuneration Committee (the "**NRC**") comprises of three (3) members, two (2) of whom are non-executive independent directors thereby meeting the requirements of Section 178 of the Act read with rules thereto and the RBI Guidelines for ARCs.

Mr. Munesh Khanna, an independent director, is the Chairman of the NRC.

Directors' Report (Contd.)

The matters considered by the NRC during the year, inter alia, included determination of remuneration of key managerial personnel and senior managerial personnel, evaluating the profile of suitable candidates for the position of independent director, key managerial personnel and senior managerial personnel, re-appointment as an independent director and recommending the same to the Board, review of policies which includes succession planning, fit and proper declarations, performance evaluation of the Board, the committees and Chief Executive Officer and recommendation of commission to the directors, etc.

During the financial year 2024-25, two (2) meetings of the NRC were held and the attendance of the members thereat was as under.

Name of the members	Position	Category	Number of NRC meetings held		% of Attendance of the members
			1	2	
			May 8, 2024	October 17, 2024	
Mr. Satish Chand Mathur*	Chairman	Independent Director	📹	-	100
Mr. Munesh Khanna*	Chairman	Independent Director	-	👤	100
Mr. V P Shetty	Member	Non-Executive Director	📹	👤	100
Ms. Rupa Vora	Member	Independent Director	📹	👤	100
Overall attendance at the meeting (in %)			100	100	

*Mr. Satish Chand Mathur ceased to be the Chairperson of the NRC with effect from July 30, 2024. Mr. Munesh Khanna was appointed as the Chairperson of the NRC with effect from August 6, 2024, consequent to reconstitution of the Committee.

👤 - Present in Person   📹 - Attended through Video Conferencing

The required quorum was present at all the NRC meetings.

The broad terms of reference of the NRC, inter-alia, includes the following:

a) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees of the Company;

b) For every appointment of an independent director, the committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

   i. use the services of an external agencies, if required;

   ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and

   iii. consider the time commitments of the candidates.

c) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;

d) Formulating the criteria for evaluation of performance of independent directors and the Board of Directors;

e) Devising a policy on diversity of Board of Directors;

f) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

g) Recommend to the Board, all remuneration, in whatever form, payable to senior management;

h) Review the fit and proper status of the proposed/ existing director and sponsors; and

i) Such other functions as may be entrusted to it by the Board of Directors, from time to time.

The Company has adopted a Policy on Performance Evaluation and Remuneration of the Directors (the "**Policy**") for evaluating the performance of the Board as a whole, the chairman, the non-executive directors, the independent directors and the Chief Executive Officer. This Policy is also available on the website of the Company at www.jmfinancialarc.com/Home/Policies.

C. Corporate Social Responsibility Committee

The Corporate Social Responsibility (the "**CSR**") committee comprises of three (3) members viz., Mr. V P Shetty, Dr. Vijay Kelkar and Mr. Vishal Kampani. The composition is in line with the requirements of Section 135 of the Act and the applicable rules made thereunder.

Mr. V P Shetty, is the Chairman of the CSR committee.

The CSR committee has been constituted to identify, execute and monitor the CSR projects and assist the Board in fulfilling its corporate social responsibility objectives and achieving the desired results.

The matters considered by the CSR committee during the year, inter alia, included formulation of annual action plan, allocation of CSR spends on projects/activities in compliance with the Act and in line with CSR policy, update on CSR projects/activities, update on allocation and expenditure for CSR projects/activities undertaken as per annual action plan, change in annual action plan, if any and review/amendment in the policy.

During the financial year 2024-25, two (2) meetings of the CSR committee were held and the attendance of the members thereat was as under.

Name of the members	Position	Category	Number of CSR Committee meetings held		% of Attendance of the members
			1	2	
			July 25, 2024	March 26, 2025	
Mr. V P Shetty	Chairman	Non-Executive Director			100
Dr. Vijay Kelkar	Member	Independent Director			100
Mr. Vishal Kampani	Member	Non-Executive Director	L	L	0

- Present in Person   L - Leave of absence   - Attended through Video Conferencing

The broad terms of reference of the CSR Committee, inter alia, includes the following:

a) Formulate and recommend to the Board, the CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Act;

b) Make recommendation on the amount of expenditure to be incurred on CSR activities;

c) Institute a transparent monitoring mechanism for implementation of the CSR activities to be undertaken by the Company;

d) Such other functions as may be entrusted to it by the Board of Directors, from time to time.

The update on the CSR activities undertaken by the Company through its philanthropic arm and implementing agency viz., JM Financial Foundation is provided in the CSR section of the Directors' report forming part of this Annual Report.

D. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee (the "**SRC**") consist of 3 (three) members viz., Mr. V P Shetty, Mr. Adi Patel and Ms. Rupa Vora, thereby meeting the requirements of Section 178 of the Act.

Mr. V P Shetty is the Chairman of the SRC. He attended the last annual general meeting held on July 25, 2024 as required under the Act.

Directors' Report (Contd.)

During the financial year 2024-25, one (1) meeting of the SRC was held and the attendance of the members thereat was as under.

Name of the members	Position	Category	Number of SRC Committee meetings held 1 March 26, 2025	% of Attendance of the members
Mr. V P Shetty	Chairman	Non-Executive Director	📹	100
Mr. Adi Patel	Member	Non-Executive Director	👤	100
Ms. Rupa Vora*	Member	Independent Director	📹	100

*Mr. Satish Chand Mathur ceased to be the member of the SRC with effect from July 30, 2024. Ms. Rupa Vora was appointed as the member of the SRC with effect from August 6, 2024, consequent to reconstitution of the Committee.

👤 - Present in Person L - Leave of absence 📹 - Attended through Video Conferencing

The broad terms of reference of the SRC, inter alia, includes the following:

a) Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;

b) Review of measures taken for effective exercise of voting rights by shareholders;

c) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;

d) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

e) Such other functions as may be entrusted to it by the Board of Directors, from time to time.

E. Risk Management Committee

The Risk Management Committee (**"RMC"**) comprises of 4 (four) members, 1 (one) of which is an independent director. Mr. Ameet Desai, an independent director, is the Chairman of the RMC.

The matters considered by the RMC during the year, inter alia, risk event update including the risk matrix, review of top accounts, details of settlement cases and review of risk management policy etc. The framework comprises an in-house exercise on risk management review carried out periodically by the Company to identify and mitigate various risks faced by the Company from time to time.

During the financial year 2024-25, two (2) meetings of the RMC were held and the attendance of the members thereat was as under.

Name of the members	Position	Category	Number of RMC meetings held 1 May 6, 2024	2 October 17, 2024	% of Attendance of the members
Mr. Ameet Desai	Chairman	Independent Director	📹	📹	100
Mr. Adi Patel	Member	Non-Executive Director	👤	👤	100
Mr. V P Shetty	Member	Non-Executive Director	📹	👤	100
Mr. Sabyasachi Ray	Member	Chief Financial Officer	👤	L	50

👤 - Present in Person 📹 - Attended through Video Conferencing NA - Not Applicable

The broad terms of reference of the RMC, inter alia, includes the following:

a) Formulation of detailed risk management policy which shall include:

   i. A framework for identification of internal and external risks specifically faced by the entity, in particular including financial, operational, sectoral, information, cyber security risks or any other risk as may be determined by the committee;

   ii. Measures for risk mitigation including systems and processes for internal control of identified risks;

   iii. Business continuity plan.

b) Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

c) Monitoring and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

d) Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

e) Keeping the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;

f) Reviewing the appointment, removal and terms of remuneration of the Chief Risk Officer (if any); and

g) Such other functions as may be entrusted to it by the Board of Directors, from time to time.

F. Issue and Allotment Committee

The Issue and Allotment Committee (the "**Allotment Committee**") consists of four (3) members viz., Mr. V P Shetty, Mr. Vishal Kampani and Mr. Adi Patel to oversee and decide on the issue and allotment of shares, debentures and other securities, from time to time.

Mr. V P Shetty, is the Chairman of the Allotment Committee.

The matters considered by the Allotment committee during the year, inter alia, terms of issue of equity shares and allotment of equity shares etc.

During the financial year 2024-25, two (2) meetings of the Allotment committee were held and the attendance of the members thereat was as under.

Name of the members	Position	Category	Number of Allotment Committee meetings held		% of Attendance of the members
			1	2	
			May 18, 2024	May 28, 2024	
Mr. V P Shetty	Chairman	Non-Executive Director	L	📹	50
Mr. Satish Chand Mathur*	Member	Independent Director	👤	📹	100
Mr. Vishal Kampani	Member	Nominee Director	👤	👤	100
Mr. Adi Patel	Member	Non-Executive Director	👤	👤	100
Overall attendance at the meeting (in %)			75	100	

*Mr. Satish Chand Mathur ceased to be the member of the Allotment Committee with effect from July 30, 2024.

👤 - Present in Person   L - Leave of absence   📹 - Attended through Video Conferencing

The broad terms of reference of the Allotment Committee, inter alia, includes the following:

a) Finalising the terms, conditions, tenor, security, appointment of debenture trustee, drafts of letter of offer (rights issue/ preferential issue)/private placement offer letter for the issue of NCDs by the Company from time to time;

b) Determination of the issue price of the Equity Shares to be issued by the Company from time to time;

c) Approving the Letter of Offer for issue of Equity Shares on rights basis to the Members of the Company;

d) Finalising the drafts of the private placement offer letter for issue of shares on preferential basis from time to time;

e) Oversight of the process of the Company's issue of Equity Shares and/or NCDs, whether on rights basis or otherwise;

Directors' Report (Contd.)

f) Appointment of valuer, underwriter or merchant banker for the issue of Equity Shares and/or NCDs and the fixation of their fees;

g) Finalising the basis of allotment and allotting the Equity Shares and/or NCDs to the applicants/ subscribers of the said securities and any other securities from time to time;

h) Issuing the certificates for Equity Shares, NCDs and other securities that may be allotted by the Company from time to time or otherwise admission of such Equity Shares, NCDs and other securities in electronic form with the depositories; and

i) To note / approve transfer of shares and/or securities, from time to time.

G. Committee constituted for Conversion of Debt into Shares

The Committee constituted for Conversion of Debt into Shares (the "**Committee**") comprises of Mr. V P Shetty, Ms. Rupa Vora, Mr. Adi Patel and Mr. Ameet Desai.

Mr. Satish Chand Mathur ceased to be the member of the Committee with effect from July 30, 2024. Mr. Munesh Khanna was appointed as the member of the Committee with effect from August 6, 2024, consequent to reconstitution of the Committee.

The broad terms of reference of the Committee, inter alia, includes to take decisions on proposals of debt to equity conversion in cases where the total shareholding of the Company in the borrower company exceeds 26%.

During the financial year 2024-25, no meeting of the above Committee was held.

H. Asset Acquisition Committee

The Asset Acquisition Committee is responsible for taking decisions on the acquisition of assets including its consideration and other terms of acquisition.

During the year, Mr. Munesh Khanna stepped down as a member of the Committee with effect from August 2, 2024.

The Asset Acquisition Committee comprises of Mr. Vishal Kampani, the Chairman, Mr. Adi Patel, the Director and other functionaries of the Company.

I. Asset Resolution Committee

The decisions on resolution strategy and recovery are made and administered by the Asset Resolution Committee.

During the year, Mr. Munesh Khanna stepped down as a member of the Committee with effect from August 2, 2024.

The Asset Resolution Committee comprises of Mr. Vishal Kampani, the Chairman, Mr. Adi Patel, Director and other functionaries of the Company.

J. Executive Committee for Acquisitions and Resolutions

The Executive Committee for Acquisitions and Resolutions (the "**Executive Committee**") constituted for considering both acquisition and resolution proposals involving investment by the Company (in case of acquisitions) or recovery/cash flow to the Company (in case of resolutions) of up to ₹ 10 crore each.

The Executive Committee comprises of Mr. Adi Patel, Mr. Srinivasan Viswanathan and Mr. Harish Lalchandani.

The summary of decisions taken by the Executive Committee is placed before the meetings of the Asset Acquisition Committee and Asset Resolution Committee, as the case may be, for its noting.

K. Asset Liability Management Committee

The Asset Liability Management Committee ("**ALM Committee**") comprises of directors and key managerial personnel of the Company who are responsible for deciding the ALM related elements of business strategy, in line with budget and risk management objectives.

The ALM Committee comprises of four (4) members viz., Mr. Adi Patel, the Chairman, Mr. Srinivasan Viswanathan, Mr. Sabyasachi Ray and Mr. Harish Lalchandani.

The broad terms of reference of the ALM Committee, inter alia, includes the following:

a) Reviewing the asset-liability profile of the Company with a view to manage the market exposure assumed by the Company;

b) Safeguarding the recovery positions at any point of time; and

c) Reviewing risk monitoring system, ensure payment of liability on its due dates, liquidity risk management, funding and capital planning, profit planning and growth projections, forecasting and analyzing different scenarios and preparation of contingency plans.

L. Independent Advisory Committee

The Independent Advisory Committee (the "**IAC**") consists of two (2) members viz., Mr. Sujit Kumar Varma and Mr. S D Kelkar. Mr. Sujit Kumar Varma is the Chairman of the IAC.

During the financial year 2024-25, two (2) meetings of the IAC were held and the attendance of the members thereat was as under.

Name of the members	Position	Number of meetings held		% of Attendance of the members
		1	2	
		July 19, 2024	December 16, 2024	
Mr. Sujit Kumar Varma	Chairman	👤	👤	100
Mr. Sanjay D Kelkar	Member	👤	👤	100

👤 - Present in Person 📹 - Attended through Video Conferencing

The broad terms of reference of the IAC, inter alia, includes the following:

a) To review and consider proposals for settlement of dues with the borrower and/or change in or takeover of the management of the business of the borrower(s);

b) Assess the financial position of the borrower(s), the time frame available for recovery of the dues from them, projected earnings & cash flows of the borrower(s) and other relevant aspects;

c) Give its recommendations regarding settlement of dues with the borrower(s) and/or change in or takeover of the management of the business of the borrower(s);

d) Recommend to the board, all the settlement proposals whether payable in lump sum or in instalments including minimum upfront lump sum payment and maximum repayment period and/or change in or takeover of the management of the business of the borrower(s); and

e) Such other functions as may be entrusted to it by the Board of Directors or as specified under the RBI guidelines, from time to time.

M. Board Committee for Settlement Proposals

The Board Committee for Settlement Proposals (the "**Board Committee**") comprises of three (3) directors including two independent directors, viz., Mr. Ameet Desai, Mr. V P Shetty and Mr. Munesh Khanna, as per the requirements of the RBI Master Direction for Asset Reconstruction Companies.

Mr. Ameet Desai, an independent director, is the Chairman of the Committee.

The broad terms of reference of the Board Committee for Settlement Proposals include, inter alia, deliberation on the recommendations of Independent Advisory Committee (IAC) and consider the various options available for recovery of dues before deciding whether the option of settlement of dues with the borrower is the best option available under the existing circumstances.

During the financial year 2024-25, three (3) meetings of the Board Committee were held and the attendance of the members thereat was as under.

Name of the members	Position	Number of Board Committee meetings held			% of Attendance of the members
		1	2	3	
		April 3, 2024	August 9, 2024	December 18, 2024	
Mr. Ameet Desai	Chairman	📹	📹	📹	100
Mr. V P Shetty	Member	📹	📹	📹	100
Mr. Satish Chand Mathur*	Member	📹	-	-	100
Mr. Munesh Khanna*	Member	-	📹	📹	100

* Mr. Satish Chand Mathur ceased to be the member of the Board Committee with effect from July 30, 2024. Mr. Munesh Khanna was appointed as the member of the Board Committee with effect from August 6, 2024, consequent to reconstitution of the Committee.

👤 - Present in Person 📹 - Attended through Video Conferencing

Directors' Report (Contd.)

N. Committee for Submission of Resolution Plan

The Committee for Submission of Resolution Plan (the "**Committee**") consist of 3 (three) members viz., Mr. Munesh Khanna, Mr. Adi Patel and Ms. Rupa Vora.

Mr. Munesh Khanna, the independent director, is the Chairman of the Committee.

Mr. Satish Chand Mathur ceased to be the member of the Committee with effect from July 30, 2024. Ms. Rupa Vora was appointed as the member of the Committee with effect from August 6, 2024, consequent to reconstitution of the Committee.

The role of the Committee shall among other things include taking decisions on submission of resolution plan under IBC.

During the financial year 2024-25, no meeting of the above Committee was held.

Policy on Appointment of Directors and their Remuneration

The Company recognizes and values the importance of a diverse culture on its Board. It believes that diverse Board will enhance the quality of the decisions by leveraging different skills, qualifications, professional experience and gender. The Company has an eminent, high-performing and diverse board. In terms of the applicable provisions of Section 178(3) of the Act, the Company has adopted the policies on 'Selection and Appointment of Directors' and 'Performance Evaluation and 'Remuneration of the Directors'. Both these policies are available on the website of the Company at www.jmfinancialarc.com/Home/Policies.

The salient features of the policy on Performance Evaluation and Remuneration of the Directors along with the details of the remuneration and other matters have been disclosed at length in the Corporate Governance Report, which forms part of this Report.

Evaluation of Board of Directors

The annual evaluation process of the Board of Directors, Individual Directors and the Board Committees was conducted in accordance with the provisions of the Act, and RBI guidelines. The structured questionnaires on evaluation of performance of Board and its committees, were framed in accordance with the Policy on performance evaluation and remuneration of the Directors.

The evaluation process focused on various aspects of the Board and Committees' functioning such as composition of the Board and its Committees, experience and competencies, performance of specific duties, obligations, governance issues, attendance and contribution of individual directors and exercise of independent judgement.

Additionally, in accordance with the RBI Master Direction for ARCs, the performance evaluation of the Chief Executive Officer was also conducted by the NRC and the Board.

The questionnaires were circulated online through the secured application. Thereafter, the summary findings/recommendation received from the directors was discussed and reviewed by the NRC and the Board at their respective meetings.

The independent directors of the Company met separately at their meeting held on March 26, 2025, without the attendance of non-independent directors and members of the management and reviewed the performance of non-independent directors, chairman and various committee of the Board and assessed the quality, quantity and timeliness of the flow of information between the Company's management and the Board.

The independent directors expressed their satisfaction on the performance of the non-independent directors of the Company and the Board as a whole, for the financial year 2024-25 and regarding the overall functioning of the Board committees.

Directors' Responsibility Statement

Pursuant to Section 134(3)(c) read with Section 134(5) of the Act with respect to Directors' Responsibility Statement, the directors hereby confirm that:

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departure has been made in following the same;

(b) appropriate accounting policies have been selected and applied consistently and judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

(c) proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Act have been taken for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;

(d) the annual accounts have been prepared on a going concern basis;

(e) internal financial controls to be followed by the Company had been laid down and that such internal financial controls are adequate and operating effectively; and

(f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Policies and Procedures

The Company conducts its business in a fair, transparent and ethical manner within the existing rules and regulations prescribed for ARCs. The Board of the Company has adopted/reviewed the following policies in accordance with the Act, the SARFAESI Act, 2002 and the RBI guidelines.

Financial Asset Acquisition Policy

The Financial Asset Acquisition Policy of the Company lays down the framework to acquire financial assets from banks/financial institutions in compliance with the guidelines prescribed by the RBI and is administered by the Asset Acquisition Committee.

Financial Asset Resolution Policy

The Financial Asset Resolution Policy of the Company lays down the broad parameters for resolution of financial assets acquired by the Company and is administered by the Asset Resolution Committee.

Investment Policy

The Investment Policy lays down a framework for deployment of funds of the Company with a view to optimise return on investments.

Resource Planning/Borrowing Policy

The Resource Planning Policy lays down a broad framework for resource raising activities through various sources in a manner that ensures a strategic and smooth management of interest rate risk and liquidity risk.

Policy for Issue of Security Receipts

The objective of the Policy for Issue of Security Receipts is to enable trusts established by the Company to issue security receipts for financing the purchase of financial assets and to lay down the broad guidelines for the issuance of security receipts.

Credit Information Policy

The Company, being a member of credit information companies has in place a Credit Information Policy in accordance with the Credit Information Companies (Regulation) Act, 2005 and the rules/regulations made thereunder.

Corporate Social Responsibility (CSR) Policy

The Company has adopted a CSR Policy in accordance with Section 135 of the Act. The CSR policy of the Company lists out the activities that can be undertaken or supported by the Company within the applicable provisions of the Act. Apart from the composition requirements of the CSR Committee, the CSR Policy, inter alia, lays down the criteria for selection of projects and areas, annual allocation, modalities of execution/implementation of activities, monitoring mechanism of CSR activities/projects as well as the formulation of annual action plan.

Whistle Blower Policy

Section 177 of the Act, the Company has adopted a whistle blower policy/vigil mechanism for the directors, employees of the Company or any other person who avails the mechanism, to approach the Audit Committee of the Company and to report their genuine concerns related to the Company and provide for adequate safeguards against victimisation of director(s) or employee(s) or any other person who report genuine concerns under the mechanism.

Grievance Redressal Policy

The Company has adopted a Policy on Grievance Redressal for handling customer complaints/grievances.

Policy on Insurance of Collateral

The Company has adopted a Policy on Insurance of Collateral laying down parameters and guidelines for insuring physical assets comprising the underlying security of non-performing financial assets acquired by the Company.

Policy on Conversion of Debt into Shares

The Company has adopted a Policy on Conversion of Debt into Shares laying down the broad parameters for conversion of debt into shares of a borrower company.

Outsourcing Policy

The Company has adopted an Outsourcing Policy, inter-alia containing the selection of outsourcing activities as well as service providers, delegation of authority depending on risks and materiality and systems to monitor and review the operations of these activities.

Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Fair Disclosure Code")

The Company has adopted the Fair Disclosure Code to formulate a policy for fair disclosure of events and occurrences as required under SEBI (Prohibition of Insider Trading) Regulations, 2015.

Code for Prevention of Insider Trading

The Company has adopted the Code for prevention of Insider Trading (the "**Code**") to outline the policies and procedures to be followed by the Designated Persons as defined in this Code for handling unpublished price sensitive information and for trading in the securities of the Company.

Policy on Expected Credit Loss

Pursuant to RBI guidelines on implementation of Ind AS, the Company has adopted a policy for computation of expected credit loss to cover the procedures and controls for assessing and measuring credit risk on additional loans, management fees receivables and advances to trusts.

Fair Practices Code

Pursuant to RBI guidelines on Fair Practices Code for ARCs, the Company has formulated the Fair Practices Code to ensure transparency and fairness in its operations.

Management Fees Policy

Fair Practices Code guidelines issued by the RBI requires ARCs to lay policy on the management fee, expenses and incentives, if any, claimed from trusts under management.

In terms of the said guidelines, the Company has formulated Management Fees Policy laying down process/model for charging management fee, expenses and recovery incentives claimed from trusts under the management.

Familiarisation Programme

The Company has a familiarisation programme to familiarise the independent directors with their roles, rights, responsibilities etc., in relation to the nature of the industry in which the Company operates, the business model of the Company and any other relevant information. Details of such familiarisation programme imparted to independent directors during the financial year 2024-25, are uploaded on the website of the Company.

As part of the initial familiarisation programme, a formal letter of appointment is being issued by the Company to the independent directors outlining their role, functions, duties and responsibilities. The information deck given to the directors, as a part of induction programme, consists of the Company's profile, key milestones, key business segments, nature of business activities, depth of management, its code and policies, latest annual report, extract of the applicable provisions of the Act pertaining to the code, duties and responsibilities of the independent directors.

Policy on Related Party Transactions

The Company has established a Policy on Related Party Transactions which sets out the process and manner of approval of transactions with related parties. The policy is also available on the website of the Company.

Policy on Succession Planning

Succession planning is an essential component for the survival and growth of any business as it ensures continuity of business process. It provides a way to identify key roles, people with the right skills/talent and filling up the vacancy, as and when required.

The Company's succession planning framework deliberates on various factors including current tenure of directors, anticipated vacancies in key Board and Senior Management positions, assessment of skills including skill-gaps, diversity, etc., to ensure orderly succession planning.

Policy for Preservation of Documents

The Policy for Preservation of Documents provides necessary guidance for preservation, custody and disposal of documents maintained/filed by the Company and to have records for use in events of disputes, litigation, investigation, etc.

Policy on Selection and Appointment of Directors

Pursuant to the provisions of Section 178 of the Act, the NRC of the Company is required to formulate the criteria for determining the qualifications, positive attributes and independence of a director proposed to be appointed as a director on the Board of the Company. This Policy records the criteria for selection and appointment of directors on the Board of the Company.

Policy on Performance Evaluation and Remuneration of Directors

The Policy on Performance Evaluation and Remuneration of the Directors has been framed for evaluating the performance of the Board as a whole, the Chairman, the Board committees and the individual directors. Based on the same, annual performance evaluation was carried out by the NRC of the Board during the financial year 2024-25. The same was then recommended to the Board of Directors. This policy aims to monitor and evaluate the attainment of the Board/committees/individual directors' objectives.

Policy on Performance Evaluation and Remuneration Framework for the Key Managerial Personnel and other employees

The Company has adopted a policy to define the process for evaluation and determination of remuneration of key managerial personnel and other employees of the Company.

Code of Conduct for Directors & Senior Management

The Code of Conduct for Directors and Senior Management serves as a guide to the directors and senior management on the principles of integrity, transparency and business ethics and to set up standards for compliance of Corporate Governance. The Code of Conduct for Directors and Senior Management is uploaded on the website of the Company at www.jmfinancialarc.com.

The Company through its Code of Conduct, provides guiding principles of conduct to promote ethical business practice, fair dealing, managing situations of conflict of interest and compliance with the provisions of the laws on insider trading, anti-bribery, anti-corruption, anti-money laundering and other applicable laws and regulations.

It is the responsibility of all the Board members and senior management personnel to familiarise themselves with the Code and comply with its provisions. All the Board members and senior management personnel have affirmed compliance with the Code of Conduct.

Based on the affirmations received for the financial year 2024-25, there were no transactions of material, financial and commercial transactions, which had potential conflict with the interest of the Company.

Policy on Settlement of Dues

In compliance with the RBI guidelines for ARCs, the Company has adopted a Policy on Settlement of Dues.

Policy on Submission of Resolution Plan

In compliance with the RBI guidelines for ARCs, the Company has adopted a Policy on Submission of Resolution Plan.

Policy for filing of claim

The Company has adopted the policy for filing of claim specifying the process to be followed by investors for claiming their unclaimed amounts. The said policy is uploaded on the website of the Company.

Internal policy for verification of claims

The Company has adopted an internal policy indicating the process to be followed for verification of claims including the documents to be taken into account, facility to check status of claim by investor, etc.

Policy on DAKSH

The RBI has mandated the Company to put in place required policies and procedures for assuring usage of DAKSH in a secure and authorised manner. Accordingly, the Company has adopted the Policy on DAKSH to protect the contents shared/provided in DAKSH by RBI and the Company against unauthorised distribution or access.

Know Your Customer/Anti-Money Laundering Policy

The Know Your Customer/Anti-Money Laundering Policy is adopted to prevent the Company from being used, intentionally or unintentionally, by criminal elements for money laundering activities including committing financial frauds, transferring or deposits of funds derived from criminal activity or from financing terrorism and to have an adequate procedure to identify and report such transactions to the Regulatory Authority.

Statutory Auditors

The members of the Company had approved the appointment of M/s. Sharp & Tannan Associates, Chartered Accountants (Firm Registration No: 109983W) ("**Sharp & Tannan**"), as the Statutory Auditors of the Company, for a period of 5 (five) consecutive years from the conclusion of the 15th AGM until the conclusion of the 20th AGM of the Company be held in the financial year 2027-28.

Sharp & Tannan, the Statutory Auditors of the Company, have conducted the statutory audit for the financial year 2024-25.

Auditor's Report

The Auditor's Report both on standalone and consolidated financial statements of the Company for the financial year ended March 31, 2025 forms part of the Annual Report. The said report was issued by the Statutory Auditors with an unmodified opinion and does not contain any qualifications, reservations, adverse remarks or disclaimers. During the year under review, the Auditors have not reported any incidents of fraud to the Audit Committee of the Board under Section 143(12) of the Act. The notes to the accounts referred to in the auditor's report are self-explanatory and therefore do not call for any further explanation and comments.

Directors' Report (Contd.)

Secretarial Audit

Pursuant to Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board based on the recommendation of the Audit Committee had appointed Shroff Negandhi and Associates LLP, Company Secretaries, as the Secretarial Auditor of the Company to conduct audit of the secretarial records for the financial year ended March 31, 2025.

The secretarial audit report is annexed as **Annexure II** and forms part of this Report. There are no qualifications, reservations, adverse remarks or disclaimers in the above secretarial audit report. Further, the Secretarial Auditors have not reported any fraud under Section 143(12) of the Act.

Secretarial Standards

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and notified by the MCA.

Internal Auditors

M/s. Aneja Associates, Chartered Accountants, were appointed as the Internal Auditors of the Company for the financial year 2024-25 in accordance with the applicable provisions of the Act.

Debenture Trustee

SBICAP Trustee Company Limited is the Debenture Trustee for the Non-Convertible Debentures issued by the Company.

Registrar and Share Transfer Agents

KFin Technologies Limited acts as the Registrar and Share Transfer Agent of the Company.

Corporate Social Responsibility

In accordance with the provisions of Section 135 of the Act, the Board has constituted the Corporate Social Responsibility Committee (the "**CSR Committee**"). The brief terms of reference, details of its composition, particulars of meetings held and attendance thereat, are mentioned in the Corporate Governance Report, forming part of this Report.

The CSR Projects of the Company was in accordance with the activities specified under Schedule VII to the Act and a brief overview on the same is available on the website of the Company at https://www.jmfinancialarc.com/Home/CsrProjects.

The report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the "**CSR Rules**") is annexed as **Annexure III** and forms and integral part of this Report.

The CSR policy outlines the activities that can be undertaken or supported by the Company within the applicable provisions of the Act and alignment of such activities as per the sustainable development goals principles. Apart from the composition requirements of the CSR committee, the CSR policy, inter alia, lays down the criteria for selection of projects and areas, annual allocation, modalities of execution/implementation of activities, monitoring mechanism of CSR activities/projects including the formulation of annual action plan. The CSR policy of the Company is available on the Company's website at www.jmfinancialarc.com/Home/Policies.

Risk Management

Risk management is an integral part of the Company's strategy for achieving the long-term goals. The Company is exposed to various internal and external risks including liquidity risk, interest rate risk, operational risk, market risk, credit risk, technology risk, regulatory and compliance risk, reputational risk, risk emanating from cyber security, legal risk, business continuity risk, competition risk, among others. Apart from the processes followed, the Company also has a risk management policy in place to identify, assess, evaluate, manage and mitigate the risks that are encountered during the conduct of business activities, which may pose significant loss or threat to the Company.

The Risk Management Committee of the Board has been entrusted with the responsibility of reviewing the risk management process in the Company. The Committee also reviews the cyber security function, assess various risks and ensures that the risks are brought within acceptable limits. The Audit Committee has an additional oversight in the area of financial risks and controls.

Internal Financial Control Systems and its Adequacy

The Company has in place adequate and effective internal financial controls with reference to the financial statements that commensurate with the size, scale and complexity of its operations.

The Board has adopted accounting policies which are in accordance with Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015. The internal financial control system of the Company is supplemented with internal audits, regular reviews by the management and checks by external auditors. It provides reasonable assurance in respect of financial and operational information, compliance with applicable statues, safeguarding of assets of the Company, prevention and detection of frauds, accuracy and completeness of accounting records and also ensuring compliance with the Company's policies.

The Audit Committee of the Board actively reviews the adequacy and effectiveness of the internal control systems and are also apprised of the internal audit findings and corrective actions.

The Statutory Auditors and the Internal Auditors of the Company also provide their confirmation that the internal financial controls framework is operating effectively.

The Company has also adopted Standard Operating Procedures (SOP) manual, which is in conformity with the internal financial controls of the Company. The Company on a regular basis tracks all amendments to Accounting Standards and makes changes to the underlying systems, processes and financial controls to ensure adherence to the same. During the year, no material or serious observations have been highlighted for inefficiency or inadequacy of such controls.

Outlook and Strategy

We will continue leveraging strategic partnerships and co-investment models with domestic investor and foreign funds to enhance acquisition prospects and secure timely exits. Our focus remains on building predictable, fee-based growth through diversified acquisitions, operational excellence in resolutions and disciplined risk management.

Opportunities and Threats

The Company believes that there are sizable opportunities in the acquisition of non-performing assets based on co-investment model for increasing its corpus/assets under management.

The key threats to the business include:

- Macro-economic factors such as abnormal monsoon, geopolitical tensions, global economic threats impacting the business, economic situation, liquidity situation in the market, cost effective availability of funding;
- Business specific threats such as increased intensity of competition from players across the industry creating downward pressure on yields, fees, amongst others; and
- Regulatory changes, delays and adverse sector changes affecting the acquisition and resolution of assets.

Human Capital

We attribute our growth and success to our human capital. We believe in investing in our employees, nurturing their personal and professional growth, empowering them to make work better and most importantly, trusting their abilities and valuing their contributions.

The Company has 40 personnel, as on March 31, 2025. The team comprises of professionals having wide and varied experience from the banking, asset reconstruction, consultancy and legal background. In terms of team mix, the team comprises of a fair mix of experienced and fresh recruits from law schools and professional institutions.

In terms of experience, the team comprises of personnel having experience varying from minimum experience of 1.8 years to maximum experience of 39.1 years. The average age of the employees of the Company is 38.8 years. Of the total number of employees, 27 employees, constituting approximately 67.5% of the total number have been with the Company for more than 4 years. In terms of gender diversity, there are 14 female employees and 26 male employees.

Particulars of Loans, Guarantees and Investments

Details of the loans and investments, as required under Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 are forming part of the notes to the financial statements of the Company. During the year under review, the Company has not given any guarantee.

Particulars of Contracts or Arrangements with Related Parties

The Company has adopted a 'Policy on dealing with Related Party Transactions' and the said policy is uploaded on the website of the Company at www.jmfinancialarc.com/Home/Policies. The Audit Committee reviews this policy periodically.

All the related party transactions were placed before the Audit Committee for its review on a quarterly basis. An omnibus approval of the Audit Committee had been obtained for the related party transactions which were repetitive in nature.

There were no material transactions of the Company falling under the scope of Section 188(1) of the Act with any of its related parties and hence, the disclosure of related party transactions as required under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, in Form AOC-2 is not applicable to the Company for the financial year 2024-25 and accordingly, does not form part of this Report.

Directors' Report (Contd.)

The related party transactions as required under Ind AS - 24 are reported in note 41 of notes to the standalone financial statements and note 42 of notes to the consolidated financial statements of the Company.

Change in nature of business

During the year under review, there has been no change in the nature of business of the Company.

Significant and material orders

There were no significant/material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and its operations.

Annual Return

Pursuant to Sections 134(3)(a) and 92(3) of the Act, the Annual Return of the Company for the financial year 2024-25 has been placed on the Company's website at www.jmfinancialarc.com/Home/FinancialInformation.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The operations of the Company are not energy intensive nor does they require adoption of specific technology and hence information in terms of Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 is not applicable to the Company. The Company has, however, implemented adequate measures for conservation of energy.

During the financial year 2024-25, the Company has not earned foreign exchange from any of the transactions nor spent any amount in foreign exchange.

Vigil Mechanism/Whistle Blower Policy

The Company had adopted 'Whistle Blower Policy' for directors, employees and other stakeholders of the Company to report concerns about unethical behaviour. The policy provides a mechanism, which ensures adequate safeguards to employees, directors and other stakeholders from any victimisation on raising concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, and so on. The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee.

Details of vigil mechanism/whistle blower are included in the Corporate Governance Report, forming part of this Report.

The policy is available on the website of the Company at www.jmfinancialarc.com/Home/Policies.

During the financial year 2024-25, no complaints under this mechanism have been reported.

Maintenance of cost records

The maintenance of cost records as specified under Section 148 of the Act is not applicable to the Company.

Safe Harbour

This report describing our activities, projections and expectations for the future, may contain certain 'forward looking statements' within the meaning of applicable laws and regulations. The actual results of business may differ materially from those expressed or implied due to various risk factors and uncertainties. These risk factors and uncertainties include the effect of domestic as well as global economic and political events, volatility in interest rates, new regulations and government policies that may impact our business as well as our ability to implement the strategies. We are under no obligation to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events and assume no liability for any action taken by anyone on the basis of any information contained herein.

Policy for prevention, prohibition and redressal of sexual harassment of women at workplace

The Company has zero tolerance for sexual harassment at the workplace and has a policy in place and constituted Internal Complaints Committee (the "**ICC**") to deal with complaints relating to sexual harassment at workplace in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder. All employees (permanent, contractual, temporary and trainees) are covered under this policy. The Policy has been widely communicated internally and is placed on the Company's intranet portal. The provisions related to prevention of sexual harassment are also imbibed in the Company's Code of Conduct as applicable to the employees.

To ensure that all the employees are sensitized regarding issues of sexual harassment, the Company conducts an online POSH Training through the internal e-learning platform.

During the financial year 2024-25, no complaints were received from any of the employees of the Company, under this policy.

Other Disclosures

Our Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares and ESOS) to the employees of the Company under any scheme.
3. There are no proceedings pending against the Company under the Insolvency and Bankruptcy Code, 2016.
4. There was no instance of one-time settlement by the Company with any bank or financial institution.

Acknowledgements

The Board of Directors takes this opportunity to place on record its sincere thanks to the RBI, Ministry of Finance, Government of India, SEBI, MCA, Registrar of Companies, Maharashtra, BSE Limited, National Securities Depository Limited and Central Depository Services (India) Limited and all other governmental and regulatory authorities for their continued co-operation and support.

Your directors place on record their gratitude for the continued support extended by Credit Rating Agencies, Stock Exchanges, Association of ARCs in India, from time to time and by the bankers, financial institutions, lenders and stakeholders and the trust reposed by them in the Company.

The Board wish to place on record their appreciation and deep gratitude to employees at all levels for their exemplary dedication and commitment.

For and on behalf of the Board of Directors

Munesh Khanna
Chairman
DIN: 00202521

Place: Mumbai
Date: April 30, 2025

Annexure I

Details of the Employees' Stock Option Scheme pursuant to the provisions of Section 62(1)(b) of the Companies Act, 2013 read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 for the financial year ended March 31, 2025

1.	Options granted during the financial year 2024-25	:	NA
2.	Options vested during the financial year 2024-25	:	11,57,397
3.	Options exercised	:	Nil
4.	Total number of shares arising as a result of exercise of options	:	Not applicable
5.	Options lapsed	:	3,87,699
6.	The exercise price	:	Not applicable
7.	Variation of terms of options	:	None
8.	Money realized from the Employees by exercise of Options during the financial year 2024-25	:	Nil
9.	Total number of options in force	:	30,54,492
10.	Employee wise details of options granted to		
	(i) Key managerial personnel	:	Not applicable
	(ii) any other employee who receives a grant of options in any one year of option amounting to 5% or more options granted during that year	:	Not applicable
	(iii) identified employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	:	Not applicable

Annexure II

FORM MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
JM FINANCIAL ASSET RECONSTRUCTION COMPANY LIMITED
7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400025

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **JM Financial Asset Reconstruction Company Limited** (hereinafter called '**the Company**'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, registers, forms and returns filed, and made available to us and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2025**, complied with the statutory provisions listed hereunder, to the extent applicable to the Company, and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined, on test check basis, the Secretarial compliance based on the books, papers, minute books, registers forms and returns filed, and other records maintained by the Company, and made available to us for audit purpose, for the financial year ended on March 31, 2025, according to the provisions of:

(i) The Companies Act, 2013 (the "**Act**") and the rules made thereunder, as amended and to the extent applicable to the Company;

(ii) The Securities Contracts (Regulation) Act, 1956 (the '**SCRA**') and the rules made thereunder, as amended and to the extent applicable to the Company;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder, as amended and to the extent applicable to the Company;

(iv) The Provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder in relation to Foreign Direct Investment, as amended and to the extent applicable to the Company;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**'): -

 (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended and to the extent applicable to the Company;

 (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended and to the extent applicable to the Company;

 (c) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended and to the extent applicable;

 (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [**SEBI (LODR)**], as amended and to the extent applicable to the Company.

Regulations 15 to 27 under Chapter IV of the SEBI LODR Regulations were applicable to the Company on a 'comply or explain' basis until March 31, 2025. However, pursuant to the amendments notified by SEBI on March 28, 2025, the applicability threshold has been revised from ₹ 500 crore to ₹ 1,000 crore. Since the Company's outstanding NCDs are below ₹ 1,000 crore, it is no longer required to comply with Regulations 15 to 27 or Chapter VA of the SEBI LODR Regulations, 2015.

During the year under review, the Company has generally complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that BSE Limited vide its email dated May 30, 2024 has levied a fine of ₹ 10,000/- citing a one day delay in intimation of the record date. The Company has made

Annexure II to Director Report (Contd.)

written representation to the BSE requesting for waiver on the ground of inadvertent mistake in mentioning the date.

We further report that the Company has complied with the mandatorily applicable Secretarial Standards issued by The Institute of Company Secretaries of India;

We further report that having regard to the compliance system prevailing in the Company and on examination of relevant documents and record, produced for our verification, in pursuance thereof, the Company has complied with the following Acts, Laws, Guidelines and Rules applicable specifically to the Company, in respect of submission / filing of various documents, returns and forms, with the prescribed authority;

(i) The Reserve Bank of India Act, 1934, and the Rules framed, Circulars, Notifications, Directions and Guidelines issued thereunder, to the extent applicable to the Company.

(ii) The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, as amended, and the Rules framed, Circulars, Notifications and Guidelines issued thereunder, to the extent applicable to the Company.

(iii) The Master Direction - Reserve Bank of India (Asset Reconstruction Companies) Directions, 2024 dated April 24, 2024 issued by the Reserve Bank of India as updated.

We further report that the following Regulations and Guidelines prescribed under SEBI Act were, in our opinion, not attracted, during the financial year under report;

(a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended;

(b) The Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity) Regulations 2021, as amended;

(c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client, as amended;

(d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended;

(e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as amended.

We further report that the provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder in relation to Overseas Direct Investment and External Commercial Borrowings were not attracted during the financial year under report.

We further report that the Board of Directors of the Company was duly constituted with proper balance of Non- Executive Directors / Independent Directors including Woman Director. Changes in the constitution of the Board of Directors, during the year under report, were in compliance with the applicable provisions of Law.

Adequate notice was given to all directors to schedule the Board Meetings including option to participate through video conferencing, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no instances where dissenting views of any member of the Board of Directors were required to be captured and recorded in the minutes, during the year under review.

We have relied on the representation made by the Company and its officers for the compliance of various applicable provisions of the Acts, Laws, Rules, Regulations, Directions, Guidelines and Standards and after examining the system and mechanism followed by the Company for compliances, we report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure the compliance of applicable laws, rules, regulations and guidelines.

We further report that during the audit period;

- Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on May 16, 2024, approved the payment of commission of ₹ 32 lacs to Non-Executive/Independent Directors subject to the approval of Shareholders. The same was approved by the shareholders in the Annual General Meeting (AGM) held on July 25, 2024.

- Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on May 16, 2024, approved the continuation of term of Mr. Narottam Sekhsaria [DIN: 00276351] on attaining age of 75 years subject to the approval of Shareholders. The shareholders approved the same in the AGM held on July 25, 2024. Mr. Sekhsaria has ceased to be the director of the Company consequent upon his resignation vide letter dated October 15, 2024.

- Mr. V P Shetty [DIN: 00021773] who was liable to retire by rotation at the AGM was re-appointed as Director.
- Mr. Satish Chand Mathur [DIN: 03641285], an Independent Director, ceased to hold the said office with effect from July 30, 2024 on non-approval of his re-appointment as the Independent Director for the second term by the Reserve Bank of India.
- Pursuant to the resolution passed at the meeting of the Board of directors, the Company allotted 39,69,85,393 equity shares of ₹ 10/- each at a premium of ₹ 5/- per share aggregating ₹ 595,47,80,895/-, on right basis on May 28, 2024.
- Since the shareholding of Mr. Narotam Sekhsaria and Radhakrishna Bimalkumar Private Limited (considered as a single block along with Mr. Narotam Sekhsaria), did not subscribe to their respective entitlement in the rights issue, and consequently, their shareholding had fallen below 10%, RBI vide its letter dated August 8, 2024 had approved cessation of Mr. Narotam Sekhsaria as a Sponsor of the Company.
- Mr. Ameet Desai [DIN: 00007116], on receipt of approval by the Reserve Bank of India, was re-appointed as an Independent Director for the second term of 2 years with effect from August 29, 2024 vide resolution passed in the Extra Ordinary General meeting of the Company held on November 27, 2024.
- Pursuant to the approval granted by the Reserve Bank of India vide its letter dated December 20, 2024, JM Financial Credit Solutions Limited (**"JMFCSL"**) is the Sponsor of the Company and JM Financial Limited (**"JMFL"**) has ceased to be Sponsor on transfer of 57,09,32,034 Equity Shares representing 71.79% of the total paid up capital of the Company on March 18, 2025.
- The Company redeemed Non-Convertible Debentures (NCDs) aggregating to ₹ 800 crore, issued under various tranches on various dates.
- The Board of Directors, including any committee thereof, were authorized to offer, issue and allot secured / unsecured, listed / unlisted, rated / unrated, redeemable, Non- Convertible Debentures (the “NCDs”), in one or more series / tranches, aggregating up to ₹ 7,000 crore (Rupees Seven Thousand Crore only), on private placement basis and / or through public offer in the AGM held on July 25, 2024.
- The Company made investment of ₹ 260 crore in Security Receipts.

This report is to be read with our letter of even date which is annexed as ‘**Annexure A**’ and forms an integral part of this report.

For **Shroff Negandhi and Associates LLP**
Company Secretaries

Amit Negandhi
Partner
FCS-10729, CP-13852
UDIN: F010729G000234920
Unique Code: L2022MH012100
Peer Review Certificate No.: 6254/2024

Place: Mumbai
Date: April 30, 2025

Annexure II to Director Report (Contd.)

Annexure A

To the Secretarial Audit Report of
JM FINANCIAL ASSET RECONSTRUCTION COMPANY LIMITED
for the financial year ended March 31, 2025

To,
The Members,
JM FINANCIAL ASSET RECONSTRUCTION COMPANY LIMITED
7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400025

Our report for the financial year ended March 31, 2025 of even date is to be read along with this letter.

1. It is the responsibility of the management of the Company to maintain secretarial records and devise proper systems to ensure the compliance with the provisions of all the applicable laws, rules, regulations, notifications, standards, directions and guidelines and to ensure that the systems are adequate and operate effectively. Our examination was limited to the verification of records and procedure on test basis.
2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances based on our audit.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the practices and processes, we followed, provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
5. As regard the books, papers, forms, reports and returns filed by the Company under applicable laws referred to in Secretarial Audit Report in Form MR-3, the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said applicable laws. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
6. Wherever required, we have obtained management representation about the compliance of applicable laws, rules, regulations, standards, directions and guidelines and happening of events.
7. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
8. We have conducted our audit remotely based on the records and information made available to us through electronic platform provided by the Company.

For **Shroff Negandhi and Associates LLP**
Company Secretaries

Amit Negandhi
Partner
FCS-10729, CP-13852
UDIN: F010729G000234920
Unique Code: L2022MH012100
Peer Review Certificate No.: 6254/2024

Place: Mumbai
Date: April 30, 2025

Annexure III

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

1. **A brief outline of the Company's Corporate Social Responsibility (CSR) Policy:**

   JM Financial Group of Companies believes in inclusive development for the community at large, by the way of –

   - Creating long-term impact through collective action, collaborations and creating equitable opportunities for underserved.
   - Actively working towards community development with a focus on integrated rural transformation primarily in predominantly rural and difficult terrains of our country.

   The Company shall undertake CSR projects broadly falling within the thematic areas as per Schedule VII of Companies Act, 2013 (the "**Act**"). In accordance with Section 135 of the Act and Schedule VII thereto read with the Company's CSR policy, the CSR obligation of the Company for the financial year 2024-25 was ₹ 2.98 crore. During the year, the CSR Committee and the Board of the Company have approved the two CSR projects namely, (i) JM Financial Shiksha Samarthan - with an aim to extend holistic care, protection and quality education to children who have lost either / both parents to COVID – 19 pandemic in India; and (ii) Women Empowerment and Livelihood Project – to empower the local community by providing essential tailoring and embroidery skills, enabling economic independence and encouraging self-employment. The CSR Committee confirms that the implementation and monitoring of the CSR policy is in compliance with the CSR objectives and policy of the Company.

2. **Composition of the CSR Committee as on March 31, 2025:**

Sr. No.	Name of the Members	Designation/Nature of directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. V P Shetty	Chairman - Non-Executive Director	2	2
2.	Dr. Vijay Kelkar	Member - Independent Director	2	2
3.	Mr. Vishal Kampani	Member - Nominee Director	2	0

3. **Provide the web-link(s) where composition of CSR committee, CSR policy and CSR projects approved by the board are disclosed on the website of the Company:**

Details of composition of CSR committee	https://www.jmfinancialarc.com/Home/Management
CSR policy	https://www.jmfinancialarc.com/Home/Policies
CSR projects	https://www.jmfinancialarc.com/Home/CsrProjects

4. **Provide the executive summary along with the web-link(s) of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:** Not applicable

5. (a) **Average net profit of the Company as per Section 135(5):** ₹ 2.98 crore

   (b) **Two percent of average net profit of the Company as per Section 135(5):** ₹ 148.76 crore

   (c) **Surplus arising out of the CSR projects or programmers' or activities of the previous financial years:** None

   (d) **Amount required to be set off for the financial year, if any:** None

   (e) **Total CSR obligation for the financial year [(b)+(c)-(d)]:** ₹ 2.98 crore

6. (a) **Amount spent on CSR projects (Ongoing Project):** ₹ 1.43 crore

Annexure III to Director Report (Contd.)

(b) **Amount spent in Administrative Overheads:** ₹ 0.00 crore

(c) **Amount spent on Impact Assessment, if applicable:** Not applicable

(d) **Total amount spent for the financial year [(a)+(b)+(c)]:** ₹ 1.43 crore

(e) **CSR amount spent or unspent for the financial year:**

Total amount spent for the financial year (in ₹)	Amount unspent (in ₹)				
	Total amount transferred to unspent CSR account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 1.43 crore	₹ 1.55 crore	April 25, 2025	Not applicable		

(f) **Excess amount for set off, if any:** Nil

Sr. No.	Particulars	Amount (in ₹)
i.	Two percent of average net profit of the Company as per Section 135(5)	₹ 2.98 crore
ii.	Total amount spent for the financial year	₹ 1.43 crore
iii.	Excess amount spent for the financial year [(ii)-(i)]	Nil
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7. **Details of Unspent CSR amount for the preceding three financial years:**

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1.	2023-24	₹ 2.20 crore	₹ 2.20 crore	₹ 0.71 crore	Nil	Nil	₹ 1.49 crore	None
2.	2022-23	₹ 3.74 crore	₹ 0.74 crore	₹ 0.55 crore	Nil	Nil	₹ 0.19 crore	None
3.	2021-22	₹ 3.24 crore	Nil	Nil	Nil	Nil	Nil	None

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year:** None

9. **Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5):** Not applicable

for and on behalf of
JM Financial Asset Reconstruction Company Limited and the CSR Committee

Srinivasan Viswanathan
Chief Executive Officer

V P Shetty
Chairman of the CSR Committee
DIN: 00021773

Place: Mumbai
Date: April 30, 2025

Independent Auditor's Report

To,
The Members of JM Financial Asset Reconstruction Company Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **JM Financial Asset Reconstruction Company Limited** (**"the Company"**), which comprise the balance sheet as at March 31, 2025, the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and the statement of cash flows for the year ended on that date, including a summary of material accounting policies and other explanatory information (the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("**the Act**") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Ind AS, of the financial position of the Company as at March 31, 2025, and its loss including other comprehensive income, the changes in equity and its Cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit of Standalone Financial Statements, in accordance with the Standards on Auditing ("**SAs**") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (**"ICAI"**) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on standalone financial statements.

Emphasis of Matters:

We draw your attention to Note 50, which provides additional information regarding the Capital Adequacy Ratio and outlines the status of compliance with the capital adequacy requirements, as detailed in the accompanying notes to these financial statements.

Our opinion is not modified with respect to this emphasis of matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Fair Valuation of investments in security receipts:	**Principal Audit Procedures Performed:**
The valuation of the investments in security receipts in Trusts formed under distressed credit business is based on a recovery range provided by the External Rating Agency and other unobservable inputs (i.e. projection of future cash flows and expenses etc.). These assets are classified as level 3 in the valuation hierarchy and the same are not actively traded.	- We have tested the design and effectiveness of internal controls implemented by the management in respect to the valuation of the investments including those relating to the assessment of the recovery plan by the Asset Acquisition Committee for the determination of the appropriate recovery rate based on the range provided by the External Rating Agency, independent verification of the valuation inputs viz. estimated cash flows, collateral values and discount rates etc..

Independent Auditor's Report (Contd.)

Key Audit Matter	Auditor's Response
Initially, the independent committee finalizes the resolution strategy for each trust, which may involve actions such as settling dues, selling assets through legal action or other means like NCLT, restructuring, and bringing in investors or strategic partners. The fair value of the investment can only be estimated based on the chosen resolution strategy, expected cash flows, recovery ranges provided by the external rating agency, collateral values, discount rates, proposed investor offer and other relevant assumptions. Further, the Company has applied judgements in estimating the cash flow. The Company has made investments in security receipts in Trusts formed under distressed credit business aggregating to ₹ 1,876.60 crore as at March 31, 2025 carried at fair value. (Refer Note 9 of the Standalone Financial Statements). In view of the complexities and significant judgements involved we have considered the valuation of these investments as a key audit matter.	We have selected the sample and performed the following audit procedures: - Analysed reasonableness of the determination of the appropriate recovery rate and estimated cash flows and the other relevant judgments and estimates, if any; and we assessed the information used to determine the key assumptions; - Compared the historical estimates of the cash flows with the actual recoveries and obtained explanations for the variations, if any; - Compared the management's assumption of discount rate with the supporting internal/ external evidence; - We assessed the reasonableness of the judgements in estimating the cash flows in response to corroborating the assumptions based on the information used by the Company, adopted/change in resolution strategy; and verified the accounting treatment applied. - Read and assessed the disclosure made in the standalone financial statements for assessing compliance with respect to the disclosure requirements.

Information other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report including annexures to Board's report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance opinion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's & Board of Director's Responsibility for the Standalone Financial Statements

The Company's Management & Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Companies Act, 2013. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding of 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has an adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report), Order 2020 (**"the Order"**), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure-A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Companies Act, 2013, we report that:

Independent Auditor's Report (Contd.)

(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 (including other comprehensive income), Statement of Changes in Equity 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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013.

(e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164 (2) of the Companies Act, 2013.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, according to the information & explanation given to us, the remuneration (Commission) payable by the Company to its directors during the year, is in accordance with the provisions of section 197(16) of the Act subject to approval of shareholders in its forthcoming annual general meeting. The remuneration paid to directors is not in excess of the limit laid down under Section 197(16) of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

(h) 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. There is no pending litigation by the Company / on the Company which has the impact on 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. (a) The Management has represented that, to the best of its knowledge and belief, as stated in note no. 52(vi)(A), no funds (which are material either individually or in the aggregate), have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person (s) or entity (ies), including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented that to the best of its knowledge and belief, as stated in note no. 52(vi)(B), no funds (which are material either individually or in the aggregate) have been received by the Company from any person (s) or entity (ies), including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. During the year, Company has not declared/ paid any dividend hence reporting under rule 11(f) is not applicable to that extent.

vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Moreover, the feature of the recording audit trail (edit log) facility is enabled at the database level to log any direct data changes pertaining to the accounting software used for maintaining books of account. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

For Sharp and Tannan Associates
Chartered Accountants
Firm's Registration No.:109983W
by the hand of

Parthiv S. Desai
Partner
Membership No.: (F) 042624
UDIN: 25042624BMOCXP7360

Place: Mumbai
Date: April 30, 2025

Annexure - A

to the Independent Auditors' Report

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" Section of our report on even date)

We report that:

(i) In respect of the Company's Property, Plant & Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and the situation of Property, Plant and Equipment (PPE) of the Company.

(B) The Company has maintained proper records showing full particulars of the Intangible assets of the Company.

(b) Property, Plant and Equipment have been 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) Based on the examination of the registered sale deed provided to us, we report that the title deeds, comprising the immovable properties of land which are freehold, are held in the name of the Company. In respect of immovable properties of office premises that have been taken on lease and disclosed as fixed assets (lease assets - Right to Use) in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

(d) The Company has not made any revaluation of PPE (including right-of-use assets) or intangible assets as at the balance sheet date. Accordingly, reporting on paragraphs 3 (i) (d) of the Order is not applicable to the Company.

(e) There is no proceeding that has been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting on paragraphs 3(i) (e) of the Order is not applicable to the Company.

(ii) (a) The Company does not have any inventory considering the nature of the business. Accordingly, the reporting under clause (ii)(a) of the Order is not applicable.

(b) In our opinion and according to the information and explanations given to us, pursuant to terms of sanction letters for working capital limits in excess of five crore, in aggregate, from banks or financial institutions on the basis of security of current assets (i.e. Security receipts, considering based on the nature of business); based on our verification quarterly statements (Pledge / Hypothecation) filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) The Company is a Non-Banking Financial Company **("NBFC")** registered under Section 3 of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 **(SARFAESI Act)** under the RBI regulation, as an 'Asset Reconstruction Company'. During the year, the Company has made investments in security receipts, granted loans for restructuring, secured and unsecured, and advances in the nature of loans to the subsidiary in the form of trusts:

In our opinion and according to the information and explanations given to us;

(a) Clause (iii) (a) of the Order is not applicable to the Company, considering the nature of the business as the Company in distress business through the subsidiary in the form of Trusts.

(b) The Company has made investments and granted loans to the subsidiary in the nature of Trust, and granted loans to other parties other than the subsidiary, associates & joint ventures, considering the nature of the business as the Company, the terms and conditions of the grant of such loans are not prejudicial to the interest of the Company.

(c) In respect of loans granted by the Company, to the subsidiary in the nature of Trust, the repayment has not been stipulated considering the nature of business since the same are dependent on recoveries/realization of Financial Assets held by such subsidiaries and to other parties other than subsidiary, associates & joint venture, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amount and receipts of interest have generally been regular as per stipulation except for the following cases:

Number of borrowers	Amount overdue as at March 31, 2025 (₹ Crore)	Due date	Extent of delay (in days)	Remarks, if any
3	307.69	Various due dates	More than 1 day	–

(d) In respect of the loans granted by the Company, to the subsidiary in the nature of Trust, the repayment has not been stipulated considering the nature of business, so we are not able to comment on overdue outstanding for subsidiary in the nature of trusts and to other parties other than subsidiary associates & joint venture there is no overdue amount remaining outstanding for more than 90 days as at the balance sheet date except for the following cases, and reasonable steps have been taken by the company for recovery of the overdue amount of principal and interest:

Number of borrowers	Principal Amount (₹ Crore)	Interest Amount (₹ Crore)	Total Overdue	Remarks, if any
3	₹ 211.12	₹ 96.57	₹ 307.69	–

(e) Clause (iii) (e) of the Order is not applicable to the Company, considering the nature of the business as the Company is in distress credit business.

(f) Considering the nature of business, during the year, the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013, accordingly, the clause (iii) (f) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has not granted loans, made investments or provided guarantees which require compliance with the provisions of Section 185 of the Act. Accordingly, reporting under clause 3 (iv) of the Order is not applicable to the Company. However, in respect of the loans granted by the Company, to the subsidiary in the nature of Trust considering the nature of business, the provision with respect to section 186 of the Act has been complied with.

(v) 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.

(vi) The maintenance of cost records has not been specified by the central government under section 148 (1) of the Companies Act, 2013, for the business activities carried out by the Company. Accordingly, reporting under clause 3 (vi) of the Order is not applicable.

(vii) According to the information and explanations given to us in respect of statutory dues:

(a) The Company is regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues where applicable to it with the appropriate authorities. There were no arrears in respect of said statutory dues as at March 31, 2025, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of records of the Company, there are no disputed statutory dues referred to in sub-clause (a) above, except the details mentioned in the below tabulated form, which have not been deposited as at March 31, 2025.

Nature of the statute	Nature of dues	Forum where dispute is pending	The period to which the amount relates	Amount (₹ Crore)
The Income Tax Act, 1961	Income tax	Commissioner of Income-tax (Appeals)	Assessment Year 2016-17	₹ 0.41

(viii) We report that there are no such transactions which are not recorded in the books of account, which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, reporting on paragraphs 3 (viii) of the Order is not applicable to the Company.

(ix) According to the information and explanations given to us and the records examined by us;

(a) the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

Annexure - A (Contd.)

(b) As disclosed by the management in note 52 (i) and as confirmed by us, the company has not declared a willful defaulter by banks or financial institutions or other lenders. Accordingly, reporting on paragraphs 3 (ix) (b) of the Order is not applicable to the Company.

(c) The Company has raised additional term loans from the Bank & NBFC and considering the nature of business, the same term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company and considering the business nature of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company & considering the business nature of the Company, the Company has not taken the loan from the bank or financial institution to meet the obligation as such of the subsidiaries in the nature of trusts. Accordingly, reporting on paragraphs 3 (ix) (e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and procedures performed by us and considering the nature of the business, we report that the Company has raised loans during the year on the pledge of securities (i.e. Investment in Security Receipts) held in its subsidiaries in the form of trusts, however, there is no default as such in the repayment of such loans raised by the company.

(x) According to the information and explanations given to us and the records examined by us,

(a) In our opinion and according to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments). Accordingly, reporting on paragraphs 3 (x) (a) of the Order is not applicable to the Company.

(b) According to the information and explanation provided to us, during the year, the Company has not made preferential allotment or private placement of shares or convertible debentures (fully or partially) as per section 42 and section 62 of the Act. Hence reporting requirements under clause 3(x) (b) of the Order is not applicable to the Company.

(xi) According to the information and explanations given to us and the records examined by us;

(a) Based upon the audit procedures performed by us no material fraud by the Company or any material fraud on the Company has been noticed or reported during the year.

(b) Based on the audit procedures performed by us there is no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by the auditors in the form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Ind AS.

(xiv) According to the information and explanations given to us and the records examined by us;

(a) the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the company issued till date, for the period under audit.

(xv) According to the information and explanations given to us, in our opinion, during the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The Company being a Securitisation and Reconstruction Company ('SCRC') under Securitisation & Reconstruction of Financial Assets & Enforcement of Securities Interest Act, 2002, it is not required to be registered under Section

45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting on Para 3(xvi)(a)(b) and (c) is not applicable.

According to the information and explanations given to us, there is no Core Investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, paragraph 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) In our opinion and according to the information and explanations given to us, the Company has not incurred cash losses in the current financial year and immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with the second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) Based on audit procedures performed by us, in respect of ongoing projects, the Company has transferred the unspent Corporate Social Responsibility (CSR) amount at the end of the current & previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act.

For Sharp and Tannan Associates
Chartered Accountants
Firm's Registration No.:109983W
by the hand of

Parthiv S. Desai
Partner
Membership No.: (F) 042624
UDIN: 25042624BMOCXP7360

Place: Mumbai
Date: April 30, 2025

Annexure - B

to the Independent Auditors' Report

(Referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" Section of our report on even date)

We have audited the internal financial controls over financial reporting of **JM Financial Asset Reconstruction Company Limited** ("the **Company**") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's & Board of Director's Responsibility for Internal Financial Controls

The Company's Management and Board of Directors are 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 (the "ICAI").

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 Act.

Auditors' 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. 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 judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and 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 March 31, 2025, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Sharp and Tannan Associates
Chartered Accountants
Firm's Registration No.:109983W
by the hand of

Parthiv S. Desai
Partner
Membership No.: (F) 042624
UDIN: 25042624BMOCXP7360

Place: Mumbai
Date: April 30, 2025

Standalone Balance Sheet

as at March 31, 2025

(₹ in Crore)

Sr. No.	Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
	ASSETS			
(I)	**Financial Assets**			
(a)	Cash and cash equivalents	5	50.83	84.75
(b)	Bank balance other than (a) above	6	1.98	0.99
(c)	Trade Receivables	7	168.24	201.53
(d)	Loans	8	417.24	499.12
(e)	Investments	9	1,881.07	2,471.26
(f)	Other Financial assets	10	50.96	60.84
	Total Financial Assets		**2,570.32**	**3,318.49**
(II)	**Non-Financial Assets**			
(a)	Current tax assets (Net)	11	33.86	83.75
(b)	Deferred tax Assets (Net)	12	109.90	113.42
(c)	Property, Plant and Equipment	13	3.91	11.33
(d)	Other Intangible assets	13	0.16	0.15
(e)	Other non-financial assets	14	1.08	1.33
	Total Non Financial Assets		**148.91**	**209.98**
	Total Assets (I+II)		**2,719.23**	**3,528.47**
	LIABILITIES AND EQUITY			
	LIABILITIES			
(I)	**Financial Liabilities**			
(a)	Trade Payables	15		
	(i) total outstanding dues of micro and small enterprises		0.28	0.14
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		3.07	4.69
(b)	Debt Securities	16	1,025.18	1,897.90
(c)	Borrowings (Other than Debt Securities)	17	492.54	921.86
(d)	Lease liabilities	18	4.25	14.02
(e)	Other financial liabilities	19	24.04	83.12
	Total Financial Liabilities		**1,549.36**	**2,921.73**
(II)	**Non-Financial Liabilities**			
(a)	Provisions	20	1.66	1.75
(b)	Other non-financial liabilities	21	8.09	12.65
	Total Non-Financial Liabilities		**9.75**	**14.40**
(III)	**EQUITY**			
(a)	Equity Share capital	22	795.31	398.33
(b)	Other Equity	23	364.81	194.01
	Total Equity		**1,160.12**	**592.34**
	TOTAL LIABILITIES AND EQUITY (I+II+III)		**2,719.23**	**3,528.47**

The accompanying notes are an integral part of standalone financial statements: 1-54

In terms of our report of even date attached
For Sharp & Tannan Associates
Chartered Accountants
Firm's Registration No.: 109983W

Parthiv S. Desai
Partner
Membership No.: (F) 042624

Place : Mumbai
Date : April 30, 2025

For and on behalf of the Board of Directors

Munesh Khanna
Chairman
(DIN - 00202521)

Rupa Vora
Chairperson - Audit Committee
(DIN - 01831916)

Srinivasan Viswanathan
Chief Executive Officer

Vineet Singh
Company Secretary

Sabyasachi Ray
Chief Financial Officer

Place : Mumbai
Date : April 30, 2025

Standalone Statement of Profit and Loss

for the year ended March 31, 2025

(₹ in Crore)

Sr. No.	Particulars	Note No.	For the year ended March 31, 2025	For the year ended March 31, 2024
I	**REVENUE FROM OPERATIONS**			
(a)	Interest Income	24	39.86	93.50
(b)	Fees and Incentives	25	106.18	265.29
(c)	Net gain on fair value changes	26	58.45	–
			204.49	**358.79**
II	**Other Income**	27	6.82	0.16
III	**Total Income (I+II)**		**211.31**	**358.95**
IV	**EXPENSES**			
(a)	Finance costs	28	191.34	292.99
(b)	Net loss on fair value changes	29	–	98.97
(c)	Impairment on financial instruments (net)	30	(14.19)	11.55
(d)	Employee benefits expense	31	20.73	21.62
(e)	Depreciation and amortization expense	13	2.38	2.53
(f)	Other expenses	32	13.76	15.62
	Total expenses		**214.02**	**443.28**
V	**Profit/(Loss) before exceptional items and tax (III-IV)**		**(2.71)**	**(84.33)**
VI	**Exceptional items**	33	–	(846.86)
VII	**Profit/(Loss) before tax (V+VI)**		**(2.71)**	**(931.19)**
VIII	**Less : Tax expense**	34		
	Current tax		23.53	40.95
	Deferred tax		3.55	(29.70)
	Total tax expenses		**27.08**	**11.25**
IX	**Profit/(Loss) for the year (VII-VIII)**		**(29.79)**	**(942.44)**
X	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss		(0.12)	(0.30)
	(ii) Income tax on the above		(0.03)	(0.08)
	Total Other Comprehensive Income		**(0.09)**	**(0.22)**
XI	**Total Comprehensive Income for the year (IX+X)**		**(29.88)**	**(942.66)**
XII	**Earnings per equity share (Face value of ₹10 each)**	35		
	Basic (in ₹)		(0.41)	(23.66)
	Diluted (in ₹)		(0.41)	(23.66)

The accompanying notes are an integral part of financial statements: 1-54

In terms of our report of even date attached
For Sharp & Tannan Associates
Chartered Accountants
Firm's Registration No.: 109983W

Parthiv S. Desai
Partner
Membership No.: (F) 042624

Place : Mumbai
Date : April 30, 2025

For and on behalf of the Board of Directors

Munesh Khanna
Chairman
(DIN - 00202521)

Rupa Vora
Chairperson - Audit Committee
(DIN - 01831916)

Srinivasan Viswanathan
Chief Executive Officer

Vineet Singh
Company Secretary

Sabyasachi Ray
Chief Financial Officer

Place : Mumbai
Date : April 30, 2025

Standalone Statement of Changes in Equity

for the year ended March 31, 2025

A. EQUITY SHARE CAPITAL

(₹ in Crore)

Particulars	Balance as at April 1, 2023	Changes in equity share capital during the year	As at March 31, 2024	Changes in equity share capital during the year	As at March 31, 2025
Equity Share Capital	398.33	–	398.33	396.98	795.31

B. OTHER EQUITY

(₹ in Crore)

Particulars	Reserves and Surplus				Total Other Equity
	Securities Premium	Retained earnings	Impairment allowance reserve	Employee Stock Outstanding	
As at April 1, 2023	283.18	719.80	127.19	4.59	1,134.76
Profit for the year	–	(942.44)	–	–	(942.44)
Addition during the year	–	–	–	1.91	1.91
Appropriation for Impairment reserve (Refer note 48(e))	–	(116.54)	116.54	–	–
Transfer on account of options not exercised	–	0.06	–	(0.06)	–
Re-measurement of defined benefit plan	–	(0.22)	–	–	(0.22)
As at March 31, 2024	**283.18**	**(339.34)**	**243.73**	**6.44**	**194.01**
As at April 1, 2024	283.18	(339.34)	243.73	6.44	194.01
Profit for the year	–	(29.79)	–	–	(29.79)
Addition during the year	198.49	–	–	2.19	200.68
Appropriation for Impairment reserve (Refer note 48(e))	–	–	–	–	–
Transfer on account of options not exercised	–	0.49	–	(0.49)	–
Re-measurement of defined benefit plan	–	(0.09)	–	–	(0.09)
As at March 31, 2025	**481.67**	**(368.73)**	**243.73**	**8.14**	**364.81**

The accompanying notes are an integral part of the Standalone financial statements : 1 - 54

In terms of our report of even date attached
For Sharp & Tannan Associates
Chartered Accountants
Firm's Registration No.: 109983W

Parthiv S. Desai
Partner
Membership No.: (F) 042624

Place : Mumbai
Date : April 30, 2025

For and on behalf of the Board of Directors

Munesh Khanna
Chairman
(DIN - 00202521)

Rupa Vora
Chairperson - Audit Committee
(DIN - 01831916)

Srinivasan Viswanathan
Chief Executive Officer

Vineet Singh
Company Secretary

Sabyasachi Ray
Chief Financial Officer

Place : Mumbai
Date : April 30, 2025

Standalone Statement of Cash Flow

for the year ended March 31, 2025

(₹ in Crore)

Sr. No.	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A	**Cash flow from operating activities**		
	Profit/(Loss) before exceptional items and tax	(2.71)	(84.33)
	Adjustment for:		
	Interest expenses	190.32	291.69
	Interest on lease liability	1.02	1.30
	Impairment of financial instruments (net)	(14.19)	11.55
	Depreciation and amortisation of expenses	2.38	2.53
	Net (Gain)/Loss on fair value changes	(57.64)	98.97
	Net (Gain)/Loss on mutual fund	(0.81)	#
	Net (Gain)/Loss on lease modification	(3.04)	(0.03)
	Amortisation of deferred employee compensation (ESOP)	2.19	1.91
	Interest income on fixed deposits	(3.06)	(0.42)
	Net Gain on sale of Property, Plant and Equipment	#	#
	Operating profit/(loss) before working capital changes	**114.46**	**323.16**
	Adjustment for:		
	(Increase)/Decrease in trade receivables	32.58	97.04
	(Increase)/Decrease in loans	168.01	(26.99)
	(Increase)/Decrease in other financial assets	9.48	(10.44)
	(Increase)/Decrease in other non-financial assets	0.25	0.93
	(Increase)/Decrease in other bank balances	(0.99)	1.74
	Increase/(Decrease) in trade payable	(6.90)	(5.91)
	Increase/(Decrease) in provisions	(0.21)	(0.64)
	Increase/(Decrease) in other financial liability	(59.08)	61.22
	Increase/(Decrease) in other non-financial liabilities	(4.56)	(4.55)
	Cash generated from/ (used in) operations	253.04	435.56
	Income tax refund/(paid) (net)	26.36	(80.35)
	Net cash generated from/ (used in) operating activities	**279.40**	**355.21**
B	**Cash flow from investing activities**		
	Payments for purchase of investment in Security Receipts	(354.64)	(603.58)
	Redemption of security receipts	925.90	866.04
	Purchase of Property, Plant and Equipment and Intangibles	(0.13)	(0.51)
	Proceed from sale of investment in equity instruments	6.22	13.13
	Payments for purchase of investment in mutual funds	(312.78)	(4.00)
	Redemption of mutual funds	313.59	4.00
	Sale of Property, Plant and Equipments	#	0.01
	Interest Income	3.06	0.42
	Net cash generated from/(used in) investment activities	**581.22**	**275.51**

# Denotes amount less than ₹ 50,000/-

Standalone Statement of Cash Flow

for the year ended March 31, 2025 (Contd..)

(₹ in Crore)

Sr. No.	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
C	**Cash flow from financing activities**		
	Proceeds from issue of share capital (Including security premium)	595.48	–
	Proceeds from debt securities	–	129.11
	Repayment of debt securities	(789.73)	(178.50)
	Proceed from issue of optionally convertible debenture	–	200.00
	Interest paid on debt securities and other borrowing	(280.90)	(294.89)
	Repayment of lease liability	(3.09)	(3.28)
	Proceeds from borrowing	915.00	975.00
	Repayment of borrowing	(1,309.20)	(1,434.71)
	Net cash generated from/(used in) financing activities	**(872.44)**	**(607.27)**
	Net increase/(decrease) in cash and cash equivalents	(11.82)	23.45
	Cash and cash equivalents at the beginning of the financial year/period	62.65	39.20
	Cash and cash equivalents at the end of the financial year/period	**50.83**	**62.65**

Reconciliation of cash and cash equivalents as per the cash flow statement

Cash and cash equivalents as per above comprise of the following:

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Cash and cash equivalents	50.83	84.75
Bank overdrafts repayable on demand and used for cash management purposes	–	(22.10)
Cash and cash equivalents in the statement of cash flows	**50.83**	**62.65**

# Denotes amount less than ₹ 50,000/-

The accompanying notes are an integral part of the standalone financial statements : 1 - 54

In terms of our report of even date attached
For Sharp & Tannan Associates
Chartered Accountants
Firm's Registration No.: 109983W

Parthiv S. Desai
Partner
Membership No.: (F) 042624

Place : Mumbai
Date : April 30, 2025

For and on behalf of the Board of Directors

Munesh Khanna
Chairman
(DIN - 00202521)

Rupa Vora
Chairperson -
Audit Committee
(DIN - 01831916)

Srinivasan Viswanathan
Chief Executive Officer

Vineet Singh
Company Secretary

Sabyasachi Ray
Chief Financial Officer

Place : Mumbai
Date : April 30, 2025

Notes

forming part of the Standalone Financial Statements

1 Corporate Information

JM Financial Asset Reconstruction Company Limited (the "Company" or "JMFARC") was incorporated as a private limited company on September 19, 2007 under the provision of Companies Act, 1956 and is registered with the Reserve Bank of India (**"RBI"**) as an Asset Reconstruction Company ("ARC") under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (**"SARFAESI Act"**) vide RBI certificate of registration no. 11/2008 dated September 23, 2008. The Company was converted into a Public Limited Company with effect from April 12, 2017. The Company is engaged in the business of acquisition of non-performing and distressed assets (NPA) from Banks and Financial institutions and resolving them.

2 Basis of Preparation and Presentation

2.1 Statement of Compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) and the relevant provisions of the Companies Act, 2013 (the **"Act"**) (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act to the extent applicable and the guidelines prescribed by the RBI, to the extent applicable.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally the original cost or transaction price of goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these standalone financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability ,either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows".

Amounts in the financial statements are presented in Indian Rupees (₹) in crore rounded off to two decimal places as permitted by Schedule III to the Act. Per share data are presented in Indian Rupee (₹) to two decimal places.

Previous year figures have been re-grouped or reclassified, to confirm with current year's grouping / classifications. There is no impact on Equity or Net Profit due to these regrouping / reclassifications.

3 Material Accounting Policy information

3.1 Investment in Subsidiary:

Subsidiaries are all entities over which the Company has control. Investment in Security Receipts of Subsidiaries are accounted at fair value under Ind AS 109 (refer note 43).

3.2 Revenue Recognition

Revenue is recognized when (or as) the Company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. When (or as) a performance obligation is

Notes

forming part of the Standalone Financial Statements (Contd..)

satisfied, the Company recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.

The Company applies the five-step approach for recognition of revenue:

- Identification of contract(s) with customers;
- Identification of the separate performance obligations in the contract;
- Determination of transaction price;
- Allocation of transaction price to the separate performance obligations; and
- Recognition of revenue when (or as) each performance obligation is satisfied.

The Company is generally able to make reliable estimates after it has agreed to the following with the other parties to the transaction:

(a) each party's enforceable rights regarding the service to be provided and received by the parties;

(b) the consideration to be exchanged; and

(c) the manner and terms of agreements or offer documents.

Revenue in form of management fees for providing services to the trust is recognised on accrual basis over the life of the contract as per terms of the relevant trust deed/ offer documents. The fees are recognized on accrual basis till the NAV of the Trust is recoverable and not wholly impaired.

Recovery incentive is accounted over the period on a cash basis, i.e. as and when received by the Company, based on terms of the relevant trust deeds and offer document issued by the Trust.

The Company recognises followings income/(loss) pertaining to security receipts under the heading Net gain/(loss) on fair value changes on financial instruments at FVTPL;

(i) Additional realisation of assets over Net Asset Value of security receipt is accounted as per the terms of relevant trust deed / offer document on actual distribution from the trust after full redemption of the Net Asset Value of security receipts in the trust.

(ii) Net appreciation/ depreciation in Net Asset Value of security receipts is considered as fair value gain/ (loss) on change in investment and credit impaired financial assets.

3.3 Leasing

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Company as a lessee

The Company assesses, whether the contract is, or contains, a lease if the contract involves–

a) the use of an identified asset,

b) the right to obtain substantially all the economic benefits from use of the identified asset, and

c) the right to direct the use of the identified asset.

The Company at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and a corresponding lease liability, for all lease arrangements in which it is a lessee, except for leases with term of less than twelve months (short term) and low value assets.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

For lease liabilities at inception, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the Statement of profit and loss.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Lease liability has been presented in Note 18 "Lease Liabilities" and ROU asset has been presented in Note 13 "Property, Plant and Equipment" and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Contracts in which all the risks and rewards of the lease are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating leases.

Leases, for which the Company is an intermediate lessor, it accounts for the head-lease and sub-lease as two separate contracts. The sub-lease is classified as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.

3.4 Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets as defined in Ind AS 23 are capitalized as a part of costs of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

Interest expenses are calculated using the EIR and all other Borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

3.5 Employee benefits

Retirement benefit costs and termination benefits:

Defined Contribution Plan

Payments to defined contribution plans are recognised as expense in the Statement of Profit and Loss of the year when employees have rendered service entitling them to the contributions. The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that cash refund or a reduction in the future payment is available.

Defined Benefit Obligation:

The Company's liabilities under the Payment of Gratuity Act, 1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method.

The Company net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The Company recognizes current service cost, past service cost, if any and interest cost in the Statement of Profit and Loss. Remeasurement gains and losses arising from experience adjustments and changes in actual assumptions are recognized in the period in which they occur in the OCI.

Short-term employee benefits:

Short-term employee benefits are expensed as the related service is provided at the undiscounted amount of the benefits expected to be paid in exchange for that service. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Other long-term benefits:

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

3.6 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive

Notes
forming part of the Standalone Financial Statements (Contd..)

income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

Current Tax

The tax currently payable is based on the taxable profit for the year of the Company. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3.7 Property, Plant and Equipments and Intangible Assets

Property, Plant and Equipment (PPE) is recognised when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/ duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. PPE not ready for the intended use on the date of the Balance Sheet is disclosed as "capital work-in-progress".

Under Ind AS 116, a lessee measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and recognises depreciation of the right-of-use asset. The cost of the right-of-use asset shall comprise of:

a) the amount of the initial measurement of the lease liability which is the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease;

b) any lease payments made at or before the commencement date, less any lease incentives received;

c) any initial direct costs incurred by the lessee; and

d) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

(Also refer to policy on leases, borrowing costs and impairment of assets below).

Depreciation / amortization is recognised on a straight-line basis over the estimated useful lives of respective assets as under:

Tangible Assets - Property, Plant and Equipment	Useful life
Motor Vehicles	8 years or lease period (whichever is lower)
Computers	3 years
Servers and networks	6 years
Office equipment	5 years
Furniture and fixtures	10 years
Leasehold improvements	10 years or lease period (whichever is lower)

Intangible assets	Useful life
Computer software	5 years

Assets costing less than ₹ 5,000/- are fully depreciated in the year of purchase. Assets taken on finance lease are depreciated over a period of lease.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised as profit or loss.

Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortization and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development". Intangible assets are amortized on straight line basis over the estimated useful life of 5 years. The method of amortization and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortization on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized as profit or loss when the asset is derecognised.

Impairment losses on non-financial assets

As at the end of each year, the Company reviews the carrying amount of its non-financial assets that is PPE and intangible to determine whether there is any indication that these assets have suffered an impairment loss.

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 recognized as an impairment loss in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Statement of Profit and Loss.

3.8 Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

- an entity has a present obligation (legal or constructive) as a result of a past event; and
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Further, long term provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

Notes

forming part of the Standalone Financial Statements (Contd..)

Contingent liability is disclosed in case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- a present obligation arising from past events, when no reliable estimate is possible.

Contingent Assets:

Contingent assets are not recognised in the financial statements.

3.9 Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- changes during the period in receivables and payables transactions of a non-cash nature;
- non-cash items such as depreciation, provisions, deferred taxes; and
- all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

3.10 Financial Instruments

Financial instruments comprise of financial assets and financial liabilities. Financial assets and liabilities are recognized when the Company becomes the party to the contractual provisions of the instruments. Financial assets primarily comprise of loans and advances, premises and other deposits, trade receivables and cash and cash equivalents. Financial liabilities primarily comprise of borrowings and trade payables.

Initial Measurement of Financial Instruments

Financial assets and financial liabilities are initially measured at fair value except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Subsequent Measurement of Financial Assets

All recognised financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortized cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Interest income

Interest income is accrued on a time basis, by reference to the amortised cost and at the effective interest rate applicable.

Classification of Financial Assets:

- Debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are subsequently measured at amortized cost;
- all other debt instruments (e.g. debt instruments managed on a fair value basis, or held for sale) and equity investments are subsequently measured at FVTPL.

Debt instruments at amortised cost or at FVTOCI

The Company assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the individual asset basis and the Company's business model for managing the asset.

For an asset to be classified and measured at amortised cost or at FVTOCI, its contractual terms should give rise to cash flows that are meeting SPPI test.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business models at a level that reflects how financial assets are managed at individual basis and collectively to achieve a particular business objective.

When a debt instrument measured at FVTOCI is derecognised, the cumulative gain/loss previously recognized in OCI is reclassified from equity to profit or loss. In contrast, for an equity investment designated as measured at FVTOCI, the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss but transferred within equity.

Debt instruments that are subsequently measured at amortised cost or at FVTOCI are subject to impairment.

Fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading. Security receipt investments in scope of Ind AS 109, “Financial Instruments” are measured at fair value. Security Receipts are classified as at FVTPL. Gains and losses on security investments are included in the statement of profit or loss.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss.

Reclassifications

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Company’s financial assets. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made. Changes in contractual cash flows are considered under the accounting policy on modification and de-recognition of financial assets described below.

Impairment of financial assets:

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortized cost, trade receivables and other contractual rights to receive cash or other financial asset.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument’s credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

- Stage 1 - Performing assets with zero to thirty days past due (DPD). Stage 1 loans also include facilities where no significant increase in credit risk, improvement in credit risk and the loan has been reclassified from Stage 2.
- Stage 2 - Under-performing assets having 31 to 90 DPD. Stage 2 loans also include facilities, where significant increase in credit risk, improvement in credit risk and the loan has been reclassified from Stage 3.
- Stage 3 - Under performing with overdue more than 90 DPD including Non-performing assets.

Notes

forming part of the Standalone Financial Statements (Contd..)

For loans, Company measures the loss allowance at an amount equal to 12 months expected credit loss for Stage 1 and life time expected credit loss for Stage 2 class categories of loans. For Stage 3 financial asset, the measurement of loss allowance is based on the present value of the asset's expected cash flow using the asset's original EIR.

For other receivables in distress credit business, Company measures life time expected credit loss allowance based on practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account the historical credit loss experience and adjusted for forward looking information.

Derecognition of financial assets

The Company derecognises a financial asset when the Company has transferred the right to receive cash flows from the financial assets or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligations to pay the cash flows to one or more recipients.

Where the entity has transferred an assets, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in OCI and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Write off

Loans and debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a de-recognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in impairment gains.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company or a contract that will or may be settled in the its's own equity instruments and is a non-derivative contract for which the Company is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the it's own equity instruments.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognized by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortized cost.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

De-recognition of financial liabilities

The Company de-recognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognized in profit or loss.

3.11 Share based payment arrangements

Equity settled share based payments to employee of the Company are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity settled share based payments to employees is recognised as deferred employee compensation and is expensed in the Statement of Profit and Loss over the vesting period with a corresponding increase in employee stock option outstanding in other equity.

At the end of each year, the Company revisits its estimate of the number of equity instruments expected to vest and recognised any impact in profit or loss, such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment in other equity.

3.12 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and in hand and short-term investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above.

3.13 Foreign currency translation

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognized in the Statement of Profit and Loss in the period in which they arise.

Notes

forming part of the Standalone Financial Statements (Contd..)

3.14 Goods and Services Input Tax Credit

Goods and Services Input Tax Credit is accounted for in the books in the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/utilising the credits.

3.15 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- estimated amount of contracts remaining to be executed on capital account and not provided for;
- uncalled liability on shares,security receipts and other investments partly paid;
- other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments, if any, related normal course of business are not disclosed to avoid excessive details.

3.16 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss (before Other Comprehensive Income) for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss (before Other Comprehensive Income) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

4. Critical accounting judgments and key sources of estimation uncertainty

The preparation of standalone financial statements in conformity with Ind AS requires the Company's Management to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities recognized in the standalone financial statements that are not readily apparent from other sources. The judgements, estimates and associated assumptions are based on historical experience and other factors including estimation of effects of uncertain future events that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates (accounted on a prospective basis) and recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods of the revision affects both current and future periods.

The following are the critical judgements and estimations that have been made by the Management in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the standalone financial statements and/or key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

i) Fair value measurement and valuation processes

Some of the Company's assets are measured at fair value for financial reporting purposes. The Management determines the appropriate valuation techniques and inputs for the fair value measurements.

In estimating the fair value of an asset, the Company uses market observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party external rating agencies to perform the valuations. The Management works closely with the qualified external rating agencies to establish the appropriate valuation techniques and inputs to the model."

Information about the valuation techniques and inputs used in determining the fair value of various assets are disclosed in note 43.

4A. Issue of new accounting standards or amendments to the existing standards

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

5 Cash and Cash Equivalents

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with Banks		
- In Current account	50.82	84.70
- In Deposits account (maturity less than 3 months)	0.01	0.05
Total	**50.83**	**84.75**

6 Other Bank Balances

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Earmarked balance with banks:		
- In current account (refer note 6.1)	1.68	0.74
- In deposit account (refer note 6.2)	0.30	0.25
Total	**1.98**	**0.99**

6.1 Current account includes amount maintained for expenses towards Corporate Social Responsibility.

6.2 Balance in deposit accounts of ₹ 0.25 crore (Previous year : ₹ 0.25 crore) carry fixed rate of interest and are for period up to 12 months (Previous year : 9 months) and have lien against bank guarantees obtained by the Company.

7 Trade Receivables

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
At amortized cost:		
Unsecured considered good :		
Trade Receivables	213.19	245.77
Less: Impairment Loss Allowance (refer note 44)	(44.95)	(44.24)
Total	**168.24**	**201.53**

7.1 The Company's trade receivables arise in the normal course of business. Although certain balances are overdue beyond 90 days, the nature of the business, the existence of contractual safeguards and consistent historical recovery trend indicate that there is no significant increase in credit risk or evidence of credit impairment. These receivables are secured through contractual terms and are considered recoverable irrespective of their overdue status. Accordingly, the above disclosures are considered adequate.

Notes

forming part of the Standalone Financial Statements (Contd..)

7.2 Trade receivable ageing schedule

For the year 2024-25

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months - 1 year	1 - 2 Year	2 - 3 Year	More than 3 years	
Undisputed trade receivable - Considered good	11.15	2.80	26.39	31.82	141.03	213.19
Less : Impairment loss allowance	-	0.72	5.66	14.94	23.63	44.95
Total	**11.15**	**2.08**	**20.73**	**16.88**	**117.40**	**168.24**

For the year 2023-24

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months - 1 year	1 - 2 Year	2 - 3 Year	More than 3 years	
Undisputed trade receivable - Considered good	22.11	16.87	44.34	48.48	113.97	245.77
Less : Impairment loss allowance	0.87	4.79	14.94	10.31	13.33	44.24
Total	**21.24**	**12.08**	**29.40**	**38.17**	**100.64**	**201.53**

The above trade receivable mostly comprises of management fees recoverable from trusts which has a priority in the cashflows of the trust. Further these fees are payable by the trust to the Company only on realisation from the financial assets in the trust.

7.3 Information on the ageing of the unrealised management fee as per circular RBI/2022-23/182-DOR.ACC.REC. No.104/21.07.001/2022-23 dated February 20, 2023

(₹ in Crore)

Particulars		As at March 31, 2025	As at March 31, 2024
A.	Outstanding amount of unrealised management fees	213.19	245.77
	Out of the above, amount outstanding for:		
B.	Amounts where the net asset value of the security receipts has fallen below 50 per cent of the face value	179.13	85.01
C.	Other amounts unrealised for:		
	(i) More than 180 days but up to 1 year	2.35	9.25
	(ii) More than 1 year but up to 3 years	15.61	42.11
	(iii) More than 3 years	5.67	93.68
D.	Allowances held for unrealised management fees (on B and C)	45.18	46.63
E.	**Net unrealised management fee receivable (B+C-D)**	**157.58**	**183.42**

8 Loan

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
At amortised cost		
Loans secured by tangible asset	324.60	493.50
Interest accrued	99.59	98.70
Gross loan	**424.19**	**592.20**
Less: Impairment Loss Allowance (refer note 44)	(6.95)	(93.08)
Net Loan - Total	**417.24**	**499.12**

All loans are granted within India and to entities other than public sector (corporate loan).

9 Investments (At FVTPL)

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Quoted		
Equity instruments :		
Nil Equity shares of Nitco Limited ₹ 10 each fully paid up (Previous year : 7,65,980 shares of ₹ 10 each fully paid up)	–	4.28
Unquoted		
Equity instruments :		
1,31,07,380 of equity shares (right issue) of BRFL Textiles Private Limited of face value ₹ 10 each fully paid up (Previous year : 1,31,07,380 shares of face value ₹ 10 each)	4.47	4.47
Security receipts of trusts held in distressed credit business (refer notes 9.2,9.3 and 47)	1,876.60	2,462.51
Total	**1,881.07**	**2,471.26**

9.1 There are no investments made by the Company outside India.

9.2 The Company has given some identified security receipts as pledge for term loans, bank overdraft, cash credit limits availed with various banks/ hypothecated in favour of debenture trustee for NCDs issued.

9.3 Commitments:

In respect of one trust, the Company has given a commitment to the security receipt holders for purchase/ arrange to purchase the outstanding security receipts at a consideration equivalent to outstanding face value of security receipts along with yield of 10.70% p.a. compounded annually from June 19, 2019 till January 31, 2026. Commitment of as at March 31, 2025 is ₹ 10.71 crore (Previous year : ₹ 21.42 crore of one trust).

Notes
forming part of the Standalone Financial Statements (Contd..)

10 Other Financial Assets

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Recoverable from trusts	58.84	72.02
Earnest Money Deposits (refer note 10.1)	5.00	-
Advance to other	#	#
Security deposits:		
To Related Parties (refer note 41)	0.32	1.40
To Others (refer note 10.2)	0.57	0.31
Total	**64.73**	**73.73**
Less : Impairment loss allowance on recoverable from trusts (refer note 44)	(13.77)	(12.89)
Net Total	**50.96**	**60.84**

Denote amount below ₹ 50,000

10.1 The Company has paid Earnest Money Deposit for participating in auctions conducted by Bank and Financial Institutions for the acquisition of stress financial assets as part of its ordinary course of business.

10.2 Includes interest free security deposits assessed as per Ind AS 109 - Financial Instrument by recognising such deposits measured at fair value on initial recognition and subsequently carried at amortised cost using the effective interest method.

11 Current tax assets (net)

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance tax paid (net of provisions)	33.86	83.75
Total	**33.86**	**83.75**

12 Deferred tax liability/(asset)

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Measurement of financial instruments at fair value	(88.96)	(91.54)
Impairment of financial instruments	(19.16)	(20.10)
Difference between books and tax written down value (WDV) of Property, Plant and Equipment	(0.26)	(0.26)
Others (43B, 35D, etc. allowances under Income Tax Act, 1961)	(1.52)	(1.52)
Total	**(109.90)**	**(113.42)**

12.1 Deferred tax recorded in the balance sheet and changes recorded in the income tax expenses :

For the year ended March 31, 2025

(₹ in Crore)

Particulars	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Measurement of financial instruments at fair value	(91.54)	2.58	–	(88.96)
Impairment of financial instruments	(20.10)	0.94	–	(19.16)
Difference between books and tax written down value (WDV) of Property, Plant and Equipment	(0.26)	–	–	(0.26)
Others (43B, 35D, etc. allowances under Income Tax Act, 1961)	(1.52)	0.03	(0.03)	(1.52)
Total DTL/(DTA)	**(113.42)**	**3.55**	**(0.03)**	**(109.90)**

For the year ended March 31, 2024

(₹ in Crore)

Particulars	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Measurement of financial instruments at fair value	(56.77)	(34.77)	–	(91.54)
Impairment of financial instruments	(17.19)	(2.91)	–	(20.10)
Difference between books and tax written down value (WDV) of Property, Plant and Equipment	(0.32)	0.06	–	(0.26)
Others (43B, 35D, etc. allowances under Income Tax Act, 1961)	(9.36)	7.92	(0.08)	(1.52)
Total DTL/(DTA)	**(83.64)**	**(29.70)**	**(0.08)**	**(113.42)**

13 Property, Plant and Equipment and Intangible assets

As at March 31, 2025

Property, Plant and Equipment

(₹ in Crore)

Particulars	Gross block				Accumulated depreciation				Net block
	As at April 1, 2024	Additions	Deductions	As at March 31, 2025	As at April 1, 2024	Addition	Deductions	As at March 31, 2025	As at March 31, 2025
Owned Assets									
Freehold land	0.03	–	–	0.03	–	–	–	–	0.03
Furniture and Fixtures	0.01	–	–	0.01	0.01	–	–	0.01	–
Office Equipments	0.08	–	#	0.08	0.07	0.01	#	0.08	–
Computers	1.07	0.07	(0.05)	1.09	0.66	0.14	(0.05)	0.75	0.34
Leasehold improvements	1.71	–	–	1.71	1.48	0.05	–	1.53	0.18
Leased Assets									
Office Premises (Right of use assets - refer note 38)	22.33	1.26	(10.03)	13.56	11.68	2.13	(3.61)	10.20	3.36
Total	**25.23**	**1.33**	**(10.08)**	**16.48**	**13.90**	**2.33**	**(3.66)**	**12.57**	**3.91**

Denote amount below ₹ 50,000

Notes
forming part of the Standalone Financial Statements (Contd..)

Intangible Assets

(₹ in Crore)

Particulars	Gross block				Accumulated depreciation				Net block
	As at April 1, 2024	Additions	Deductions	As at March 31, 2025	As at April 1, 2024	Addition	Deductions	As at March 31, 2025	As at March 31, 2025
Software (refer note 13.2)	0.59	0.06	–	0.65	0.44	0.05	–	0.49	0.16
Total	**0.59**	**0.06**	**–**	**0.65**	**0.44**	**0.05**	**–**	**0.49**	**0.16**

As at March 31, 2024

Property, Plant and Equipment

(₹ in Crore)

Particulars	Gross block				Accumulated depreciation				Net block
	As at April 1, 2023	Additions	Deductions	As at March 31, 2024	As at April 1, 2023	Addition	Deductions	As at March 31, 2024	As at March 31, 2024
Owned Assets:									
Freehold land	0.03	–	–	0.03	–	–	–	–	0.03
Furniture and Fixtures	0.02	–	(0.01)	0.01	0.02	#	(0.01)	0.01	#
Office Equipments	0.11	–	(0.03)	0.08	0.10	#	(0.03)	0.07	0.01
Computers	0.72	0.36	(0.01)	1.07	0.60	0.07	(0.01)	0.66	0.41
Leasehold improvements	1.84	–	(0.13)	1.71	1.53	0.08	(0.13)	1.48	0.23
Leased Assets									
Office Premises (Right of use assets - refer note 38)	22.60	0.04	(0.31)	22.33	9.56	2.34	(0.22)	11.68	10.65
Motor Vehicles (refer note 13.1)	0.28	–	(0.28)	–	0.27	0.01	(0.28)	–	–
Total	**25.60**	**0.40**	**(0.77)**	**25.23**	**12.08**	**2.50**	**(0.68)**	**13.90**	**11.33**

Denote amount below ₹ 50,000

Intangible Assets

(₹ in Crore)

Particulars	Gross block				Accumulated depreciation				Net block
	As at April 1, 2023	Additions	Deductions	As at March 31, 2024	As at April 1, 2023	Addition	Deductions	As at March 31, 2024	As at March 31, 2024
Software (refer note 13.2)	0.44	0.15	–	0.59	0.41	0.03	–	0.44	0.15
Total	**0.44**	**0.15**	**–**	**0.59**	**0.41**	**0.03**	**–**	**0.44**	**0.15**

Notes :

13.1 Vendor have a lien over assets taken on lease.

13.2 The Intangible assets are other than internally generated.

14 Other Non-Financial Assets

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	0.60	0.79
Balances with GST/Service Tax / VAT Authorities etc.	0.40	0.45
Other Non-Financial Assets	0.08	0.09
Total	**1.08**	**1.33**

15 Trade Payable

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises (refer note 15.1)	0.28	0.14
Total outstanding dues of creditors other than micro enterprises and small enterprises	3.07	4.69
Total	**3.35**	**4.83**

15.1 Dues payable to Micro Enterprises and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 :

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	0.28	0.14
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	–	–
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond appointed day	–	–
(iv) The amount of interest due and payable for the year	–	–
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	–	–
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	–	–
Total	**0.28**	**0.14**

Dues to Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Notes

forming part of the Standalone Financial Statements (Contd..)

15.2 Trade payable ageing schedule :

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 - 2 Year	2 - 3 Year	More than 3 years	
For the year 2024-25					
(i) MSME - Undisputed	0.28	–	–	–	0.28
(ii) Others - Undisputed	3.07	–	–	–	3.07
Total	**3.35**	**–**	**–**	**–**	**3.35**
For the year 2023-24					
(i) MSME - Undisputed	0.14	–	–	–	0.14
(ii) Others - Undisputed	4.69	–	–	–	4.69
Total	**4.83**	**–**	**–**	**–**	**4.83**

16 Debt Securities (Within India)

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
At amortised cost		
Secured		
Non-Convertible Debentures (refer note 16.1, 16.2 and 16.3)	798.38	1,588.11
Add: Interest accrued	26.80	109.79
Total Secured	**825.18**	**1,697.90**
Unsecured		
Optionally Convertible Debentures (refer note 16.4)	200.00	200.00
Total Unsecured	**200.00**	**200.00**
Total	**1,025.18**	**1,897.90**

16.1 Non-Convertible Debentures secured by way of hypothecation and/ or pledge of certain identified security receipt and/ or priority loans.

16.2 Maturity profile and rate of interest of NCDs/MLDs:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Private Placement - Face value of ₹ 10,00,000 each		
8.25% Tranche XXXV redeemable in the year 2024-25@^	–	70.00
8.50% Tranche XXXVI redeemable in the year 2024-25@^	–	100.00
9% Tranche XXXVII redeemable in the year 2024-25@^	–	150.00
9% Tranche XXXVIII redeemable in the year 2024-25@^	–	30.00
9.25% Tranche XXXIX redeemable in the year 2024-25@^	–	125.00
9.60% Tranche A (Series I) redeemable in the year 2024-25^	–	75.00
9.60% Tranche A (Series II) redeemable in the year 2024-25^	–	50.00
9.60% Tranche A (Series III) redeemable in the year 2025-26	75.00	75.00
9.60% Tranche A (Series IV) redeemable in the year 2025-26	50.00	50.00
Private Placement - Face value of ₹ 1,00,000 each		
10.20% Tranche C (Series I) redeemable in the year 2025-26	175.00	175.00
10.20% Tranche C (Series II) redeemable in the year 2025-26	175.00	175.00
9% Tranche D redeemable in the year 2026-27	30.00	30.00
10.20% Tranche E redeemable in the year 2026-27	50.00	50.00
10.21% Tranche F redeemable in the year 2025-26	50.00	50.00
10.21% Tranche B redeemable in the year 2024-25^	–	200.00
Private Placement - Face value of ₹ 50,000 each		
10.21% Tranche B redeemable in the year 2025-26	200.00	200.00
Total	**805.00**	**1,605.00**

@ The interest is linked to IGB 6.10 and 6.54 Government Securities of 10 years.

^ redeemed fully or partly during the year ended March 31, 2025.

Maturity profile above is disclosed at face value which excludes cumulative premium amounting to ₹ Nil (As at March 31, 2024 : ₹ 0.20 crore) and cumulative impact of effective interest rate adjustment amounting to ₹ 6.62 crore (As at March 31, 2024 : ₹ 17.09 crore).

16.3 The Company has utilized money obtained by way of Non-convertible debentures for the purpose for which they were obtained.

16.4 The Company has issued 20,00,000, unlisted, unrated and unsecured Optionally Convertible Debentures (OCD) having face value of ₹ 1,000 each on March 4, 2024 to its shareholder, JM Financial Credit Solutions Limited. Conversion of said OCD shall be any time at option of the Company (Issuer of OCD). OCD shall be redeemable at any time and redemption shall be mutually decided by Issuer of OCD and Holder of OCD (JM Financial Credit Solutions Limited). The Company has recognised the OCD as liability in financial statement considering the ability to repay at any time within whole life of said instrument.

16.5 Additional disclosure pursuant to Ind AS 7 (Debt Securities Movement during the year)

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening Balance	1,897.90	1,709.80
Cash flows	(1,004.90)	16.38
Non-cash changes*	132.18	171.72
Closing balance	**1,025.18**	**1,897.90**

*Non-cash changes includes interest on debt securities.

Notes

forming part of the Standalone Financial Statements (Contd..)

17 Borrowings (other than debt securities)

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
At amortized cost		
Secured:		
Term loans from (refer note 17.1,17.2 and 17.5)		
(a) Banks	67.10	151.22
(b) Others	14.02	36.02
Add: Interest accrued	0.07	0.09
	81.19	**187.33**
Other loans from banks (refer note 17.3)		
(a) Working capital demand loans	64.18	102.60
(b) Cash credit facilities	15.06	57.82
Add: Interest accrued	-	0.06
	79.24	**160.48**
Unsecured:		
Inter corporate deposits (refer note 17.4)		
(a) From related party (refer note 41)	230.00	257.00
(b) From others	100.00	302.00
Add: Interest accrued but not due	2.11	15.05
	332.11	**574.05**
Total	**492.54**	**921.86**

17.1 Term loans are secured by way of pledge of certain identified security receipts.

17.2 Maturity profile and rate of interest of term loans:

(₹ in Crore)

Residual Maturities	Interest range from	
	9% to 10%	10% to 11%
As at March 31, 2025:		
Up to one year (April- 25 to March- 26)	23.33	42.68
Up to 1-3 years (April- 26 to March- 28)	11.67	3.44
3 years and above (April- 28 onwards)	–	–
Total	**35.00**	**46.12**
As at March 31, 2024:		
Up to one year (April- 24 to March- 25)	5.00	100.82
Up to 1-3 years (April- 25 to March- 27)	–	81.42
3 years and above (April- 27 onwards)	–	–
Total	**5.00**	**182.24**

Note:

i) Maturity profile shown excluding effective interest rate impact amounting to ₹ 0.07 crore (As at March 31, 2024: ₹ 0.09 crore).

ii) The rate of interest of above term loans are linked with MCLR, Repo rate and T-Bill of banks and subject to change from time to time. Classification of term loans based on interest rates has been done on interest rate prevalent as on the relevant reporting period ends.

17.3 Other loans from banks in the nature of working capital and cash credit facilities are secured by way of pledge of certain identified security receipts.

17.4 Inter corporate deposits taken from related party for 184 days and taken from others are for 709 days (previous year : 22-344 days).

17.5 The company has utilized money obtained by way of Term loans for the purpose for which they were obtained.

17.6 The monthly asset cover statement submitted by the company with banks / financial institutions from which borrowing is obtained on the basis of security of investment in security receipts are in agreement with the books of account.

17.7 All borrowings are made within India.

17.8 Additional disclosure pursuant to Ind AS 7 (Borrowing Movement during the year).

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening Balance	921.86	1,408.13
Cash flows	(482.03)	(598.27)
Non-cash changes*	52.71	112.00
Closing balance	**492.54**	**921.86**

*Non-cash changes includes interest on borrowings

18 Lease liabilities

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
On Office premises (Refer note 38)	4.25	14.02
	4.25	**14.02**

18.1 Additional disclosure pursuant to Ind AS 7 (Lease liability Movement during the year) :

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening Balance	14.02	16.08
Cash flows	(3.09)	(3.28)
Non-cash changes*	(6.68)	1.22
Closing balance	**4.25**	**14.02**

*Non-cash changes includes interest on lease and effect of lease modification.

Notes
forming part of the Standalone Financial Statements (Contd..)

19 Other Financial Liabilities

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Employee Benefits payable	5.58	5.90
Amount collected on behalf of trust	14.95	73.96
Provision for CSR Expenditure (Refer note 37)	3.23	2.94
Others	0.28	0.32
Total	**24.04**	**83.12**

20 Provisions

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Gratuity (Refer note 39)	1.37	1.50
Provision for compensated absence (Refer note 39)	0.29	0.25
Total	**1.66**	**1.75**

21 Other Non-Financial Liabilities

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory Dues	7.68	12.20
Others	0.41	0.45
Total	**8.09**	**12.65**

22 Equity Share Capital

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised		
1,85,00,00,000 (Previous year: 1,85,00,00,000) equity shares of ₹ 10 each	1,850.00	1,850.00
15,00,00,000 (Previous year: 15,00,00,000) redeemable preference shares of ₹ 10 each	150.00	150.00
	2,000.00	**2,000.00**
Issued, Subscribed and Paid-up		
79,53,10,930 (Previous year: 39,83,25,537) equity shares of ₹ 10 each fully paid-up	795.31	398.33
Total	**795.31**	**398.33**

22.1 Terms and Rights

The Company has only one class of issued shares referred to as equity shares having a face value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share.

The preference shares (not issued), forming part of Authorized Share Capital, have a face value of ₹ 10 each. Each holder of such preference shares would be entitled to one vote per share on resolutions placed which directly affects the rights of such preference shares.

22.2 Reconciliation of number of shares

Particulars	Number of equity shares	
	As at March 31, 2025	As at March 31, 2024
Shares outstanding at the beginning of the year	39,83,25,537	39,83,25,537
Shares issued during the year	39,69,85,393	–
Shares outstanding at the end of the year	**79,53,10,930**	**39,83,25,537**

22.3 Details of shareholding more than 5%

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares:				
JM Financial Limited	–	–	21,35,65,599	53.62%
JM Financial Credit Solutions Limited	65,03,43,712	81.77%	3,97,92,720	9.99%
Mr. Narotam S Sekhsaria	5,68,66,072	7.15%	5,68,66,072	14.28%
Indian Overseas Bank	2,10,00,000	2.64%	2,10,00,000	5.27%
Valiant Mauritius Partners FDI Limited	3,35,50,551	4.22%	3,35,50,551	8.42%

22.4 Details of shareholding of promoters

S.No.	Particulars	As at March 31, 2025		As at March 31, 2024		% change during the year
		No. of Shares held	% of Holding	No. of Shares held	% of Holding	
1	JM Financial Credit Solutions Limited (JMFCSL)	65,03,43,712	81.77%	3,97,92,720	9.99%	1534.33%
2	JM Financial Limited (JMFL)*	–	–	21,35,65,599	53.62%	-100.00%

* JMFL has ceased to be the promoter of the Company with effect from March 18, 2025 pursuant to transfer of 57,09,32,034 equity shares to JMFCSL.

Notes

forming part of the Standalone Financial Statements (Contd..)

22.5 During the year, the Company had allotted 39,69,85,393 equity shares of face value of ₹ 10 each at an issue price of ₹ 15 per share for an amount aggregating to ₹ 595.48 crore to the existing shareholders of the Company namely, JM Financial Limited and JM Financial Credit Solutions Limited, through the issuance of equity shares to them on right basis. The object of the issue was to raise the equity capital base, net owned funds and compliance of the capital adequacy ratio as per the RBI guidelines. The equity capital infusion has been duly accounted for under equity share capital and securities premium and all statutory and regulatory compliances with regard to allotment and reporting have been completed.

22.6 During the year, JM Financial Limited **("JMFL")** and JM Financial Credit Solutions Limited **("JMFCSL")** have informed the Company that transfer of 57,09,32,034 equity shares from JMFL to JMFCSL representing 71.79% of the total paid up capital has been concluded on March 18, 2025. With this, JMFL has ceased to be the Sponsor and JMFCSL is the Sponsor of the Company. The transaction was undertaken with the prior approval of the Reserve Bank of India (RBI) vide its letter dated December 20, 2024. This change did not impact the management or control structure of the Company, and the Company continues to operate as an independent legal entity with no change in its governance or business operations. The Company has duly reported the changes in accordance with the requirements of applicable laws.

23 Other equity

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Securities premium reserve	481.67	283.18
Retained earnings	(368.73)	(339.34)
Impairment reserve (Refer note 48(e))	243.73	243.73
Employee Stock option oustanding (refer note 23.1(d))	8.14	6.44
Total	**364.81**	**194.01**

Refer Statement of Changes in Equity for movement in each reserve and surplus.

23.1 Nature of each reserves:

a) Securities premium reserve represents premium received on equity shares issued which can be used on accordance with the provisions of the Companies Act, 2013 for specified purposes.

b) Retained earnings are the profits that the company has earned till date less any transfers to general reserve, statutory reserve, impairment reserve, dividends or other distributions to the shareholders.

c) Impairment reserve represent reserve created as per Income Recognition, Asset Classification and Provisioning (IRACP) provided under RBI/2019-20/170 DOR (NBFC). CC. PD. No.109/22.10.106/2019-20 dated March 13, 2020 on Implementation of Indian Accounting Standards. The balance in the 'Impairment Reserve' shall not be reckoned for regulatory capital. Further, no withdrawals are permitted from this reserve without prior permission from the Department of Supervision, RBI.

d) Stock options outstanding account (net of deferred stock option expenses) relates to the stock options granted by the Company to its employees under Employee Stock Option Plan (Refer note 46).

24 Interest income

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
On loans (at amortised cost)	11.39	71.26
On others (at FVTPL)	25.41	21.82
On Fixed Deposits	3.06	0.42
Total	**39.86**	**93.50**

25 Fees and Incentives

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Management fees	103.64	245.67
Recovery Incentives Fees	2.54	19.62
Total	**106.18**	**265.29**

26 Net gain on fair value changes

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
On financial instruments designated at FVTPL		
Security Receipts (refer note 26.1 and 26.2)	55.70	–
Gain on mutual fund	0.81	–
Equity instruments	1.94	–
Total	**58.45**	**–**

26.1 Investment in security receipts of face value of ₹ 12.01 crore for four trusts (Previous year : Nil) written off during the year.

26.2 Net Gain/(Loss) on fair value changes

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
- Realised gain/(loss)	184.44	–
- Unrealised gain/(loss)	(125.99)	–
Total	**58.45**	**–**

Notes
forming part of the Standalone Financial Statements (Contd..)

27 Other Income

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on Income tax refund	3.66	–
Other interest income	0.12	0.12
Gain on lease modification	3.04	0.03
Net gain on disposal of property, plant and equipment	#	0.01
Miscellaneous income	#	#
Total	**6.82**	**0.16**

Denote amount below ₹ 50,000

28 Finance Cost

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
At Amortised cost:		
Interest on Debt Securities	132.18	171.72
Interest on Borrowings (Other than Debt Securities)	52.71	112.00
Others	6.45	9.27
Total	**191.34**	**292.99**

28.1 Interest on others includes interest on lease obligations of ₹ 1.02 crore (Previous year : ₹ 1.30 crore).

29 Net Loss on fair value changes

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
On financial instruments designated at FVTPL		
Security Receipts (refer note 29.1)	–	103.15
Equity instruments	–	(4.18)
Gain on mutual fund	–	#
Total	**–**	**98.97**

29.1 Net loss/(gain) on fair value changes

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Realised loss/(gain)	–	(106.84)
Unrealised loss/(gain)	–	205.81
Total	**–**	**98.97**

30 Impairment of Financial Instruments

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
At amortised cost:		
Loans	(15.78)	0.80
Trade receivable	0.71	5.66
Financial assets	0.88	5.09
Total	**(14.19)**	**11.55**

31 Employee benefits expenses

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, bonus, other allowances and benefits	17.37	18.58
Contribution to provident and other funds (refer note 39)	0.77	0.88
Gratuity (refer note 39)	0.27	0.22
Share Based Payments to employees (refer note 46)	2.25	1.91
Staff welfare expenses	0.07	0.03
Total	**20.73**	**21.62**

32 Other Expenses

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Rates & Taxes	0.33	0.34
Travelling Expenses	0.04	0.06
Repairs and Maintenance	0.18	0.04
Lease Rental	0.23	0.14
Audit Expenses (refer note 32.1)	0.16	0.14
Support Service Charges	6.00	6.00
Insurance Expenses	0.25	0.28
Professional Fees	1.72	3.93
Director's Commission & Sitting Fees	0.56	0.67
Electricity Expenses	0.21	0.19
Demat Charges	0.12	0.04
Conveyance Expense	0.03	0.02
Car Hire Charges	#	#
Manpower Expenses	0.04	0.04
Communication Expenses	0.04	0.03
Membership and Subscription	0.06	0.09
Printing and Stationery	0.04	0.08
Information Technology Expenses	0.27	0.18
Donation	0.25	0.25
Corporate Social Responsibility (refer note 37)	2.98	2.83
Other Expenses	0.25	0.27
Total	**13.76**	**15.62**

# denotes amount below ₹ 50,000

Notes

forming part of the Standalone Financial Statements (Contd..)

32.1 Payment to Auditors (Excluding Goods & Service Tax)

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Audit fees	0.09	0.08
In any other manner (Certifications, limited reviews, etc.)	0.05	0.05
Out of pocket	0.02	0.01
Total	**0.16**	**0.14**

33 Exceptional items

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Security receipts	70.35	767.87
Loans	(70.35)	70.35
Equity instruments	–	8.64
	–	**846.86**

During the financial year 2023-24, the Company has recognised impairment loss/expected credit loss aggregating ₹ 846.86 crore (excluding tax) on fair valuation of investments in multiple trusts and loans related to one large account/exposure due to a change in resolution strategy/plan and events subsequent to the balance sheet date. The recognition of such impairment loss/ expected credit loss has happened in the normal course of asset reconstruction business of the Company. However, considering other impacts of the same on the financial statements and its materiality, the same has been treated as an Exceptional Item in the Statement of Profit and Loss Account.

During the year, the Company has recognised exceptional items presented separately in accordance with the respective requirement of Ind AS 109 – Financial Instrument and Ind AS 1- Presentation of Financial Statements in respect of same financial assets/account/exposure on which impairment /expected credit loss on fair valuation of investments in multiple trusts and loans, respectively, had been recognised in previous year. The loss on fair valuation and the ECL Provision (impairment gain) offset each other on account of and result of realisation of assets, resulting in no net impact on the profit or loss for the year from this asset.

34 Income Tax

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax	23.53	40.95
Deferred tax	3.55	(29.70)
Total income tax expenses recognised in the current year	**27.08**	**11.25**
Income tax expense recognised in other comprehensive income	(0.03)	(0.08)
Total income tax expenses	**27.05**	**11.17**

34.1 Reconciliation of total tax charge

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit/ (loss) for the year	(2.71)	(931.19)
Income tax rate	25.17%	25.17%
Income tax expense	(0.68)	(234.39)
Tax Effect of:		
Effect of non-deductible expenses	0.81	0.78
Effect of unrecognised deferred tax assets (net)*	26.95	250.63
Deferred tax on Re-measurement of employee defined benefit obligation	(0.03)	(0.08)
Effect of deferred tax on unrecognised tax losses	–	(5.77)
Income tax expense recognised in profit and loss	**27.05**	**11.17**

*Includes unrecognised deferred tax assets for the financial year 2024-25 in respect of deductible temporary differences of ₹ 107.00 crore (Previous year : ₹ 991.32 crore (including exceptional items) due to a change in resolution strategy/plan and events subsequent to the balance sheet date) pertaining to impairment loss/expected credit loss on fair valuation of investments in multiple trusts and loans. Considering the inherent uncertainties in the Company's business related to the timing and extent of recovery of financial assets and generation of future taxable income,the Company has adopted a prudent approach and has not recognised said deferred tax assets in the financial statements. These deferred tax assets may be recognised in future periods when there is convincing evidence of the availability of sufficient taxable profits against which such assets can be realised.

35 Earning per share

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

(₹ in Crore)

	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a)	Profit/(Loss) for the year attributable to equity shareholders - Basic EPS (₹ in crore)	(29.79)	(942.44)
(b)	Profit/(Loss) for the year attributable to equity shareholders - Diluted EPS (₹ in crore)	(29.79)	(942.44)
(c)	Weighted average number of equity shares outstanding (Nos.) before issue of right shares (Adjusted for Right Issue)	39,83,25,537	39,83,25,537
(d)	Add: Issue of right shares (Weighted average Nos.)	33,49,90,414	–
(e)	Weighted average number of equity shares outstanding during the year for calculating basic earning per share (Nos.)	73,33,15,951	39,83,25,537
(f)	Add : Effect of stock option scheme (Nos.)*	3,49,689	–
(g)	Weighted average number of equity shares outstanding during the year for calculating diluted earning per share (Nos.)	73,36,65,640	39,83,25,537
	Basic earnings per share (₹) (a/e)	(0.41)	# (23.66)
	Dilutive earning per share (₹) (b/g)	(0.41)	# (23.66)
	Nominal value per share (₹)	10	10

* Includes some grants under ESOS are anti-dilutive and therefore considered as Nil.

No dilution in earning per share as issue price of right share was equivalent to the fair value of the share.

Notes

forming part of the Standalone Financial Statements (Contd..)

36 Segment Reporting

The company operates in a segment of distressed credit business and all other activities are incidental to its main business activities as per requirement of Ind AS- 108 on Operating Segment. The reportable business segment is in line with the segment wise information which is being presented to the Chief Operating Decision Maker.

The Company has one geographical segment identified based on its location of customers which is within India.

37 Corporate Social Responsibility

Details of expenses towards corporate social responsibility as per section 135 of the Act, 2013 read with schedule VII there to:

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Gross amount required to be spent by the Company during the year	2.98	2.83
b) Amount spent	1.43	0.63
Amount provided for on-going projects	1.55	2.20
Total	**2.98**	**2.83**
c) Short fall at the end of the year	–	–
d) Total Previous years shortfall	–	–
e) Reason for shortfall	–	–
f) Amount contributed to a trust controlled by the Group	–	–
g) Nature of CSR Activities	–	–
(i) Construction / acquisition of any asset	–	–
(ii) On purposes other than (i) above	2.98	2.83
Total	**2.98**	**2.83**

Details of unspent obligations

In case of section 135(5) of the Companies Act, 2013 (ongoing projects)

(₹ in Crore)

Opening balance as on April 1, 2024		Amount required to be spent during the year	Amount spent during the year		Closing balance as on March 31, 2025	
With Company	In separate CSR Unspent account		From Company's bank account	From separate CSR unspent account	With Company	In separate CSR Unspent account
₹ 2.20	₹ 0.74	₹ 2.98	₹ 1.43	₹ 1.26	₹ 1.55	₹ 1.68

(₹ in Crore)

Opening balance as on April 1, 2023		Amount required to be spent during the year	Amount spent during the year		Closing balance as on March 31, 2024	
With Company	In separate CSR Unspent account		From Company's bank account	From separate CSR unspent account	With Company	In separate CSR Unspent account
₹ 3.74	₹ 2.46	₹ 2.83	₹ 0.63	₹ 5.46	₹ 2.20	₹ 0.74

38 Leasing

Following are the changes in the carrying value of the leased assets for the year ended March 31, 2025:

(₹ in Crore)

Category of leased asset	Gross block				Accumulated depreciation				Net block
	As at April 1, 2024	Additions	Deductions	As at March 31, 2025	As at April 1, 2024	Addition	Deductions	As at March 31, 2025	As at March 31, 2025
Office Premises (ROU)*	22.33	1.26	(10.03)	13.56	11.68	2.13	(3.61)	10.20	3.36

* addition and deletion is as result of new lease inception, lease modification - decrease in lease area and rent.

Following are the changes in the carrying value of the leased assets for the year ended March 31, 2024:

(₹ in Crore)

Category of leased asset	Gross block				Accumulated depreciation				Net block
	As at April 1, 2023	Additions	Deductions	As at March 31, 2024	As at April 1, 2023	Addition	Deductions	As at March 31, 2024	As at March 31, 2024
Office Premises (ROU)*	22.60	0.04	(0.31)	22.33	9.56	2.34	(0.22)	11.68	10.65
Motor Vehicle	0.28	–	(0.28)	–	0.27	0.01	(0.28)	–	–

* addition and deletion is as result of lease modification - decrease in lease area and rent.

During the year, the Company renegotiated certain lease arrangements with lessors, resulting in a reduction in the leased area and a corresponding decrease in lease payments. These changes have been assessed as modifications to the original lease agreements under the provisions of Ind AS 116 – Leases. The Company has remeasured the lease liability based on the revised lease payments discounted using the revised discount rate (average borrowing interest rate of the JM Financial Group). The corresponding adjustment has been made to the right-of-use (ROU) asset. The impact of the lease modification is reduction in lease liability ₹ 8.87 crore, reduction in ROU ₹ 6.42 crore and gain on modification of ₹ 3.04 crore. There is no impact on the lease term or the classification of the lease.

During the year, the Company entered into new lease arrangement for two office premises, resulting in recognition of Right of used assets (ROU) of ₹ 1.26 crore and correspondence lease liability of ₹ 1.21 crore. The associated interest free security deposits paid to lessors are assessed in accordance with the requirements of Ind AS 109 – Financial Instruments by recognising such deposits measured at fair value on initial recognition and subsequently carried at amortised cost using the effective interest method. Remaining portion of deposits of ₹ 0.05 crore recognised as ROU.

The following is the movement in lease liabilities during the year ended March 31, 2025 and March 31, 2024:

On Office premises

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	14.02	16.07
Add : Additions during the year	1.21	–
Less : Lease Modification (net) including impact of lease re-measurement	(8.91)	(0.08)
Add : Finance cost during the year	1.02	1.30
Less : Payment of lease liabilities	(3.09)	(3.27)
Closing balance	**4.25**	**14.02**

Notes

forming part of the Standalone Financial Statements (Contd..)

On Motor Vehicle

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	–	0.01
Add : Finance cost during the year	–	#
Less : Payment of lease liabilities	–	(0.01)
Closing balance	**–**	**–**

Table showing contractual maturities of lease liabilities as at March 31, 2025 and March 31, 2024 on an undiscounted basis:

On Office Premises:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Not later than one year	1.85	3.42
Later than one year and not later than five years	3.06	13.96
Later than five years	–	–

The Company does not face significant liquidity risk with regards to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

39 Employee Benefits

a) Defined contribution plans

The Company operates defined contribution plan (Provident Fund) for all qualifying employees. The employees of the Company are members of a retirement contribution plan operated by the government. The Company is required to contribute a specified percentage of payroll cost to the retirement contribution scheme to fund the benefits. The only obligation of the Company with respect to the plan is to make the specified contributions.

The Company's contribution to Provident Fund aggregating ₹ 0.60 crore (Previous year ₹ 0.69 crore) has been recognized in the Statement of Profit and Loss under the head Employee Benefits Expense.

b) Defined benefit obligation

The Company's liabilities under the Payment of Gratuity Act, 1972 are determined on the basis of independent actuarial valuation made at the end of each financial year using the projected unit credit method. The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. The actuarial risks associated are:

Interest Rate Risk:

The risk of government security yields falling due to which the corresponding discount rate used for valuing liabilities falls. Such a fall in discount rate will result in a larger value placed on the future benefit cash flows whilst computing the liability and thereby requiring higher accounting provisioning.

Longevity Risks:

Longevity risks arises when the quantum of benefits payable under the plan is based on how long the employee lives post cessation of service with the company. The gratuity plan provides the benefit in a lump sum form and since the benefit is not payable as an annuity for the rest of the lives of the employees, there is no longevity risks.

Salary Risks:

The gratuity benefits under the plan are related to the employee's last drawn salary. Consequently, any unusual rise in future salary of the employee raises the quantum of benefit payable by the Company, which results in a higher liability for the Company and is therefore a plan risk for the Company.

The principal assumptions used for the purposes of the actuarial valuations:

Particulars	As at 31 March 2025	As at 31 March 2024
Discount rate	6.55%	7.15%
Expected rate of salary increase	8.00%	7.00%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ult table.	Indian Assured Lives Mortality (2012-14) Ult table.

Amount recognized in statement of profit and loss in respect of these defined benefit obligation

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current service cost	0.17	0.12
Past service cost	–	–
Net interest cost	0.10	0.10
Components of defined benefits recognised in profit or loss.	0.27	0.22
Remeasurements on the net defined benefit liability :		
- Return on plan assets, excl. amount included in interest exp. (income)	–	–
- Actuarial (gain)/loss from change in demographic assumptions	0.02	0.13
- Actuarial (gain)/loss from change in financial assumptions	0.08	0.03
- Actuarial (gain)/loss from change in experience adjustments	0.03	0.14
Total amount recognised in OCI	**0.12**	**0.30**
Total	**0.39**	**0.52**

The current service cost and the net interest expense for the year are included in the 'Employee benefit expense' line item in the Statement of Profit and Loss.

Notes
forming part of the Standalone Financial Statements (Contd..)

The amount included in the balance sheet arising from Company's obligation in respect of its defined benefit plan is as follows:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of funded defined benefit obligation	1.37	1.50
Fair value of plan assets	–	–
Net liability/(asset) arising from defined benefit obligation	**1.37**	**1.50**

Movement in the present value of the defined benefit obligation are as follows:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening defined benefit obligation	1.50	1.44
Current service cost	0.17	0.12
Interest cost	0.10	0.10
Past service cost	–	–
Remeasurements (gains)/losses:		
- Actuarial (gain)/loss from change in demographic assumptions	0.02	0.13
- Actuarial (gain)/loss from change in financial assumptions	0.08	0.03
- Actuarial (gain)/loss from change in experience adjustments	0.03	0.14
Benefits paid	(0.49)	(0.46)
Liabilities extinguished on settlements	(0.03)	–
Closing defined benefit obligation	**1.37**	**1.50**

A reconciliation of the plan assets during the inter-valuation period is given below:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance of fair value of plan assets	–	–
Employer contribution	0.49	0.46
Interest on plan assets	–	–
Administrative Expenses	–	–
Remeasurement due to:		
Actual return on plan assets less interest on plan assets	–	–
Benefit paid	(0.49)	(0.46)
Asset acquired/(settled) on account of business combination or inter group transfer	–	–
Asset distributed on settlements	–	–
Closing balance of fair value of plan assets	**–**	**–**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, attrition rate and mortality. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is as follows:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Defined benefit obligation (base)	1.37	1.50

Particulars	As at March 31, 2025		As at March 31, 2024	
	Discount Rate	Salary Escalation Rate	Discount Rate	Salary Escalation Rate
Defined benefit obligation on increase in 50 bps	1.35	1.40	1.46	1.53
Impact of increase in 50 bps on DBO	(2.10%)	1.67%	(2.93%)	2.13%
Defined benefit obligation on decrease in 50 bps	1.41	1.35	1.55	1.47
Impact of decrease in 50 bps on DBO	2.19%	(1.65%)	3.09%	(2.09%)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the method of valuation for the prior periods in preparing the sensitivity analysis. For change in assumptions refer above.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation asset recognized in the balance sheet.

There is no compulsion on the part of the Company to pre-fund the liability of the plan. The Company's philosophy is to not to externally fund these liabilities but instead create an accounting provisions in its books of accounts and pay the gratuity to its employees directly from its own resources as and when the employee leaves the Company. The expected contribution payable to the plan next year is therefore Nil.

Projected benefits payable:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Expected benefits for year 1	0.25	0.20
Expected benefits for year 2	0.23	0.19
Expected benefits for year 3	0.35	0.18
Expected benefits for year 4	0.16	0.32
Expected benefits for year 5	0.21	0.14
Expected benefits for year 6	0.11	0.22
Expected benefits for year 7	0.09	0.13
Expected benefits for year 8	0.08	0.10
Expected benefits for year 9	0.07	0.10
Expected benefits for year 10 and above	0.34	0.97

The weighted average duration to the payment of these cash flows is 4.28 years (previous year : 6.02 years).

Notes

forming part of the Standalone Financial Statements (Contd..)

Compensated absences

As per Company's policy, provision of ₹ 0.29 crore (Previous year ₹ 0.25 crore) has been made towards compensated absences, determined on the basis of independent actuarial valuation made at the end of each financial year using the projected unit credit method.

c) Code on Social Security, 2020

The new Code on Social Security, 2020 has been enacted, which could impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. The Company will complete its evaluation and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules are published.

40 Foreign Currency Exposure and Unhedged Foreign Currency Exposure

Sr. No.	Particulars	Amount in foreign currency (Equivalent to USD in Million)	Amount in INR (₹ in crore)
I.	**Details of Foreign Currency Exposure**		
	(A) Receivables	NIL	NIL
	(i) Export of goods		
	(ii) Services Rendered / Other Income		
	(B) Payables	NIL	NIL
	(i) Import of Goods		
	(ii) Services utilised / Other Expenses		
	(C) Non-Trade Items	NIL	NIL
	(i) Foreign Currency Loans (ECBs, FCTLs, etc.)		
	(a) Principal Payments		
	(b) Interest		
	(ii) Foreign Currency Investments		
	Total Foreign Currency Exposure	**NIL**	**NIL**
II	**Details of Hedgings**		
	(A) Natural Hedges	NIL	NIL
	(B) Financial Hedges	NIL	NIL
	(i) Forward Contracts Booked:		
	(a) For Export and other Receivables		
	(b) For Import and other Payables		
	(ii) Swaps		
	(a) Principal amount Swaps		
	(b) Interest Rate Swaps		
	(iii) Other Financial Derivative Hedging Instruments		
	Total Hedging of Foreign Currency Exposure	**NIL**	**NIL**

Sr. No.	Particulars	Amount in foreign currency (Equivalent to USD in Million)	Amount in INR (₹ in crore)
III.	**Amount of Unhedged Foreign Currency Exposure**	NIL	NIL
IV.	**Realised / Recognised Amount of Foreign Currency Loss / Gain**	NIL	NIL
V.	**EBID**		164.16
VI.	**Total Banking Exposure of the Company**		
	(i) Term Loans Exposure (Outstanding amounts + Undisbursed)		67.10
	(ii) Working Capital Exposure (Limit sanctioned & accepted)		163.00

Note

i) EBID is computed as per the definition contained in footnote 3 to paragraph 2 (c) of the RBI Circular No. RBI/ 2013-14/ 448 DBOD.No.BP.BC. 85/21.06.200/2013-14 dated January 15, 2014 i.e. Profit After Tax + Depreciation + Interest on Debt + Lease Rentals, if any.

ii) Total banking exposure of the company excludes sanction facilities against fixed deposits.

41 Disclosure of related party

a) Name and relationship with related parties:

(i) Names of related parties and description of relationship where control exists

Ultimate Holding Company

JM Financial Limited

Immediate Holding Company

JM Financial Credit Solutions Limited (Holding Company w.e.f. March 18, 2025)

(ii) Names of related parties and description of relationship where transactions have taken place

(A) Ultimate Holding Company

JM Financial Limited

(B) Immediate Holding Company

JM Financial Credit Solutions Limited (Holding Company w.e.f. March 18, 2025)

(C) Fellow Subsidiaries

JM Financial Institutional Securities Limited

JM Financial Products Limited

JM Financial Properties and Holdings Limited

JM Financial Home Loans Limited

JM Financial Services Limited

JM Financial Capital Limited (merged with JM Financial Services Limited w.e.f. May 18, 2023 - refer note 41(g))

JM Financial Asset Management Limited

Astute Investments

CR Retail Malls (India) Limited

Notes

forming part of the Standalone Financial Statements (Contd..)

(D) Key managerial personnel

Whole time director or Chief Executive Office

Mr. Srinivasan Viswanathan - Chief Executive Officer (Appointed w.e.f. June 22, 2023)

Non-Executive Directors

Mr. V. P. Shetty

Mr. Narotam Sekhsaria [Ceased w.e.f October 15, 2024]

Mr. Pulkit Sekhsaria

Mr. Adi Patel

Mr. Vishal Kampani

Independent Directors

Ms. Rupa Vora

Dr. Vijay Kelkar

Mr. Ameet Desai

Mr. Satish Chand Mathur [Ceased w.e.f July 30, 2024]

Mr. Munesh Khanna

Key managerial personnel of Ultimate holding company

Mr. Nimesh Kampani (NNK)

Mr. Vishal Kampani (VNK)

Mr. Atul Mehra (ASM) (ceased to be related party of the Company with effect from March 28, 2024)

Mr. Adi Patel (ARP)

Ms. Jagi Mangat Panda (JMP) - upto March 30, 2025

Mr. P S Jayakumar (PSJ)

Ms. Roshini Bakshi (RHB)

Mr. Navroz Udwadia (NDU)

Mr. Pradip Kanakia (PMK)

Mr. Sumit Bose (SB)

Key managerial personnel of holding company

Mr. Vikram Pandit

Mr. Vishal Kampani

Mr. Hariharan Aiyar

Mr. Adi Patel

Ms. Dipti Neelakantan

Dr. Anup Shah

Mr. Satish Chand Mathur

Mr. K. G. Krishnamurthy

(E) Entity controlled or jointly controlled or significantly influenced by key management personnel of a ultimate holding company of the reporting entity

JM Financial & Investment Consultancy Services Private Limited

(F) All subsidiary trusts of the company

Name of entity	Country of incorporation	Proportion of ownership interest and voting power held by the Company	
		As at March 31, 2025	As at March 31, 2024
Subsidiary Trusts in India		(%)	(%)
JMFARC - Pasupati SASF Trust	India	100%	100%
JMFARC - UCO Bank March 2011 Trust	India	100%	100%
JMFARC - Corp Apparel 2013 Trust	India	100%	100%
JMFARC - Central India 2013 Trust	India	100%	100%
JMFARC - Dena Bank March 2014 Trust	India	100%	100%
JMFARC - Gelatine March 2014 Trust	India	100%	100%
JMFARC - ICICI Bank July 2014 Trust	India	100%	100%
JMFARC - Axis Bank Cement March 2015 Trust	India	100%	100%
JMFARC - ICICI Bank Cement June 2015 Trust	India	100%	100%
JMFARC - United Bank Cement Sept 2015 Trust	India	100%	100%
JMFARC - ICICI Geometric Trust	India	15%	15%
JMFARC - Axis Bank February 2016 Trust	India	100%	100%
JMFARC - OBC Cement March 2016 Trust	India	100%	100%
JMFARC - Axis Iris II March 2016 Trust	India	100%	100%
JMFARC - SBI Geometric October 2016 Trust	India	100%	100%
JMFARC - IRIS Cash 2016 Trust	India	100%	100%
JMFARC - Tata Capital December 2016 Trust	India	100%	100%
JMFARC - IDBI March 2017 Trust	India	100%	100%
JMFARC - BOB 2008 Trust	India	100%	100%
JMFARC - SME Retail 2011 Trust	India	100%	100%
JMFARC - IOB II March 2011 Trust	India	11%	40%
JMFARC - Corp I 2013 Trust	India	100%	100%
JMFARC - Corp II 2013 Trust	India	100%	100%
JMFARC - Retail June 2011 Trust	India	100%	100%
JMFARC - Retail Aug 2011 Trust	India	100%	100%
JMFARC - IRIS IIFL May 2017 Trust	India	100%	100%
JMFARC - ALHB Bank Textile June 2017 Trust	India	100%	100%
JMFARC - ALHB Bank June 2017 Trust	India	100%	100%
JMFARC - Federal Bank June 2017 Trust	India	100%	100%
JMFARC - IRIS Cash July 2017 Trust	India	100%	100%
JMFARC - Woods October 2017 Trust	India	100%	100%
JMFARC - Fabrics August 2018 I Trust	India	100%	100%

Notes
forming part of the Standalone Financial Statements (Contd..)

Name of entity	Country of incorporation	Proportion of ownership interest and voting power held by the Company	
		As at March 31, 2025	As at March 31, 2024
JMFARC - IRIS Cash March 2018 Trust	India	100%	100%
JMFARC - Metallics July 2018 Trust	India	100%	100%
JMFARC - Federal Bank March 2013 Trust	India	100%	100%
JMFARC - Fabrics March 2019 I Trust	India	100%	100%
JMFARC - Fabrics September 2018 I Trust	India	100%	100%
JMFARC - Fabrics September 2018 II Trust	India	100%	100%
JMFARC - PNB IRIS II September 2018 Trust	India	100%	100%
JMFARC - Fabrics June 2018 Trust	India	100%	100%
JMFARC - Fabrics June 2019 II Trust	India	100%	100%
JMFARC - Fabrics June 2019 III Trust	India	100%	100%
JMFARC - Fabrics December 2019 I Trust	India	100%	100%
JMFARC - March 2018 Trust	India	60%	60%
JMFARC - Fabrics September 2020 Trust	India	100%	100%
JMFARC - Fabrics November 2020 Trust	India	100%	100%
JMFARC - Metallics February 2018 Trust	India	92%	92%
JMFARC - Metallics November 2018 Trust	India	95%	95%
JMFARC - Metallics December 2018 Trust	India	94%	94%
JMFARC - KTK Metallics December 2018 Trust	India	94%	94%
JMFARC - Coated February 2021 Trust	India	89%	89%
Deccan 2021 Trust^	India	100%	100%
Deccan June 2022 Trust^	India	100%	100%
Textile 2022 Trust	India	100%	100%
Retail June 2022 Trust #	India	–	–
Deccan January 2023 Trust^	India	100%	100%
Real Estate May 2023 Trust	India	57%	59%
Deccan September 2023 Trust^	India	100%	100%
Retail May 2024 Trust@	India	90%	–
Rail December 2024-Trust@	India	51%	–
JMFARC - Fabrics September 2018 III - Trust *	India	39%	–
JMFARC – Fabrics August 2018 II – Trust *	India	39%	–
Iris March 2025 Trust@	India	100%	–

@ Trusts addition during the year.

^ Trust closed during the year.

Subsidiary till July 31, 2023.

* Subsidiary from May 31, 2024 by control through ability to direct relevant activities and influence variable returns.

b) Transactions with related parties :

(₹ in Crore)

Name of the Related Party	Nature of relationship	For the year ended March 31, 2025	For the year ended March 31, 2024
JM Financial Limited (JMFL)	(A)		
Inter Corporate Deposit taken		255.00	541.00
Inter Corporate Deposit paid		255.00	806.00
Interest on Inter Corporate Deposits		5.64	38.37
Rating Support Fees		4.89	7.28
Support Service Charges		4.25	3.00
Recovery of expenses		0.13	0.26
Reimbursement of Expenses		0.03	0.03
Issue of equity shares including security premium (Rights Issue)		536.05	–
Gratuity Liability received		0.03	–
Employee stock option expenses		0.07	–
JM Financial Properties and Holdings Limited (JMFPHL)	(C)		
Space and other related cost		2.48	2.72
Security Deposit received		1.75	–
Reimbursement of Expenses		0.42	0.43
JM Financial Home Loans Limited (JMFHL)	(C)		
Reimbursement of Expenses		#	#
JM Financial Products Limited (JMFPL)	(C)		
Inter Corporate Deposit taken		430.00	257.00
Inter Corporate Deposit paid		687.00	–
Management Fees received		1.73	1.89
Interest on Inter Corporate Deposits paid		8.01	0.31
Support Service Charges		1.25	2.50
Reimbursement of Expenses		0.04	0.03
JM Financial Services Limited (JMFSL)	(C)		
Repayment of NCD/MLD		0.20	1.60
Brokerage paid		0.08	0.01
JM Financial Credit Solutions Limited (JMFCSL)	(B)		
Inter Corporate Deposit taken		230.00	–
Issue of Optionally Convertible Debenture		–	200.00
Management Fees received		3.83	4.94
Interest on Inter Corporate Deposits paid		0.46	–
Issue of equity shares including security premium (Rights Issue)		59.43	–
Security deposit paid against lease		0.33	–
Reimbursement of expenses		0.17	–
Subsidiary trusts - managed by the Company as trustee	(F)		
Management fees and incentives			
Retail June 2022 - Trust*		–	3.70
JMFARC Coated February 2021 Trust		–	3.92
Real Estate May 2023 Trust		4.18	7.43
Retail May 2024 Trust		2.93	–
Rail December 2024-Trust		3.65	–

Notes
forming part of the Standalone Financial Statements (Contd..)

(₹ in Crore)

Name of the Related Party	Nature of relationship	For the year ended March 31, 2025	For the year ended March 31, 2024
Net gain/(loss) on fair value changes - Income (profit on redemption) distributed to beneficiary			
JMFARC - Tata Capital December 2016 Trust		60.42	–
JMFARC - Allahabad Bank Textile June 2017 Trust		–	1.22
JMFARC - Federal Bank June 2017 Trust		2.88	24.27
JMFARC - Federal Bank March 2013 Trust		4.77	8.43
JMFARC - Axis Bank February 2016 Trust		5.29	–
JMFARC Coated February 2021 Trust		–	127.38
JMFARC-SME Retail 2011-Trust		–	0.25
JMFARC - Woods October 2017 Trust		–	0.26
Deccan 2021 Trust		29.60	–
Deccan June 2022 - Trust		3.17	–
Deccan January 2023 Trust		34.64	–
Textile 2022 - Trust		10.06	–
Others		1.62	–
Interest Income			
JMFARC Coated February 2021 Trust		–	0.30
Real Estate May 2023 Trust		0.06	0.17
Investment in security receipts			
Deccan September 2023 Trust		–	107.27
Retail June 2022 - Trust*		–	37.75
Real Estate May 2023 Trust		–	198.00
Rail December 2024-Trust		255.00	–
Iris March 2025 Trust		5.00	–
Retail May 2024 Trust		29.55	–
Redemption of security receipts			
Retail June 2022 - Trust*		–	80.90
JMFARC - Tata Capital December 2016 - Trust		66.98	–
JMFARC - Central India 2013-Trust		22.98	–
Real Estate May 2023 Trust		13.00	48.28
JMFARC Federal Bank June 2017 Trust		2.88	24.27
JMFARC Federal Bank March 2013 Trust		4.77	8.43
JMFARC Coated February 2021 Trust		–	517.97
JMFARC - Woods October 2017 Trust		9.79	0.26
JMFARC ALHB Bank Textile June 2017 Trust		–	1.22
Deccan 2021 Trust		39.11	–
Deccan June 2022 - Trust		6.20	–
Textile 2022 - Trust		149.73	–
Deccan January 2023 Trust		129.31	–
Deccan September 2023 Trust		106.81	–
Others		37.50	0.25

(₹ in Crore)

Name of the Related Party	Nature of relationship	For the year ended March 31, 2025	For the year ended March 31, 2024
Loans and advances given/(repaid) (net)			
JMFARC Gelatine March 2014 Trust		0.33	0.39
JMFARC Fabrics August 2018 I Trust		(2.52)	0.56
JMFARC Central India 2013 Trust		(2.93)	0.10
JMFARC Corp I 2013 Trust		0.14	0.67
JMFARC Federal Bank March 2013 Trust		0.03	(0.40)
JMFARC Coated February 2021 Trust		0.01	(1.51)
Others		(2.00)	2.53
Key Managerial Personnel	(D)		
Remuneration (refer note (d))		2.25	2.94
Repayment of NCD		0.20	2.00

c) Closing balances

(₹ in Crore)

Name of the Related Party	Nature of relationship	As at March 31, 2025	As at March 31, 2024
Inter Corporate Deposit payable			
JM Financial Credit Solutions Limited (JMFCSL)	(B)	230.00	–
JM Financial Products Limited (JMFPL)	(C)	–	257.00
Security Deposit Receivable			
JM Financial Properties and Holdings Limited (JMFPHL)	(C)	0.46	2.21
JM Financial Credit Solutions Limited (JMFCSL)	(B)	0.33	–
Market Linked Non-Convertible Debenture			
JM Financial Services Limited (JMFSL)	(C)	–	0.20
Dr. Vijay Kelkar	(D)	–	0.20
Optionally Convertible Debenture			
JM Financial Credit Solutions Limited (JMFCSL)	(B)	200.00	200.00
Trade Payable			
JM Financial Limited (JMFL)	(A)	2.36	1.88
Trade receivables/loans and advances(net)			
JM Financial Services Limited (JMFSL)	(C)	#	–
Subsidiaries trust	(F)		
JMFARC Fabrics August 2018 I Trust		1.77	4.32
JMFARC Coated February 2021 Trust		0.02	(1.17)
Rail December 2024 Trust		3.94	–
JMFARC Fabrics August 2018 II- Trust		7.43	–
JMFARC Fabrics September III Trust		0.88	–
Others		9.92	(2.94)
Key Managerial Personnel	(D)	0.68	1.45

Denote amount below ₹ 50,000

* Subsidiary trust upto July 31, 2023

Notes

forming part of the Standalone Financial Statements (Contd..)

d) Remuneration to KMP were as follows

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) short term employee benefits	1.63	2.02
(b) post employment benefits	0.06	0.25
(c) other benefits*	0.56	0.67
Total	**2.25**	**2.94**

* Other benefits includes directors sitting fees and commissions.

e) Remuneration excludes provision for gratuity and compensated absences as the incremental liability has been accounted for Company as a whole.

f) There are no provisions for doubtful debts / advances or amounts written off or written back for debts due from/ due to related parties.

g) Pursuant to the NCLT order approving the Scheme of Arrangement (the “Scheme”) on April 20, 2023 with the appointed date being April 1, 2023, JM Financial Capital Limited has been merged with JM Financial Services Limited.

h) The transactions disclosed above are exclusive of GST.

Note: The Company enters into transactions, arrangements and agreements involving directors, senior management and their business associates, or close family members, in the ordinary course of business under the same commercial and market terms, interest and commission rates that apply to non related parties.

42 Capital Management

The Company manages its capital to ensure that the Company will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance (refer note no 50.1).

The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants. The Company monitors capital using debt to equity ratio.

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Borrowings (Debt securities and borrowing other than debt securities)	1,517.72	2,819.76
Less: Cash and cash equivalents	(50.83)	(84.75)
Net Debt	**1,466.89**	**2,735.01**
Total equity	1,160.12	592.34
Net Debt to equity ratio	1.26	4.62

43 Fair value measurement

a) Fair value hierarchy and method of valuation:

This note explains the judgements and estimates made in determining the fair values of the financial instruments that are a) recognized and measured at fair value and b) measured at amortized cost and for which fair values are disclosed in the standalone financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2 fair value measurements are those derived from quoted prices of equity instruments.

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). The input factors considered are estimated cash flows, collateral values, other assumptions, etc.

b) Categories of Financial Instruments:

As at March 31, 2025

(₹ in Crore)

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	–	–	50.83	50.83	–	–	–	–
Other bank balances	–	–	1.98	1.98	–	–	–	–
Trade receivables (net)	–	–	168.24	168.24	–	–	–	–
Loans (net)	–	–	417.24	417.24	–	–	–	–
Investments	1,881.07	–	–	1,881.07	–	–	1,881.07	1,881.07
Other financial assets (net)	–	–	50.96	50.96	–	–	–	–
Total	**1,881.07**	**–**	**689.25**	**2,570.32**	**–**	**–**	**1,881.07**	**1,881.07**
Financial liabilities								
Trade payables	–	–	3.35	3.35	–	–	–	–
Debt securities	–	–	1,025.18	1,025.18	–	–	–	–
Borrowing (other debt securities)	–	–	492.54	492.54	–	–	–	–
Lease liabilities	–	–	4.25	4.25	–	–	–	–
Other financial liabilities	–	–	24.04	24.04	–	–	–	–
Total	**–**	**–**	**1,549.36**	**1,549.36**	**–**	**–**	**–**	**–**

Notes

forming part of the Standalone Financial Statements (Contd..)

As at March 31, 2024

(₹ in Crore)

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	–	–	84.75	84.75	–	–	–	–
Other Bank balances	–	–	0.99	0.99	–	–	–	–
Trade receivables (net)	–	–	201.53	201.53	–	–	–	–
Loans (net)	–	–	499.12	499.12	–	–	–	–
Investments	2,471.26	–	–	2,471.26	4.28	–	2,466.98	2,471.26
Other financial assets (net)	–	–	60.84	60.84	–	–	–	–
Total	**2,471.26**	**–**	**847.23**	**3,318.49**	**4.28**	**–**	**2,466.98**	**2,471.26**
Financial liabilities								
Trade payables	–	–	4.83	4.83	–	–	–	–
Debt securities	–	–	1,897.90	1,897.90	–	–	–	–
Borrowing (other debt securities)	–	–	921.86	921.86	–	–	–	–
Lease liabilities	–	–	14.02	14.02	–	–	–	–
Other financial liabilities	–	–	83.12	83.12	–	–	–	–
Total	**–**	**–**	**2,921.73**	**2,921.73**	**–**	**–**	**–**	**–**

Notes:

1 Includes debt securities issued at fixed rate of interest for which carrying value and fair value are as under :

(₹ in Crore)

As at	Carrying value	Fair value
As at March 31, 2025	825.18	828.25
As at March 31, 2024	1,153.65	1,144.19

2 Except for those financial instruments for which the carrying amounts are mentioned in the above table, the Company considers that the carrying amounts recognised the financial statements approximate their fair values.

3 For financial assets that are measured at amortized cost, the carrying amounts are equals to the fair values.

c) Valuation techniques used to determine the fair values:

i) For level 1 - Listed equity instruments are fair valued using quoted prices;

ii) For level 2 - fair value measurements are derived from quoted prices of equity instruments; and

iii) For level 3 - fair value measurements are derived on a recovery range provided by the External Rating Agency and other unobservable inputs. The values of financial instruments are estimated using a combination of the recovery range provided by the External Rating Agency and discounting the estimated cash flows based on realization of collateral values, etc. using interest rate on borrowing of the Company. Further, necessary and appropriate adjustments (adequate provisions for contingencies/appropriate discounting of the cash flows) have been made by considering credit risk, uncertainties associated with prevailing economic condition, timing of the recoveries, strategy which may involve actions such as settling dues, selling assets through legal action or other means like NCLT, restructuring, and bringing in investors or strategic partners and the value at which the collaterals are expected to be recovered for determination of fair value of the financial assets.

d) Fair value measurements use significant unobservable inputs (Level-3):

The following table presents the changes in level 3 items for the year ended March 31, 2025 and March 31, 2024.

(₹ in Crore)

Particulars	Investment in Security Receipts
As at April 1, 2023	**3,595.99**
Acquisitions made	603.58
(Realisations) made	(866.04)
Net Gain on fair value changes	(871.02)
As at March 31, 2024	**2,462.51**
Acquisitions made	354.64
(Realisations) made	(925.90)
Net Gain on fair value changes	(14.65)
As at March 31, 2025	**1,876.60**

e) Sensitivity for instruments

(₹ in Crore)

Nature of the instrument	Fair Value as at March 31, 2025	Fair Value as at March 31, 2024	Significant unobservable inputs*	Increase / Decrease in the unobservable input	Sensitivity Impact for the year ended March 31, 2025*		Sensitivity Impact for the year ended March 31, 2024*	
					FV Increase	FV Decrease	FV Increase	FV Decrease
Investment in Security receipts	1,876.60	2,462.51	Estimated cash flow based on realisation of collaterals value, etc.	5%	169.36	(169.36)	189.44	(189.44)

*above sensitivity is determined at percentage of outstanding security receipts at cost considering the normal course of business excluding exceptional item disclosed in Note 33.

f) Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realised. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

44 Financial risk management

The Company's activities expose it to credit risks, liquidity risks and market risks.

Risk management forms an integral part of the business and as it being into distressed credit business it exposed to several risks related to stress assets i.e. Non-Performing Assets (NPA) acquired from banks and financial institutions. The Company has a robust account monitoring system which ensures early detection of risks whereby timely action can be taken to surmount any avoidable slippages. The Company has an effective mechanism of driving business through policies and committees. The Company has well balance and experienced team of resources to drive its business.

Notes

forming part of the Standalone Financial Statements (Contd..)

The Company has established Risk Management Committee and Asset Acquisition Committee, responsible for identifying, developing, monitoring and mitigating all the risks related to its business. The committees reports to the board of directors on regular basis.

i) Credit risk

Credit risk is the risk of loss that may occur from the failure of party to abide by the terms and conditions of any financial contract, principally the failure to make the required payments. In order to minimize credit risk, the Company has adopted a policy of acquisition of asset in a transparent manner and at a fair price in a well-informed market and the transactions are executed at arm's length in exercise of due diligence and adopt an industry / sector neutral and geography neutral approach in targeting financial assets for acquisition. Credit risk management is achieved by considering the factors like cash flow, collateral values, etc.

In order to minimize credit risk, the Company has tasked its Risk Management Committee and Asset Acquisition Committee to develop and maintain the Company's credit risk grading's.

Company has classified its receivables into following categories:

a) Loans given (in the nature of restructuring loans, additional funding for working capital, etc.); and

b) Other receivables under distress credit business.

Provision for expected credit loss

1 For loans:

Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. The Company's current credit risk rating and grading framework comprises the following categories:

For stage 1: performing assets- 12 months Expected Credit Loss (ECL); and

For stage 2: under-performing assets- lifetime ECL (on default occurred); and

For stage 3: credit impaired assets-based on expected cash flows.

(i) Movement of gross carrying amount in loans given:

As at March 31, 2025

(₹ in Crore)

Particulars	As at March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount-opening balance	162.77	–	429.43	592.20
New assets originated or purchased	48.12	–	–	48.12
Assets derecognised or repaid (excluding write-off)	(13.88)	–	(202.25)	(216.13)
Transfer to Stage 3	(126.50)	–	126.50	–
Gross carrying amount - closing balance	**70.51**	**–**	**353.68**	**424.19**

As at March 31, 2024

(₹ in Crore)

Particulars	As at March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount-opening balance	135.78	–	429.43	565.21
New assets originated or purchased	83.82	–	34.76	118.58
Assets derecognised or repaid (excluding write-off)	(56.83)	–	(34.76)	(91.59)
Gross carrying amount - closing balance	**162.77**	**–**	**429.43**	**592.20**

(ii) Movement of provision for impairment (ECL):

As at March 31, 2025

(₹ in Crore)

Particulars	As at March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	2.67	–	90.41	93.08
New assets originated or purchased	0.56	–	–	0.56
Assets derecognised or repaid (excluding write-off)	–	–	(86.69)	(86.69)
Transfer to Stage 3	(2.07)	–	2.07	–
ECL allowance - closing balance	**1.16**	**–**	**5.79**	**6.95**

As at March 31, 2024

(₹ in Crore)

Particulars	As at March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	2.23	–	19.70	21.93
New assets originated or purchased	0.54	–	70.71	71.25
Assets derecognised or repaid (excluding write-off)	(0.10)		–	(0.10)
ECL allowance - closing balance	**2.67**	**–**	**90.41**	**93.08**

2 For other receivables under distressed credit business:

For the purpose of measuring the expected credit loss, including the lifetime expected credit loss allowances for other receivables under distress credit business, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information. ECL rates are based on actual credit loss experience over the past six years and the ECL rate is calculated by averaging loss rates over past six years.

There is no credit period defined for other receivables and amount is due on the date of invoice/ debit note. Interest is charged on overdue amount as per terms agreed.

Notes

forming part of the Standalone Financial Statements (Contd..)

Movement of provision for impairment

As at March 31, 2025

(₹ in Crore)

Particulars	As at March 31, 2025		
	Trade receivables	Other financial assets	Total
ECL allowance - opening balance	44.24	12.89	57.13
Addition	0.71	0.88	1.59
Closing balance	**44.95**	**13.77**	**58.72**

As at March 31, 2024

(₹ in Crore)

Particulars	As at March 31, 2024		
	Trade receivables	Other financial assets	Total
ECL allowance - opening balance	38.58	7.80	46.38
Addition	5.66	5.09	10.75
Closing balance	**44.24**	**12.89**	**57.13**

The ageing of trade receivables :

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Past due 1–180 days	11.15	22.11
More than 180 days	202.04	223.66
	213.19	**245.77**

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. However, the Company believes that it has a strong financial position and business is adequately capitalized, have good credit rating and appropriate credit lines available to address liquidity risks.

Ultimate responsibility for liquidity risk rest with the management, which has established an appropriate liquidity risk framework for the management of the Company's short term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Company has undrawn lines of credit of ₹ 83.77 crore and ₹ 10.58 crore as of March 31, 2025 and March 31, 2024 respectively, from its bankers for working capital requirements. The Company also has Bank balances of ₹ 50.83 crore as on March 31, 2025.

Exposure to liquidity risk

The following are the details of Company's remaining contractual maturities of financial liabilities and assets at the reporting date. The amounts are gross and undiscounted.

As at March 31, 2025

(₹ in Crore)

Particulars	Contractual cash flows					
	Carrying amount	Total	0-1 year	1-3 years	3-5 years	More than 5 years
Financial Liabilities						
Borrowings and debt securities	1,517.72	1,517.72	1,323.35	194.37	–	–
Trade payables	3.35	3.35	3.35	–	–	–
Lease liabilities	4.25	4.25	1.52	2.04	0.69	–
Other financial liabilities	24.04	24.04	23.43	0.61	–	–
Total	**1,549.36**	**1,549.36**	**1,351.65**	**197.02**	**0.69**	**–**
Financial Assets						
Cash and cash equivalents	50.83	50.83	50.83	–	–	–
Other Bank balances	1.98	1.98	1.98	–	–	–
Trade receivables (net)	168.24	168.24	23.89	144.35	–	–
Loans (net)	417.24	417.24	2.70	414.54	–	–
Investment	1,881.07	1,881.07	1,207.36	639.72	30.47	3.52
Other Financial Assets (net)	50.96	50.96	22.59	28.05	0.32	–
Total	**2,570.30**	**2,570.30**	**1,309.33**	**1,226.66**	**30.79**	**3.52**

As at March 31, 2024

(₹ in Crore)

Particulars	Contractual cash flows					
	Carrying amount	Total	0-1 year	1-3 years	3-5 years	More than 5 years
Financial Liabilities						
Borrowings and debt securities	2,819.76	2,819.76	1,940.01	879.75	–	–
Trade payables	4.83	4.83	4.83	–	–	–
Lease liabilities	14.02	14.02	2.23	5.44	6.35	–
Other financial liabilities	83.12	83.12	81.92	1.20	–	–
Total	**2,921.73**	**2,921.73**	**2,028.99**	**886.39**	**6.35**	**–**
Financial Assets						
Cash and cash equivalents	84.75	84.75	84.75	–	–	–
Other Bank balances	0.99	0.99	0.99	–	–	–
Trade receivables (net)	201.53	201.53	55.56	145.97	–	–
Loans (net)	499.12	499.12	286.58	212.54	–	–
Investment	2,471.26	2,471.26	1,043.69	1,013.25	406.77	7.55
Other Financial Assets (net)	60.84	60.84	34.56	24.69	1.59	–
Total	**3,318.47**	**3,318.47**	**1,506.11**	**1,396.45**	**408.36**	**7.55**

Notes

forming part of the Standalone Financial Statements (Contd..)

Note

a) The maturities of non-derivative financial liabilities are based on the earliest date on which the Company may be required to pay.

b) The maturities of the financial assets are based on the management's estimation on realization.

c) The liquidity gap between 0-1 year for the financial year 2023-24 was addressed through refinancing via bank facilities and other refinancing options. This gap included inter-corporate deposits payable to related parties, which were callable, and bank working capital balances, which were annually renewable. During the year, the Parent Company also infused capital by raising equity to cover its obligations. The liquidity gap between 0-1 year for the financial year 2024-25 was addressed through refinancing via bank facilities and other refinancing options. This gap included inter-corporate deposits payable to related parties and bank working capital balances, which were annually renewable.

The following are the details of Company remaining contractual maturities of financial liabilities based on undiscounted cash flows:

As at March 31, 2025

(₹ in Crore)

Particulars	Contractual cash flows					
	Carrying amount	Total	0-1 year	1-3 years	3-5 years	More than 5 years
Financial Liabilities						
Borrowings and debt securities	1,517.72	1,524.35	1,329.23	195.12	–	–
Trade payables	3.35	3.35	3.35	–	–	–
Lease liabilities	4.25	4.91	1.85	2.34	0.72	–
Other financial liabilities	24.04	24.04	23.43	0.61	–	–
Total	**1,549.36**	**1,556.65**	**1,357.86**	**198.07**	**0.72**	**–**

As at March 31, 2024

(₹ in Crore)

Particulars	Contractual cash flows					
	Carrying amount	Total	0-1 year	1-3 years	3-5 years	More than 5 years
Financial Liabilities						
Borrowings and debt securities	2,819.76	2,836.64	1,725.22	1,111.42	–	–
Trade payables	4.83	4.83	4.83	–	–	–
Lease liabilities	14.02	17.38	3.42	7.03	6.93	–
Other financial liabilities	83.12	82.80	81.60	1.20	–	–
Total	**2,921.73**	**2,941.65**	**1,815.07**	**1,119.65**	**6.93**	**–**

c) Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates as future specific market changes cannot be normally predicted with reasonable accuracy.

1. Currency risk

The functional currency of the Company is Indian Rupee (₹). The Company has not undertaken any transactions denominated in foreign currencies and therefore is not exposure to exchange rate fluctuations. Company has not taken derivative contracts during the year.

2. Interest rate risk

The Company is exposed to interest rate risk pertaining to funds borrowed at both fixed and floating interest rates. The Company has an approved Asset and Liability Management Policy which empowers the Asset and Liability Management Committee (ALCO) to assess the interest rate risk and provide appropriate guidelines to the Treasury to manage such risk. The ALCO reviews the interest rate risk on periodic basis and decides on the appropriate funding mix.

Exposure to interest rate risk

The exposure of the Company's borrowings to the interest rates risk at the end of the reporting period is:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Fixed rate borrowings	1,128.38	1,716.45
Floating rate borrowings	160.36	778.32
Total	**1,288.74**	**2,494.77**

* Exclude Optionally Convertible Debenture (refer note 16.4)

Interest rate Sensitivity analysis:

The sensitivity analysis has been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming that the amount of the liability as at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents Management's assessment of the reasonably possible change in interest rates.

If floating rate of interest had been 100 basis points higher/ lower, the Company's profit for the year ended March 31, 2025 would decrease/ increase by ₹ 1.60 crore (Previous year: decrease/ increase by ₹ 7.78 crore).

3 Equity Price Risk

Equity price risk is related to the change in market reference price of the instruments in quoted and unquoted securities. The fair value of the Company's investments exposes to company to equity price risks. In general, these securities are not held for trading purposes.

Equity Price Sensitivity analysis:

The fair value of quoted equity instruments as at March 31, 2025 aggregate to ₹ Nil (Previous year ₹ 4.28 crore). If price of equity instruments decrease/ increase by 5%, the Company's profit for the year ended March 31, 2025 would be decrease/ increase by ₹ Nil (Previous year: decrease/ increase by ₹ 0.21 crore).

Notes

forming part of the Standalone Financial Statements (Contd..)

45 Maturity Analysis of Assets and Liabilities

(₹ in Crore)

Sr. No.	Particulars	As at March 31, 2025			As at March 31, 2024		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	ASSETS						
(1)	Financial Assets						
(a)	Cash and cash equivalents	50.83	–	50.83	84.75	–	84.75
(b)	Other bank balances	1.98	–	1.98	0.99	–	0.99
(c)	Trade Receivables	23.89	144.35	168.24	55.56	145.97	201.53
(d)	Loans	2.70	414.54	417.24	286.58	212.54	499.12
(e)	Investments	1,207.37	673.70	1,881.07	1,043.70	1,427.56	2,471.26
(f)	Other Financial assets	22.59	28.37	50.96	34.56	26.28	60.84
	Total Financial Assets	**1,309.36**	**1,260.96**	**2,570.32**	**1,506.14**	**1,812.35**	**3,318.49**
(2)	Non-Financial Assets						
(a)	Current tax Assets (Net)	–	33.86	33.86	–	83.75	83.75
(b)	Deferred tax Assets (Net)	–	109.90	109.90	–	113.42	113.42
(c)	Property, Plant and Equipment	–	3.91	3.91	–	11.33	11.33
(d)	Other Intangible assets	–	0.16	0.16	–	0.15	0.15
(e)	Other Non-Financial Assets	1.08	–	1.08	1.33	–	1.33
	Total Non-Financial Asset	**1.08**	**147.83**	**148.91**	**1.33**	**208.65**	**209.98**
	Total Assets	**1,310.44**	**1,408.79**	**2,719.23**	**1,507.47**	**2,021.00**	**3,528.47**
	LIABILITIES AND EQUITY						
	LIABILITIES						
(1)	Financial Liabilities						
(a)	Trade Payables	3.35	–	3.35	4.83	–	4.83
(b)	Debt Securities	945.93	79.25	1,025.18	1,099.58	798.32	1,897.90
(c)	Borrowings (Other than Debt Securities)	377.42	115.12	492.54	840.43	81.43	921.86
(d)	Lease liabilities	1.52	2.73	4.25	2.23	11.79	14.02
(e)	Other financial liabilities	23.43	0.61	24.04	81.92	1.20	83.12
	Total Financial Liabilities	**1,351.65**	**197.71**	**1,549.36**	**2,028.99**	**892.74**	**2,921.73**
(2)	Non-Financial Liabilities						
(a)	Provisions	0.54	1.12	1.66	0.45	1.30	1.75
(b)	Other non-financial liabilities	8.09	–	8.09	12.65	-	12.65
	Total Non-Financial Liabilities	**8.63**	**1.12**	**9.75**	**13.10**	**1.30**	**14.40**
	Total Liabilities	**1,360.29**	**198.83**	**1,559.11**	**2,042.09**	**894.04**	**2,936.13**
	Net (A-B)	**(49.85)**	**1,209.96**	**1,160.12**	**(534.62)**	**1,126.96**	**592.34**

Note : Maturity Analysis of Assets and Liabilities within 12 months of previous year was negative on account of ICDs payables to related parties which were payable on call and working capital demand loans/ cash credit facilities which were annually renewals. The shortfall has been balanced through refinancing/ others modes of borrowings and fresh infusion of equity. Maturity Analysis of Assets and Liabilities within 12 months of current year is negative on account of ICDs payables to related parties and working capital demand loans/ cash credit facilities which were annually renewals. The shortfall would be balanced through refinancing/ others modes of borrowings.

46 Employee Stock Option Scheme

46.1 JM Financial Limited granted the Stock Options to the eligible employees and/or directors (the Employees) of JM Financial Limited and its subsidiaries. Out of the total number of Options granted by JM Financial Limited, the following Stock Options pertain to the employees of the Company.

May 10, 2024 20,000 Stock Options

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

Vesting/ Grant Date	Options series	No. of Stock Options	Status	Exercise Period	Exercise Price in ₹
May 10, 2025	Series-XIX-B	5,000	Unvested	Seven years from the date of Grant	1
May 10, 2026	Series-XIX-B	5,000	Unvested	Seven years from the date of Grant	1
May 10, 2027	Series-XIX-B	5,000	Unvested	Seven years from the date of Grant	1
May 10, 2028	Series-XIX-B	5,000	Unvested	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	
	As at 31 March 2025	As at 31 March 2024
Outstanding at the beginning of the year	–	–
Granted during the year	20,000	–
Outstanding at the end of the year	20,000	–
Exercisable at the end of the year	–	–

The charge on account of the above scheme is included in employee benefit expense aggregating ₹ 0.07 crore (Previous year: ₹ Nil). Since the options are granted by JM Financial Limited (the Ultimate Holding Company), basic and diluted earnings per share of the Company would remain unchanged.

46.2 The Employee Stock Option Scheme (the "Scheme") provides for grant of stock options to the eligible employees and/or directors ("the Employees") of the Company. The Stock Options are granted at an exercise price, which is either equal to the fair market price or at a premium, or at a discount to market price as may be determined by the Nomination and Remuneration Committee of the Board of the Company.

During the year 2024-25, the Nomination and Remuneration Committee has not granted any stock options (previous year : Nil options) to the Employees, that will vest in a graded manner and which can be exercised within a specified period.

During the year, the Company approved a modification to its Employee Stock Option Scheme (ESOS) in accordance with the applicable regulations and the approval of the Board of Directors / Shareholders. The modification involved a change in the exercise price of outstanding stock options granted to eligible employees under the scheme. Effective from May 16, 2024, the exercise price of 30,54,492 outstanding options (No. of options : Series I - 10,47,705; Series II - 5,34,888 and Series III - 14,71,899) revised from ₹ 28.46 for Series I, ₹ 29.69 for Series II and ₹ 33.63 for Series III to ₹ 11.25 for all series to continue incentivising and retaining key talent.

As per Ind AS 102 – Share based Payment, this modification has been accounted for as a repricing of the stock options. The incremental fair value arising from the modification, determined as the difference between the fair value of the modified options and the original options as on the date of modification, has been calculated using the Black-Scholes option pricing model and will be recognized as an expense over the remaining vesting period. The impact of the modification on the statement of profit and loss for the year is an additional expense of ₹ 1.53 crore, with a corresponding increase in stock option outstanding under equity.

Notes

forming part of the Standalone Financial Statements (Contd..)

The details of options are as under:

Particulars	As at March 31, 2025	As at March 31, 2024
Outstanding at the beginning of the year	34,42,191	34,99,797
Less: Forfeited/cancelled during the year	(3,87,699)	(57,606)
Outstanding at end of the year	30,54,492	34,42,191
Exercisable at end of the year	18,94,930	9,73,347

The Company follows fair value based method of accounting for determining compensation cost for its stock based compensation scheme. The fair value has been calculated by applying Black and Scholes model as valued by an independent valuer. The fair value of each stock options granted during the current year and previous year is mentioned in the table below.

Details of options granted under various series are as under :

Particulars	Series I	Series II	Series III
Grant date	April 16, 2020	April 19, 2021	May 4, 2022
Options granted	15,81,444	9,09,549	19,60,749
Options forfeited/cancelled till March 31, 2024	(5,33,739)	(3,74,661)	(4,88,850)
Outstanding at end of year	10,47,705	5,34,888	14,71,899
Exercisable at end of year	10,47,705	3,56,592	4,90,633
Vesting of options	1/3rd Options each on completion of first, second and third year from the date of grant of options	1/3rd Options each on completion of first, second and third year from the date of grant of options	1/3rd Options each on completion of first, second and third year from the date of grant of options
Exercise period	Within 3 years from the date of vesting	Within 3 years from the date of vesting	Within 3 years from the date of vesting
Exercise price as per original scheme	₹ 28.46	₹ 29.69	₹ 33.63
Exercise price as per new scheme	₹ 11.25	₹ 11.25	₹ 11.25
Pricing formula	As was determined by the Nomination and Remuneration Committee	As was determined by the Nomination and Remuneration Committee	As was determined by the Nomination and Remuneration Committee

The charge on account of the above scheme is included in employee benefit expense aggregating ₹ 2.19 crore (Previous year: ₹ 1.91 crore).

47 Schedule of security receipts

Name of Trust	As at March 31, 2025		As at March 31, 2024	
	No. of SRs	Amount (₹ in crores)	No. of SRs	Amount (₹ in crores)
A) Subsidiary Trusts (at fair value)				
JMFARC - Pasupati- SASF - Trust	2,50,000	–	2,50,000	–
JMFARC - UCO Bank March 2011 - Trust	16,500	–	16,500	–
JMFARC - Corp Apparel 2013 -Trust	1,20,000	0.01	1,20,000	0.01
JMFARC - Central India 2013 - Trust	2,89,360	–	2,89,360	28.07
JMFARC - Dena Bank March 2014 - Trust	67,000	0.92	67,000	1.38
JMFARC - Gelatine March 2014 - Trust	6,28,672	6.34	6,28,672	6.34
JMFARC - ICICI Bank July 2014 - Trust	20,000	–	20,000	#
JMFARC - Axis Bank Cement March 2015 - Trust	2,30,000	12.13	2,30,000	13.80
JMFARC - ICICI Bank Cement June 2015 - Trust	1,70,500	8.80	1,70,500	10.11
JMFARC - United Bank Cement September 2015 - Trust	1,80,000	14.17	1,80,000	18.34
JMFARC - ICICI Geometric - Trust	61,500	–	61,500	–
JMFARC - Axis Bank February 2016 - Trust	87,500	–	87,500	–
JMFARC - OBC Cement March 2016 - Trust	49,700	1.55	49,700	1.62
JMFARC - Axis Iris II March 2016 - Trust	60,000	6.00	60,000	6.00
JMFARC - SBI Geometric October 2016 - Trust	4,53,000	–	4,53,000	–
JMFARC - IRIS Cash 2016 - Trust	4,26,200	44.22	4,26,200	58.63
JMFARC - Tata Capital December 2016 - Trust	1,30,000	16.96	1,30,000	43.39
JMFARC - IDBI March 2017 - Trust	30,000	1.31	30,000	2.34
JMFARC - IRIS IIFL May 2017 - Trust	27,500	2.25	27,500	3.00
JMFARC - IRIS Cash July 2017 - Trust	2,64,000	10.36	2,64,000	13.83
JMFARC - Woods October 2017 - Trust	1,87,500	0.02	1,87,500	9.81
JMFARC - IRIS Cash March 2018 - Trust	78,500	2.60	78,500	3.47
JMFARC - Fabrics June 2018 - Trust	8,30,000	19.00	8,30,000	22.07
JMFARC - Metallics July 2018 - Trust	1,66,500	–	1,66,500	–
JMFARC - Fabrics August 2018 I - Trust	80,20,000	202.40	80,20,000	237.80
JMFARC - Fabrics September 2018 I - Trust	7,53,500	19.33	7,53,500	22.46
JMFARC - Fabrics September 2018 II - Trust	5,35,300	13.73	5,35,300	16.01
JMFARC - PNB IRIS II September 2018 - Trust	11,510	1.15	11,510	1.15
JMFARC - Fabrics March 2019 I - Trust	3,37,800	8.67	3,37,800	10.08
JMFARC - BOB 2008 - Trust	1,11,600	–	1,11,600	–
JMFARC - SME Retail 2011 - Trust	13,365	–	13,365	#
JMFARC - IOB II March 2011 - Trust Class A	1,04,200	–	1,04,200	–
JMFARC - IOB II March 2011 - Trust Class B	5,800	–	5,800	–
JMFARC - Federal Bank March 2013 - Trust	10,00,000	17.43	10,00,000	17.43
JMFARC - Corp I 2013 - Trust	93,000	4.05	93,000	4.05
JMFARC - Corp II 2013 - Trust	58,800	0.01	58,800	0.01
JMFARC - Allahabad Bank June 2017 - Trust	36,000	–	36,000	0.01
JMFARC - Allahabad Bank Textile June 2017 - Trust	69,000	0.01	69,000	0.01
JMFARC - Federal Bank June 2017 - Trust	15,72,000	0.24	15,72,000	–
JMFARC - Metallics February 2018 - Trust	12,21,809	–	12,21,809	–

Notes

forming part of the Standalone Financial Statements (Contd..)

Name of Trust	As at March 31, 2025		As at March 31, 2024	
	No. of SRs	Amount (₹ in crores)	No. of SRs	Amount (₹ in crores)
JMFARC - Metallics November 2018 - Trust	6,56,405	–	6,56,405	–
JMFARC - Metallics December 2018 - Trust	6,75,629	–	6,75,629	–
JMFARC - KTK Metallics December 2018 - Trust	3,47,199	–	347,199	–
JMFARC - Retail June 2011 – Trust	4,69,884	0.05	4,69,884	0.05
JMFARC - Retail Aug 2011 - Trust	7,039	–	7,039	#
JMFARC - Fabrics June 2019 II - Trust	7,07,500	18.15	7,07,500	21.20
JMFARC - Fabrics June 2019 III - Trust	1,83,100	4.70	1,83,100	5.49
JMFARC - Fabrics December 2019 I - Trust	49,100	1.26	49,100	1.44
JMFARC - March 2018 - Trust	12,00,000	93.85	12,00,000	93.85
JMFARC - Fabrics September 2020 - Trust	1,00,900	2.59	1,00,900	3.02
JMFARC - Fabrics November 2020 - Trust	5,08,000	13.01	5,08,000	15.41
JMFARC - Coated February 2021 - Trust	39,05,900	–	39,05,900	–
Deccan 2021 Trust^	–	–	6,94,900	9.51
Deccan June 2022 - Trust^	–	–	2,00,000	3.03
Deccan January 2023 Trust^	–	–	9,46,700	94.67
Textile 2022 - Trust	14,28,228	15.08	14,28,228	164.81
Retail June 2022 - Trust**	–	–	–	–
Real Estate May 2023 Trust	19,80,000	132.23	19,80,000	149.72
Deccan September 2023 Trust^	–	–	10,72,700	107.27
JMFARC - Fabrics August 2018 II - Trust*	3,80,000	9.75	–	
JMFARC - Fabrics September 2018 III - Trust*	40,200	1.03	–	
Iris March 2025 Trust@	50,000	5.00	–	–
Retail May 2024 Trust@	2,95,500	12.41	–	–
Rail December 2024-Trust@	25,50,000	255.00	–	–
Total		**977.77**		**1,220.69**
B) Non-Subsidiary Trusts (at fair value)				
JMFARC - BOI 2009 - Trust	48,600	–	48,600	–
JMFARC - Swarna 2011 - Trust	72,199	0.65	72,199	0.98
JMFARC - Swarna II 2012 - Trust Class A	66,200	0.01	66,200	1.58
JMFARC - Swarna II 2012 - Trust Class B	12,500	0.31	12,500	0.31
JMFARC - OBC March 2014 - Trust	34,500	–	34,500	–
JMFARC - Fed Gelatine March 2014 - Trust	17,500	–	17,500	–
JMFARC - OBC March 2014 II - Trust	4,760	0.25	4,760	0.29
JMFARC - UBOI March 2014 - Trust	66,750	–	66,750	0.73
JMFARC - SBI Ceramics June 2014 - Trust	1,56,000	0.12	1,56,000	1.54
JMFARC - Indian Bank June 2014 - Trust	32,200	–	32,200	0.38
JMFARC - Vijaya Bank June 2014 - Trust	25,360	–	25,360	0.10
JMFARC - Hotels June 2014 - Trust Class A	3,29,099	–	3,29,099	–
JMFARC - Hotels June 2014 - Trust Class B	20,71,631	–	20,71,631	–
JMFARC - Central Bank of India June 2014 - Trust	32,000	–	32,000	–
JMFARC - CSB Ceramics September 2014 - Trust	32,625	0.07	32,625	1.21
JMFARC - LVB Ceramics September 2014 - Trust	27,900	0.06	27,900	0.77

Name of Trust	As at March 31, 2025		As at March 31, 2024	
	No. of SRs	Amount (₹ in crores)	No. of SRs	Amount (₹ in crores)
JMFARC - SBOP Ceramics December 2014 - Trust	11,850	0.03	11,850	0.62
JMFARC - SBH Ceramics December 2014 - Trust	60,000	0.11	60,000	3.08
JMFARC - SBT Ceramics March 2015 - Trust	23,250	0.06	23,250	1.11
JMFARC - SBI Steel March 2015 - Trust	93,150	–	93,150	–
JMFARC - SBM Ceramics March 2015 - Trust	12,750	0.03	12,750	0.78
JMFARC - Karnataka Bank Cement March 2015 - Trust	49,500	1.78	49,500	1.78
JMFARC - Vijaya Bank Ceramics March 2015 - Trust	27,000	0.03	27,000	0.79
JMFARC - SBH Cement June 2015 - Trust	66,000	2.44	66,000	2.44
JMFARC - United Bank Textile September 2015 - Trust	27,075	0.64	27,075	0.64
JMFARC - PNB Ceramics November 2015 - Trust	4,01,640	1.02	4,01,640	14.82
JMFARC - Corp Bank Ceramics September 2015 - Trust	46,065	0.10	46,065	2.54
JMFARC - SBOP Geometric - Trust	61,560	–	61,560	–
JMFARC - Dena Ceramics January 2016 - Trust	15,750	0.03	15,750	0.52
JMFARC - UBOI Steel March 2016 - Trust	63,000	–	63,000	–
JMFARC - IDBI Ceramics March 2016 - Trust	57,180	0.10	57,180	3.05
JMFARC - EXIM Ceramics March 2016 - Trust	17,101	0.04	17,101	0.91
JMFARC - UCO Geometric March 2016 - Trust	88,965	–	88,965	–
JMFARC - KVB Iris II March 2016 - Trust	37,500	4.20	37,500	5.63
JMFARC - Indian Bank March 2016 - Trust	97,515	–	97,515	–
JMFARC - ICICI Bank September 2016 - Trust	8,55,495	15.32	8,55,495	15.16
JMFARC - IOB March 2016 - Trust	50,250	1.26	50,250	1.27
JMFARC - Iris March 2016 - Trust	10,00,165	25.37	10,00,165	35.84
JMFARC - Exim Iris March 2016 - Trust	60,000	0.38	60,000	1.66
JMFARC - Axis Iris March 2016 - Trust	1,50,000	6.07	1,50,000	6.36
JMFARC - KB Metals September 2016 - Trust^	–	#	22,500	#
JMFARC - Andhra Resin September 2016 - Trust	37,605	–	37,605	#
JMFARC - Dena SEZ September 2016 - Trust	7,335	0.18	7,335	0.37
JMFARC - IDBI Geometric Dec 2016 - Trust	41,250	–	41,250	–
JMFARC - IRIS December 2016 - Trust	31,110	1.57	31,110	2.21
JMFARC -IRIS UBOI December 2016 - Trust	16,005	0.59	16,005	0.86
JMFARC -IRIS PNB January 2017 - Trust	41,550	1.37	41,550	2.02
JMFARC - IOB CHN March 2017 - Trust	37,500	3.49	37,500	3.49
JMFARC - IOB Ceramics March 2017 - Trust^	–	–	33,000	1.25
JMFARC - IRIS United March 2017 - Trust	66,900	0.19	66,900	0.49
JMFARC - SBP March 2017 - Trust	31,665	1.58	31,665	1.68
JMFARC - IRIS UCO March 2017 - Trust	38,310	0.88	38,310	1.39
JMFARC - SBP Retreat March 2017 - Trust	77,600	–	77,600	5.42
JMFARC - SBI Retreat March 2017 - Trust	1,66,800	–	1,66,800	11.65
JMFARC - SBI Tollways March 2017 - Trust	1,53,000	2.70	1,53,000	2.70
JMFARC - Karnataka Bank September 2017 - Trust	20,310	0.10	20,310	1.07
JMFARC - Syndicate Ceramics September 2017 - Trust^	–	–	1,25,250	4.35
JMFARC - Allahabad Bank December 2017 - Trust	76,275	5.49	76,275	5.49

Notes

forming part of the Standalone Financial Statements (Contd..)

Name of Trust	As at March 31, 2025		As at March 31, 2024	
	No. of SRs	Amount (₹ in crores)	No. of SRs	Amount (₹ in crores)
JMFARC - Motors December 2017 - Trust	94,500	4.73	94,500	5.39
JMFARC - IOB Metallics February 2018 - Trust	3,60,000	–	3,60,000	–
JMFARC - Township February 2018 - Trust	4,80,000	–	4,80,000	8.47
JMFARC - IRIS Canara March 2018 - Trust	18,225	0.88	18,225	1.22
JMFARC - Alphahealth 2018 - Trust	17,80,700	143.23	17,80,700	190.53
JMFARC - Fabrics August 2018 II - Trust*	–	–	3,80,000	29.64
JMFARC - Fabrics September 2018 III - Trust*	–	–	40,200	2.12
JMFARC - IRIS SIDBI December 2018 - Trust	33,000	1.74	33,000	2.43
JMFARC - Infra March 2019 - Trust	60,000	4.50	60,000	4.50
JMFARC - IOB March 2011 - Trust Class A	2,80,000	–	2,80,000	–
JMFARC - IOB March 2011 - Trust Class B	96,500	–	96,500	–
JMFARC - UCO Bank March 2014 - Trust	4,62,500	3.95	4,62,500	6.09
JMFARC - SBI March 2014 I - Trust	1,73,750	0.67	1,73,750	4.78
JMFARC - SBI March 2014 II - Trust	45,250	1.52	45,250	1.52
JMFARC - Cosmos March 2014 - Trust	1,54,500	1.32	1,54,500	1.32
JMFARC - Indian Bank March 2014 - Trust	44,500	–	44,500	–
JMFARC - BOI March 2014 II - Trust	2,15,750	–	2,15,750	–
JMFARC - OBC June 2014 - Trust	8,915	–	8,915	–
JMFARC - Karnataka Bank December 2014 - Trust	1,72,500	3.08	1,72,500	3.13
JMFARC - CSB September 2015 - Trust	63,000	0.01	63,000	0.01
JMFARC - SBH December 2015 - Trust	73,380	–	73,380	–
JMFARC - KVB March 2016 - Trust	3,55,095	0.72	3,55,095	5.52
JMFARC - Federal Bank March 2016 - Trust	73,350	3.77	73,350	3.77
JMFARC - PAN INDIA 2016 – Trust	15,46,908	139.22	15,46,908	139.22
JMFARC - PNB March 2017 – Trust	2,22,075	7.33	2,22,075	7.65
JMFARC - SBT March 2017 – Trust	55,875	2.40	55,875	2.40
JMFARC - LTF June 2017 – Trust	6,00,000	5.64	6,00,000	3.93
JMFARC - Central Bank Retail 2011 - Trust	88,872	–	88,872	–
JMFARC - Fabrics June 2019 I - Trust Class A $	2,32,500	21.56	1,71,800	11.82
JMFARC - Fabrics June 2019 I - Trust Class B	1,51,200	–	1,51,200	–
JMFARC - Textile Gama I – Trust^	–	–	48,000	–
JMFARC - Textile Gama II - Trust^	–	–	33,390	–
Victory Real Estate 2021 Trust	60,000	6.00	60,000	6.00
Realty March 2022 Trust	6,07,500	45.56	6,07,500	60.75
Retail June 2022 - Trust**	24,90,540	23.63	24,90,540	47.78
Textile Gama III - Trust^	–	–	9,150	–
Textile Gama IV - Trust^	–	–	14,850	–
Textile Gama V - Trust^	–	–	–	–
Aranya - Trust	60,05,000	354.25	60,05,000	540.50
Indus 2024 - Trust@	1,06,500	7.61	–	–
Indus 2024 Pool 2 - Trust@	1,03,500	7.88	–	–
Indus 2024 Pool 3 - Trust@	90,000	6.09	–	–

Name of Trust	As at March 31, 2025		As at March 31, 2024	
	No. of SRs	Amount (₹ in crores)	No. of SRs	Amount (₹ in crores)
AC Retail September 2024 Trust@	33,000	3.01	–	–
Indus 2024 Pool 4 - Trust@	69,200	6.42	–	–
Indus 2024 Pool 5 - Trust@	66,100	6.42	–	–
Indus 2024 Pool 6 - Trust@	75,500	7.07	–	–
Total		**898.83**		**1,241.82**

# Denotes amount less than ₹ 50,000.

@ Trusts added during the year or additional investment made in security receipts of existing trust.

^ Trusts closed during the year.

* Subsidiary from May 31, 2024 by control through ability to direct relevant activities and influence variable returns.

$ Includes security receipts bought back during the year.

** Subsidiary up to July 31, 2023.

48 Additional disclosure

The following additional disclosures have been made taking into account RBI guidelines in this regard:

a) Name and address of the banks / financial institutions/NBFCs from whom financial assets were acquired and the values at which such assets were acquired from each such bank/ financial institutions/NBFCs.

Name of the selling bank/ financial institution / NBFC	Address	Acquisition cost (₹ in crore)	% to total
Sponsor			
Indian Overseas Bank	763, Anna Salai, Chennai	827.91	3.33%
Sponsor - Total		**827.91**	**3.33%**
Non- Sponsors			
Piramal Capital & Housing Finance Limited	601, 6th Floor, Amiti Building, Agastya Corporate Park, Kamani Junction, Opp Fire Station, LBS Marg, Kurla (West), Mumbai – 400 070.	4,219.00	16.99%
State Bank of India (SBI & erstwhile Associate Bank's)	State Bank Bhavan, Corporate Centre, Madame Came Marg, Mumbai, Maharashtra – 400 021	3,709.89	14.94%
Bank of India	Star House, C-5, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400051	1,362.75	5.49%
Canara Bank	112 J. C. Road, Bangalore	1,118.06	4.50%
UCO Bank	Biplabi Trailokya Maharaj Sarani, Kolkata - 700001	1,066.49	4.29%
Union Bank of India	Union Bank Bhavan, 239 Vidhan Bhavan Marg, Mumbai -400021	1,065.75	4.29%
Punjab National Bank	7, Bhikhaji Cama Place, New Delhi	1,062.09	4.28%
ICICI Bank	ICICI Bank Towers, Bandra-Kurla Complex, Mumbai 400 051	884.65	3.56%
HDFC Limited	Ramon House, 4th Floor, H. T. Parekh Marg, 169, Backbay Reclamation, Mumbai 400 020	863.89	3.48%
JM Financial Credit Solutions Limited#	7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025	695.00	2.80%
Bank of Baroda	Kalpataru Heritage Building, 6th floor, Nanik Motwani Lane, Fort, Mumbai - 400023	631.67	2.54%

Notes
forming part of the Standalone Financial Statements (Contd..)

Name of the selling bank/ financial institution / NBFC	Address	Acquisition cost (₹ in crore)	% to total
Axis Bank	Maker Towers F, 13th Floor, Cuffe Parade, Mumbai - 400005	612.76	2.47%
Poonawalla Fincorp Limited	601, 6th Floor, Zero One IT Park, Survey no 79/1, Ghorpadi, Mundhwa Road, Pune - 411036	605.36	2.44%
Central Bank of India	Chandermukhi, Nariman Point, Mumbai 400021	513.63	2.07%
Prudent ARC Limited	Unit No. 611, 6th Floor, D Mall, Plot A-1, Netaji Subhash Place, Pitampura, New Delhi, Delhi 110034	500.00	2.01%
EXIM Bank	Centre One Building, Floor 21, World Trade Centre Complex, Cuffe Parade, Mumbai - 400005	464.21	1.87%
Indian Overseas Bank *	763, Anna Salai, Chennai	427.73	1.72%
Federal bank	Federal Towers, Aluva, Ernakulum, Kerala - 683101	402.00	1.62%
Indian Bank	254-260, Avvai, Shanmugam Salai, Royapettah, Chennai - 600014	355.01	1.43%
IndusInd Bank Ltd	11th Floor, Tower 1, One World Centre, 841, S.B. Marg, Elphinstone Road, Mumbai - 400 013	340.36	1.37%
Yes Bank	9th floor Nehru Centre, Worli, Mumbai - 400018	338.51	1.36%
Cosmos Co-operative Bank Ltd	Cosmos Heights, 269/270 Shaniwar Peth, Pune - 411030	309.00	1.24%
L&T Infrastructure Finance Company Limited	3rd Floor, Brindavan, Plot No. 177, CST Road, Kalina, Santacruz (East), Mumbai 400 098	308.43	1.24%
Karur Vysya Bank	Erode Road, Karur - 639002	296.41	1.19%
JM Financial Products Limited	7th Floor Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025	263.67	1.06%
Diwan Housing Finance Limited	3rd Floor, DHFL House, 19 Sahar Raod, Vile Parle (East), Mumbai - 400 099	240.00	0.97%
IDBI Bank	IDBI Tower, WTC Complex, Cuffe Parade, Mumbai 400005	232.32	0.94%
Karnataka Bank	Mahavira Circle, Kankanadi, Mangalore - 575002	220.39	0.89%
L&T Finance Limited	City 2, Plot No. 177, Vidyanagari Marg, CST Road, Kalina, Santacruz (E), Mumbai 400 098	92.38	0.37%
Standard Chartered Bank	23, Narain Manzil, Barakhamba Road, New Delhi- 110001	89.84	0.36%
Sicom Ltd	Solitaire Corporate Park, Building No 4, Andheri Kurla Road, Chakala, Andheri (East), Mumbai - 400093	84.65	0.34%
South Indian Bank	SIB House, Mission Quarters, T B Road, Thrissur, Kerala - 680001	79.33	0.32%
Catholic Syrian Bank	CSB Bhavan, St. Mary's College Road, Thrissur,	63.75	0.26%
Bank of Maharashtra	"Lokmangal" 1501, Shivajinagar, Pune 411005	59.33	0.24%
Lakshmi Vilas Bank	"LVB House,4/1,Sardar Patel Road, guindy,Chennai - 600032. Tamil Nadu"	51.32	0.21%
HSBC	52/60, M. G. Road, Fort, Mumbai - 400001	49.03	0.20%
VSJ Investments Pvt. Ltd	G-12, Raheja Centre, 214 Fress Press Journal Marg, Nariman Point, Mumbai 400 021.	43.67	0.18%
Stressed Assets Stabilisation Fund	IDBI Tower, 10th Floor, WTC Complex, Cuffe Parade, Mumbai 400005	31.20	0.13%
Ratnakar Bank	One India Bulls Center, Tower 2 , 6th Floor,841, Senapati Bapat Marg,Lower Parel (W),Mumbai 400013	25.00	0.10%
Tata Capital Financial Services Limited	One Forbes, Dr. V. B. Gandhi Marg, Fort, Mumbai 400001	24.50	0.10%
Assets Care & Reconstruction Enterprise Limited (ACRE)	13, 2nd Floor, Mohandev Building, Tolstoy Marg, New Delhi, Delhi 110001	22.70	0.09%

Name of the selling bank/ financial institution / NBFC	Address	Acquisition cost (₹ in crore)	% to total
Tyger Capital Private Limited	One BKC, C-Wing 1004/5, 10th Floor, Bandra Kurla Complex, Bandra East, Mumbai - 400 051	22.00	0.09%
HUDCO	HUDCO Bhawan, Core-7-A,India Habitat Centre,Lodhi Road, New Delhi - 110 003	21.34	0.09%
Bank of Bahrain & Kuwait B.S.C	Jolly Maker Chamber, 2, Ground Floor, Nariman point, Mumbai - 400021	19.19	0.08%
Deutsche bank	DB House, Hazarimal Somani Marg, Fort, Mumbai 400001	18.35	0.07%
Small Industries Development Bank of India	Samruddhi Venture Park, Upper Ground Floor, MIDC Road, Marol, Andheri East. Mumbai – 400 093	15.13	0.06%
Kotak Mahindra Bank Limited	27 BKC, Plat No. C-27, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051	8.37	0.03%
Life Insurance Corporation of India	Yogakshema, Jeevan Bima Marg, Mumbai - 400021	7.64	0.03%
Specified Undertaking of UTI	UTI Tower, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400051	7.39	0.03%
Barclays PLC	801, Ceejay House, Annie Besant Road, Worli, Mumbai 400 018	7.30	0.03%
KKR India Financial Services Private Limited	Regus CitiCentre, Level 6, 10/11, Dr. Radhakrishna Salai, Tamil Nadu, Chennai 600 004	6.75	0.03%
Phoenix ARC Private Limited	158, 5th Floor, Dani Corporate Park, CST Road, MMRDA Area, Kalina, Santacruz East, Mumbai, Maharashtra 400098	6.13	0.02%
Rupee Co-operative Bank	2062, Sadashiv Peth, Astang Ayurved Building, Pune-411030	6.00	0.02%
IFCI Limited	Earnest House, 9th Floor,, NCPA Marg, Nariman Point, Mumbai 400021	5.12	0.02%
SBI Global Factors Limited	6th Floor, Metropoliton Building, Bandra Kurla Complex, Bandra (East), Mumbai 400 051	4.50	0.02%
BNP Paribas	Unit No 203, Sakar II, Ellisbridge, Ahmedabad 380006	3.39	0.01%
SBM Bank (Mauritius) Limited	101, Raheja Centre, Nariman Point, Mumbai 400 021	3.27	0.01%
IFCI Factors Limited	10Th Floor, IFCI Tower, 61 Nehru Place, New Delhi 110 019	3.13	0.01%
Pegasus Assets Reconstruction Private Limited	507, Dalamal House, Nariman Point, Mumbai 400 021	3.10	0.01%
India Infoline Finance Limited (IIFL)	12A-10, 13th Floor, Parinee Crescenzo, C-38 & C-39, G Block, Behind MCA, Bankdra Kurla Complex, Bandra (East), Mumbai 400 051	2.75	0.01%
IL&FS Financial Services Limited	IL & FS Financial Centre, Plat C-22, G Block, Bandra Kurla Complex, Bandra East, Mumbai 400 051	2.27	0.01%
The Saraswat Co-operative Bank Limited	Mittal Court 'A' Wing 1st Floor, Nariman Point, Mumbai - 400004	2.19	0.01%
NKGSB Co-Operative Bank Limited	Laxmi Sadan, 361, V. P. Road, Mumbai 400 004	2.10	0.01%
CTBC Bank Co Limited	UGF, Birla Tower, 25, Barakhamba Raod, New Delhi - 110 001	2.02	0.01%
Dhanlakshmi Bank	Dhanalaxmi Buildings, Naickanal, Thrissur, Kerala - 680001	1.59	0.01%
The Nashik Road Deolali Vyapari Sahakari Bank Limited	Kalpavruksha, Aashanagar, Nashikroad, Nashik, Maharashtra - 422101	1.50	0.01%
Omkara Asset Reconstruction Private Limited	C/515, Kanakia Zillion, Junction of L.B.S Road & CST Road B.K.C Annexe Near Equinox, Kurla West, Mumbai 400070	1.07	0.00%

Notes

forming part of the Standalone Financial Statements (Contd..)

Name of the selling bank/ financial institution / NBFC	Address	Acquisition cost (₹ in crore)	% to total
UTI Mutual Fund	UTI Tower, Gn Block, Bandra Kurla Complex, Bandra (East) 400051	0.75	0.00%
Barclays Bank PLC	801-808 Ceejay House, Shivsagar Estate Dr Annie Besant Road, Worli, Mumbai – 400018	0.60	0.00%
Industrial & Commercial Bank of China	2, G Block Rd, G Block BKC, Bandra Kurla Complex, Bandra East, Mumbai 400051	0.41	0.00%
Dombivali Nagari Sahakari Bank Limited	"Madhukunj" P-52, M.I.D.C. Kalyan Shil Road, Sonarpada, Dombivli (East) - 421 204.	0.16	0.00%
Non- Sponsors - Total		**24,011.24**	**96.67%**
Grand Total		**24,839.15**	**100.00%**

Note :

* Indian Overseas Bank has ceased to be a sponsor with effect from September 22, 2015. Hence subsequent acquisitions from the same bank has been grouped in Non Sponsor acquisitions.

JM Financial Credit Solutions Limited has became a sponsor with effect from March 18, 2025. Hence acquisitions before this date has been grouped in Non-Sponsor acquisitions.

Value of financial assets acquired from following banks has combined into financial assets of merged entity.

i) With effect from April 1, 2017, State Bank of Mysore, State Bank of Travancore, State Bank of Patiala, State Bank of Bikaner and Jaipur and State Bank of Hyderabad are merged with State Bank of India.

ii) With effect from April 1, 2019, Vijaya Bank and Dena Bank are merged with Bank of Baroda.

iii) With effect from April 1, 2020, United Bank of India and Oriental Bank of Commerce are merged with Punjab National Bank. Allahabad Bank is merged with Indian Bank and Syndicate Bank merged with Canara Bank.

iv) L & T Fincorp Limited is added in L&T Finance Limited.

v) Andhra Bank & Corporation Bank are added in Union Bank of India.

b) Dispersion of various assets industry wise.

Industry	Acquisition Price (₹ in crore)	% to total
Hospitality	4,853.32	19.54%
Real Estate	4,700.96	18.93%
Retail	3,754.92	15.12%
Textiles	2,984.55	12.02%
Iron & Steel	1,561.31	6.29%
Pharmaceuticals	1,430.19	5.76%
Ceramics	886.56	3.57%
Healthcare	626.43	2.52%
Infrastructure	863.69	3.48%
Chemicals	297.43	1.20%
Plywood/ laminates	276.51	1.11%
Airlines	238.75	0.96%
Power	217.40	0.88%

Industry	Acquisition Price (₹ in crore)	% to total
Shipping	195.00	0.79%
Cement	171.52	0.69%
Information Technology	146.33	0.59%
Media	139.71	0.56%
Trading	130.83	0.53%
Metals	125.54	0.51%
Leather	107.15	0.43%
Coal	101.80	0.41%
Plastics	92.79	0.37%
Packaging	92.79	0.37%
Food Products	87.82	0.35%
Others	755.85	3.04%
Total	**24,839.15**	**100.00%**

i) The above table (b) has been prepared by management based on the information and relevant documents available with the Company which has been relied upon by the auditors.

ii) The acquisition price in the tables (a) and (b) above includes financial assets acquired till March 31, 2024 including financial assets resolved till date.

iii) The Company has put in place internal audit system, scope of which provides for periodical checks and review of the assets acquisition procedures and asset reconstruction measures and the matters related thereto.

c) Details of related parties as per the accounting standards and the amounts due to and from them : Refer Note 41.

d) Additional disclosure as per RBI Notification No. DBNS. PD (SC/RC). 8/ CGM (ASR) dated April 21, 2010 and RBI/DOR/2024-25/116 DoR.FIN.REC.16/26.03.001/2024-25 dated April 24, 2024

Particulars	₹ in crore (face value)
Value of financial assets acquired during the financial year either in its own books or in the books of the trust	914.36
Value of financial assets realized during the financial year*	2,398.17
Value of financial assets outstanding for realization as at the end of the financial year	10,651.29
Value of Security Receipts redeemed partly during the financial year	2,124.15
Value of Security Receipts redeemed fully during the financial year (including write-offs)	411.93
Value of Security Receipts pending for redemption as at the end of the financial year	12,877.87
Value of Security Receipts which could not be redeemed as a result of non-realization of the financial asset as per the policy formulated by the Securitization company or Reconstruction company under Paragraph 7(6)(ii) or 7(6)(iii) and under Paragraph 10.2 or 10.3 as per Master direction dated April 24, 2024	6,085.09
Value of land and/or building acquired in ordinary course of business of reconstruction of assets	–

* Value of financial assets realized during the financial year includes the amount of ₹ 6555.95 lakh of financial asset written-off due to trust closure.

Notes

forming part of the Standalone Financial Statements (Contd..)

e) Disclosure requirements as per RBI circular dated March 13, 2020 having reference number RBI/2019-20/170 , DOR (NBFC). CC.PD.No.109/22.10.106/2019-20 as per para 2 of Prudential Floor of ECL

(₹ in Crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	(5) = (3)-(4)	6	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	70.51	1.15	69.36	–	1.15
	Stage 2	–	–	–	–	–
	Stage 3	227.18	3.73	223.45	227.18	(223.45)
Subtotal		**297.69**	**4.88**	**292.81**	**227.18**	**(222.30)**
Non-Performing Assets (NPA)						
Substandard	Stage 3	126.50	2.07	124.43	12.65	(10.58)
Doubtful						
Upto 1 year	Stage 3	–	–	–	–	–
1 to 3 years	Stage 3	–	–	–	–	–
More than 3 years	Stage 3	–	–	–	–	–
Subtotal for doubtful		**126.50**	**2.07**	**124.43**	**12.65**	**(10.58)**
Loss	Stage 3	–	–	–	–	
Subtotal for NPA		**–**	**–**	**–**	**–**	
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	–	–	–	–	
	Stage 2	–	–	–	–	
	Stage 3	–	–	–	–	
Subtotal		**–**	**–**	**–**	**–**	
Total	Stage 1	**70.51**	**1.15**	**69.36**	**–**	**1.15**
	Stage 2	**–**	**–**	**–**	**–**	**–**
	Stage 3	**353.68**	**5.80**	**347.88**	**239.83**	**(234.03)**
	Total	**424.19**	**6.95**	**417.24**	**239.83**	**(232.88)**

The above disclosure is not applicable for management fees accrual as the same is considered to be governed by income recognition for the purpose of RBI guidelines and disclosures.

The Honorable Supreme Court vide orders dated October 30, 2017, November 20, 2017, April 09, 2018 and January 20, 2020 has directed that "No Coercive Action" can be taken against one of the borrower group of company, until further directions are being issued in this regard. As per recent judicial precedence, classification of an account as Non-Performing Account can also be considered as a "Coercive Action". Total provision as required under the extant RBI guidelines for Non - Performing Advances is ₹ 239.83 crore.

As of March 31, 2025, two loan accounts belonging to the same borrower group had outstanding interest that remained unserviced for over 180 days.

In consideration to the aforesaid orders issued by the Honourable Supreme Court of India, the said accounts are classified as Standard Assets. However, the provision as required under the extant RBI guidelines for Non-Performing Advances amounting to ₹ 227.18 crore is carried for these borrower accounts.

In the matter of Unitech Limited, the Adjudicating Authority under the Prevention of Money Laundering Act, 2002 (the "Act") issued an order dated February 21, 2024, upholding the attachment of property held by the Company as one of the collaterals against loans acquired in the Trust (as a Trustee) and an additional loan given to the Borrower Group as referred to above ("Borrower Group"). The Company has appealed against the aforesaid order before the Appellate Tribunal. Considering the total security against the loans acquired from the Borrower Group and the expected cash flows to the Company as per the documented waterfall, the Company believes that the above proceedings do not have a material impact on its financial position. The Company views these legal proceedings as arising in the normal course of its asset reconstruction business.

In addition, during the year, one loan account of another borrower also had both interest and principal overdue for more than 180 days. Consequently, in accordance with the asset classification norms prescribed by the Reserve Bank of India (RBI), the Company reclassified this loan account amounting to ₹ 126.50 crore from the 'standard' category to a 'non-performing asset' (NPA) category.

i) Additional disclosure as per RBI Notification No. DNBS (PD) CC. No. 41/SCRC/26.03.001/2014-2015 dated August 5, 2014 (for acquisitions made after August 5, 2014):

a) None of the assets have been acquired during the year at a price higher than the book value (value of assets declared by seller bank in the auction).

b) Assets (i.e. total purchase consideration paid at the trust level) have been disposed off during the financial year at a discount of more than 20% of its valuation as on the previous year end.

(₹ in Crore)

Name of Trust	Acquisition price	Outstanding SRs	Redemption during FY 2024-25	NAV as on March 31, 2024
JMFARC – SBI Retreat March 2017 – Trust	83.40	35.70	41.95	58.24

- Saleability of incomplete hotel structure considering limited accessibility, poor quality and outdated design and partially available commercial space is challenging and time consuming.
- Settlement value of ₹ 69 Crore is higher than the estimated Net Present Value of future cash flows i.e. ₹ 62.14 Crore from enforcement of mortgaged assets.

Notes

forming part of the Standalone Financial Statements (Contd..)

c) Trusts where the value of the SRs (i.e. Net Asset Value) have declined more than 20% below the acquisition value during the year.

Name of Trust	Acquisition price (₹ in crore)	SRs outstanding (₹ in crore)	NAV % as on March 31, 2025
JMFARC - IDBI March 2017 - Trust	3.00	2.34	25%
JMFARC - Iris March 2016 - Trust	666.76	655.03	0%
JMFARC – Axis Iris March 2016 Trust	100.00	100.00	0%
JMFARC - Exim Iris March 2016 - Trust	40.00	40.00	0%
JMFARC - IRIS Cash 2016 - Trust	42.62	35.87	0%
JMFARC - IRIS PNB January 2017 - Trust	27.70	27.49	23%
JMFARC - IRIS UCO March 2017 - Trust	25.54	25.38	17%
JMFARC - IRIS December 2016 - Trust	20.74	20.74	0%
JMFARC – IRIS SIDBI December 2018 - Trust	15.00	14.46	38%
JMFARC - IRIS Cash July 2017 - Trust	26.40	14.17	25%
JMFARC IRIS Canara March 2018 Trust	12.15	12.15	25%
JMFARC - IRIS UBOI December 2016 - Trust	10.67	10.67	0%
JMFARC IRIS Cash March 2018 Trust	7.85	3.54	25%
JMFARC - IRIS IIFL May 2017 - Trust	2.75	2.33	25%
JMFARC – Axis Iris II March 2016 Trust	6.00	6.00	0%
JMFARC - KVB Iris II March 2016- Trust	25.00	25.00	0%
JMFARC - SBH Cement June 2015 - Trust	44.00	44.00	25%
JMFARC - Karnataka Bank Cement March 2015 - Trust	33.00	33.00	25%
JMFARC - Axis Bank Cement March 2015 - Trust	23.00	16.18	25%
JMFARC - ICICI Bank Cement June 2015 - Trust	17.05	11.74	25%
JMFARC - United Bank Cement September 2015 - Trust	18.00	9.45	25%
JMFARC - OBC Cement March 2016 - Trust	4.97	4.44	25%
JMFARC – Fabrics August 2018 I – Trust	802.00	789.04	32%
JMFARC – Fabrics August 2018 II – Trust	98.00	98.00	32%
JMFARC - Fabrics September 2018 I - Trust	75.35	75.35	32%
JMFARC - Fabrics June 2018 - Trust	83.00	74.02	32%
JMFARC - Fabrics June 2019 II - Trust	70.75	70.75	32%
JMFARC - Fabrics September 2018 II - Trust	53.53	53.51	32%
JMFARC - Fabrics November 2020 - Trust	50.80	50.77	32%
JMFARC - Fabrics March 2019 I - Trust	33.78	33.78	32%
JMFARC - Fabrics June 2019 I - Trust (Class A)	100.70	100.70	0%
JMFARC - Fabrics June 2019 I - Trust (Class B)	33.57	33.57	32%
JMFARC - Fabrics June 2019 III - Trust	18.31	18.31	32%
JMFARC - Fabrics September 2018 III - Trust	10.31	10.31	32%
JMFARC - Fabrics September 2020 - Trust	10.09	10.09	32%
JMFARC - Fabrics December 2019 I - Trust	4.91	4.91	32%
JMFARC – SBI Retreat March 2017 – Trust	83.40	35.70	0%

Name of Trust	Acquisition price (₹ in crore)	SRs outstanding (₹ in crore)	NAV % as on March 31, 2025
JMFARC - SBP Retreat March 2017 - Trust	38.80	10.84	0%
JMFARC - Federal March 2016- Trust	48.90	35.89	0%
JMFARC - ICICI Bank September 2016 - Trust	570.33	410.66	0%
JMFARC - KVB March 2016- Trust	236.73	119.91	0%
JMFARC - IDBI Ceramics March 2016 - Trust	38.12	28.85	0%
JMFARC - EXIM Ceramics March 2016 – Trust	11.40	7.82	0%
JMFARC -Dena Ceramics January 2016-Trust	10.50	7.35	0%
JMFARC - PAN INDIA 2016 - Trust	859.39	859.39	0%
JMFARC - PNB March 2017 - Trust	148.05	71.87	25%
JMFARC - SBP March 2017 - Trust	21.11	21.11	25%
JMFARC - Woods October 2017 Trust	18.75	0.02	0%
JMFARC - Karnataka Bank September 2017-Trust	13.54	8.64	13%
Realty March 2022 - Trust	405.00	405.00	75%
JMFARC - Dena SEZ September 2016 - Trust	4.89	4.89	0%
JMFARC - IOB March 2016- Trust	33.50	19.96	0%
Real Estate May 2023 Trust (Class B)	120.00	120.00	75%

* This is as per management estimate as on March 31, 2025. Net Asset Value of these trusts are as per last NAV declaration, there is no movement of more than 20%.

d) There was no outsourced agency, which was owned/ controlled by a director of the ARC.

e) Assets acquired under IBC - type and value of assets acquired under IBC, the sector-wise distribution based on business of the corporate debtor.

(₹ in Crore)

Year of Acquisition	Type	Value of assets acquired (acquisition cost)	Sector of the business
FY 2019-20	Debts of Textile Company	200.00	Textiles

f) Implementation status of the resolution plans approved by the Adjudicating Authority on a quarterly basis :

The Resolution Plan approved by NCLT has been implemented. The board of Alok Industries Limited oversees the operations of the Company. There is a team of qualified and experienced professionals who are managing the day to day operations under the supervision and guidance of the Board.

g) Information on the ageing of the unrealised management fee recognised in their books as a part of the Notes to Accounts in the annual financial statements : Refer Note 7.3.

49 Pursuant to notification issued by the Ministry of Corporate Affairs (MCA) dated August 16, 2019, on Companies (Share Capital and Debentures) Rules, 2014, ('Rules'), the Company is not required to create DRR and as per MCA notification dated June 5, 2020, the Company is also exempted to invest or deposit a sum which shall not be less than 15% of the amount of the Debentures issued and maturing during the financial year.

Notes

forming part of the Standalone Financial Statements (Contd..)

50 Disclosure of ratios:

Sr. No.	Ratio	Numerator (₹ in crore)	Denominator (₹ in crore)	As at March 31, 2025	Numerator (₹ in crore)	Denominator (₹ in crore)	As at March 31, 2024
a)	Capital to risk-weighted assets ratio (CRAR)	2,156.64	687.82	31.89%	3,329.56	96.99	2.91%
b)	Tier I CRAR*	NA	NA	NA	NA	NA	NA
c)	Tier II CRAR*	NA	NA	NA	NA	NA	NA
d)	Liquidity Coverage Ratio*	NA	NA	NA	NA	NA	NA

* not applicable considering the nature of company's business.

50.1 Pursuant to note 33 of exceptional item, there was decrease in the Company's net worth as on March 31, 2024. However, the Company has raised addtional equity of ₹ 595.48 crore through the issuance of 39,69,85,393 right shares at ₹ 15 each (at ₹ 10 face value per share) to the existing shareholders of the Company on May 28, 2024. Post infusion of the above equity, the requirement of Capital Adequacy Ratio was complied with. Considering the above, there would be no impact on going concern principle on the Company in the foreseeable future and the Company would continue to operate its business in the normal course.

51 Contingent liabilities

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Income tax matter under dispute* :		
Primarily relates to demand received from income tax authorities on account of disallowance of donation u/s 80G of Income Tax Act, 1961	0.41	0.41

*In respect of above disputed demand, the company has filed appeal before appellate authority and has sufficient tax credit to pay the above demand in case the same materialises.

52 Additional Regulatory Information

(i) The Company has not been declared wilful defaulter by any bank or financial institutions or government or any government authority.

(ii) The Company has no transactions with the companies struck off under the Companies Act, 2013.

(iii) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(iv) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(v) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vi) (A) During the year, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries); or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(B) During the year, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vii) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(ix) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.

(x) There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

53 The figures for the previous year have been regrouped/rearranged wherever necessary to make them comparable with the current year's figures.

54 The standalone financial statements are approved for issue by the Board of Directors at its meeting held on April 30, 2025.

For and on behalf of the Board of Directors

Munesh Khanna
Chairman
(DIN - 00202521)

Rupa Vora
Chairperson -
Audit Committee
(DIN - 01831916)

Srinivasan Viswanathan
Chief Executive Officer

Vineet Singh
Company Secretary

Sabyasachi Ray
Chief Financial Officer

Place: Mumbai
Date: April 30, 2025

Independent Auditor's Report

To The Board of Directors

The Members of JM Financial Asset Reconstruction Company Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **JM Financial Asset Reconstruction Company Limited** ("the Parent Company") and its subsidiaries constituted as Trusts, (the Parent Company and its subsidiaries constituted as Trusts together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2025, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended on that date, including a summary of material accounting policies and other explanatory information (The "Consolidated financial statements" / "Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Ind AS, of the consolidated financial position of the Parent Company as at March 31, 2025, and its consolidated loss including consolidated other comprehensive income, the consolidated changes in equity and its consolidated Cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matters:

We draw your attention to Note 51, which provides additional information regarding the Capital Adequacy Ratio and outlines the status of compliance with the capital adequacy requirements, as detailed in the accompanying notes to these financial statements.

Our opinion is not modified with respect to this emphasis of matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Fair Valuation of the Group's financial instruments	**Principal Audit Procedures Performed:**
The valuation of the financial instruments is based on a recovery range provided by the External Rating Agency and other unobservable inputs (i.e. projection of future cash flows and expenses etc.). These assets are classified as level 3 in the valuation hierarchy and the same are not actively traded.	- We have tested the design and effectiveness of internal controls implemented by the management in respect of valuation of the investments and financial assets including those relating to assessment of recovery plan by Asset Acquisition Committee for determination of appropriate recovery rate based on the range provided by the External Rating Agency, independent verification of the valuation inputs viz. estimated cash flows, collateral values and discount rates etc.

Key Audit Matter	Auditor's Response
Initially, the independent committee finalizes the resolution strategy for each trust, which may involve actions such as settling dues, selling assets through legal action or other means like NCLT, restructuring, and bringing in investors or strategic partners. The fair value of the investment can only be estimated based on the chosen resolution strategy, expected cash flows, recovery ranges provided by the external rating agency, collateral values, discount rates, proposed investor offer and other relevant assumptions. Further, the Group has applied judgements in estimating the cash flows. The financial instruments carried at fair value of the Group are: - The group has Investments in security receipts in Trusts formed under distressed credit business aggregating to ₹ 898.83 crores as at March 31, 2025; - Financial assets under distressed credit business by the Trusts consolidated as subsidiaries aggregating ₹ 1,405.79 crores as at March 31, 2025. (Refer to notes 9 & 10 in the consolidated financial statements) In view of the complexities and significant judgements involved we have considered the valuation of these financial instruments as a key audit matter.	We have selected the sample and performed the following audit procedures: - Analysed reasonableness of the determination of the appropriate recovery rate and estimated cash flows and the other relevant judgments and estimates, if any; and we assessed the information used to determine the key assumptions; - Compared the historical estimates of the cash flows with the actual recoveries and obtained explanations for the variations, if any; - Compared the management's assumption of discount rate with the supporting internal/ external evidence; - We assessed the reasonableness of the judgements in estimating the cash flows in response to corroborating the assumptions based on the information used by the group, adopted/change in resolution strategy; and verified the accounting treatment applied. - Read and assessed the disclosure made in the consolidated financial statements to assess compliance with respect to the disclosure requirements.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

The Parent Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report including annexures to the Board's report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance opinion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's & Board of Director's Responsibility for the Consolidated Financial Statements

The Parent Company's Management & Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Companies Act, 2013.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding of the assets of the Group 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 consolidated financial statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of consolidated financial statements.

In preparing the consolidated financial statements, management is responsible for assessing the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate their respective entities or to cease operations or has no realistic alternative but to do so.

Independent Auditor's Report (Contd.)

The Parent Company's Board of Directors are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Parent Company has an adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtained sufficient appropriate audit evidence regarding the financial information on the entities within the Group to express an opinion on the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in the aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Companies Act, 2013, 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 of the aforesaid consolidated financial statements.

    (b) In our opinion, proper books of account as required by law relating to the preparation of aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

    (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind As specified under Section 133 of the Companies Act, 2013.

    (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors of the Parent Company, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Companies Act, 2013.

    (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**" which is based on Auditor's Report of the Parent Company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over the financial reporting of those companies.

    (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, according to the information & explanation given to us, the remuneration (Commission) payable by the Parent Company to its directors during the year, is in accordance with the provisions of section 197(16) of the Act subject to approval of shareholders in its forthcoming annual general meeting. The remuneration paid to directors is not in excess of the limit laid down under Section 197(16) of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

    (h) 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. There are no pending litigations which would impact the consolidated financial position of the Group;

        ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts;

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company.

        iv. (a) The management of the Parent Company, has represented to us that, to the best of their knowledge and belief as stated in Note No. 53(vi)(A), no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

        (b) The management of the Parent Company, has represented, to us that, to the best of their knowledge and belief Note No. 53(vi)(B), no funds (which are material either individually or in the aggregate) have been received by the Parent Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise,

Independent Auditor's Report (Contd.)

that the Parent Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. During the year, Parent Company has not declared/paid any dividend hence reporting under rule 11(f) is not applicable to that extent.

vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable only to the parent company as the subsidiaries are in the form of trusts. Based on our examination which included test checks, the parent company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Moreover, the feature of the recording audit trail (edit log) facility is enabled at the database level to log any direct data changes pertaining to the accounting software used for maintaining books of account. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Parent company as per the statutory requirements for record retention.

2. With respect to the matters specified in paragraph 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order" / "CARO"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, to be included in Auditor's report, according to information and explanation given to us, and based on the CARO report issued by us for the parent company included in the consolidated financial statements, have unfavourable remarks or qualifications in their CARO report w.r.t. Parent Company.

Sr. No.	Name of the Entity	CIN	Parent / Subsidiary Company	Clause Number of the CARO Report
1	JM Financial Asset Reconstruction Company Limited	U67190MH2007PLC174287	Parent Company	iii (c) & (d) vii (b)

For Sharp and Tannan Associates
Chartered Accountants
Firm's Registration No.:109983W
by the hand of

Parthiv S. Desai
Partner
Membership No.: (F) 042624
UDIN: 25042624BMOCXQ1949

Place: Mumbai
Date: April 30, 2025

Annexure - A

to the Independent Auditors' Report

(Referred to in paragraph 1(f) under the heading "Report on Other Legal and Regulatory Requirements" Section of our report on even date)

We have audited the internal financial controls over financial reporting of **JM Financial Asset Reconstruction Company Limited** ("the Parent Company") as of March 31, 2025 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's & Board of Director's Responsibility for the Internal Financial Controls

The Parent Company's Management & the Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Parent 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 ('ICAI').

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 the Parent Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Parent 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. 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 were 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 judgment, including the assessment of the risks of material misstatement of the consolidated 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 Parent Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Parent 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 consolidated financial statements for external purposes in accordance with generally accepted accounting principles.

A Parent 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 Parent Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Parent Company are being made only in accordance with authorisations of management and directors of the Parent Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Parent Company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of

Annexure - A (Contd.)

changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Parent Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal financial control over financial reporting criteria established by the Parent Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Sharp and Tannan Associates
Chartered Accountants
Firm's Registration No.:109983W
by the hand of

Parthiv S. Desai
Partner
Membership No.: (F) 042624
UDIN: 25042624BMOCXQ1949

Place: Mumbai
Date: April 30, 2025

Consolidated Balance Sheet

as at March 31, 2025

(₹ in Crore)

Sr. No.	Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
	ASSETS			
(I)	**Financial Assets**			
A	Cash and cash equivalents	5	170.22	93.66
B	Bank balances other than (A) above	6	1.98	0.99
C	Trade Receivables	7	155.65	197.78
D	Loans	8	417.24	499.12
E	Investments	9	903.30	1,250.57
F	Other Financial Assets	10	1,447.53	1,532.71
	Total Financial Assets (I)		**3,095.92**	**3,574.83**
(II)	**Non-Financial Assets**			
A	Current tax assets (net)	11	33.86	83.75
B	Deferred tax assets (net)	12	117.47	121.14
C	Property, Plant and Equipment	13	3.91	11.33
D	Other Intangible assets	13	0.16	0.15
E	Other non-financial assets	14	1.08	1.33
	Total Non Financial Assets (II)		**156.48**	**217.70**
	Total Assets (I+II)		**3,252.40**	**3,792.53**
	LIABILITIES AND EQUITY			
(I)	**Financial Liabilities**			
A	Trade Payables	15		
	(i) total outstanding dues of micro and small enterprises		0.28	0.14
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		3.08	4.70
B	Debt Securities	16	1,025.18	1,897.90
C	Borrowings (Other than Debt Securities)	17	492.54	1,015.27
D	Lease liabilities	18	4.25	14.02
E	Other financial liabilities	19	137.88	69.51
	Total Financial Liabilities (I)		**1,663.21**	**3,001.54**
(II)	**Non-Financial Liabilities**			
A	Provisions	20	1.66	1.75
B	Other non-financial liabilities	21	12.49	20.42
	Total Non-Financial Liabilities (II)		**14.15**	**22.17**
(III)	**EQUITY**			
A	Equity Share capital	22	795.31	398.33
B	Other Equity	23	368.44	197.15
	Equity attributable to owners of the Company		**1,163.75**	**595.48**
C	Non-Controlling interests		411.29	173.34
	Total Equity (III)		**1,575.04**	**768.82**
	Total Liabilities and Equity (I+II+III)		**3,252.40**	**3,792.53**

The accompanying notes are an integral part of the consolidated financial statements: 1-55

In terms of our report of even date attached
For Sharp & Tannan Associates
Chartered Accountants
Firm's Registration No.: 109983W

Parthiv S. Desai
Partner
Membership No.(F): 042624

Place: Mumbai
Date: April 30, 2025

For and on behalf of the Board of Directors

Munesh Khanna
Chairman
(DIN - 00202521)

Rupa Vora
Chairperson - Audit Committee
(DIN - 01831916)

Srinivasan Viswanathan
Chief Executive Officer

Vineet Singh
Company Secretary

Sabyasachi Ray
Chief Financial Officer

Place: Mumbai
Date: April 30, 2025

Consolidated Statement of Profit and Loss

for the year ended March 31, 2025

(₹ in Crore)

Sr. No.	Particulars	Note No.	For the year ended March 31, 2025	For the year ended March 31, 2024
(I)	**INCOME :**			
	Revenue from operations			
	Interest Income	24	39.86	93.51
	Fees and Incentives	25	95.43	250.24
	Net gain on fair value changes	26	34.43	-
	Total Revenue from operations		**169.72**	**343.75**
(II)	**Other Income**	27	6.82	0.16
(III)	**Total Income (I+II)**		**176.54**	**343.91**
(IV)	**Expenses :**			
	Finance Costs	28	204.34	301.87
	Net Loss on fair value changes	29	-	50.11
	Impairment of financial instruments (net)	30	(14.50)	11.48
	Employee Benefits Expenses	31	20.73	21.62
	Depreciation and amortization expenses	13	2.38	2.53
	Others expenses	32	24.28	44.04
	Total Expenses		**237.23**	**431.65**
(V)	**Profit/(Loss) before exceptional items and tax (III-IV)**		**(60.69)**	**(87.74)**
(VI)	**Exceptional items**	33	-	(846.86)
(VII)	**Profit/(Loss) before tax (V+VI)**		**(60.69)**	**(934.60)**
(VIII)	**Less : Tax Expenses:**	34		
	Current tax		23.53	40.95
	Deferred tax		3.70	(30.54)
	Total tax expenses		**27.23**	**10.41**
(IX)	**Profit/(Loss) for the year (VII-VIII)**		**(87.92)**	**(945.01)**
(X)	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss	41		
	- Actuarial gain/(losses) on post-retirement benefit plans		(0.12)	(0.30)
	- Income tax on the above		(0.03)	(0.08)
	Total other comprehensive income		**(0.09)**	**(0.22)**
(XI)	**Total Comprehensive Income (IX+X)**		**(88.01)**	**(945.23)**
(XII)	**Net Profit/(Loss) for the year attributable to:**			
	Owners of parent company		(29.30)	(941.98)
	Non-controlling interests		(58.62)	(3.03)
(XIII)	**Other Comprehensive Income attributable to:**			
	Owners of parent company		(0.09)	(0.22)
	Non-controlling interests		–	–
(XIV)	**Total Comprehensive Income attributable to:**			
	Owners of parent company		**(29.39)**	**(942.20)**
	Non-controlling interests		**(58.62)**	**(3.03)**
(XV)	**Earnings per equity share (Face value of ₹ 10 each)**	35		
	Basic Earning per share (in ₹)		(0.40)	(23.65)
	Diluted Earning per share (in ₹)		(0.40)	(23.65)

The accompanying notes are an integral part of the consolidated financial statements: 1-55

In terms of our report of even date attached
For Sharp & Tannan Associates
Chartered Accountants
Firm's Registration No.: 109983W

Parthiv S. Desai
Partner
Membership No.(F): 042624

Place: Mumbai
Date: April 30, 2025

For and on behalf of the Board of Directors

Munesh Khanna
Chairman
(DIN - 00202521)

Rupa Vora
Chairperson - Audit Committee
(DIN - 01831916)

Srinivasan Viswanathan
Chief Executive Officer

Vineet Singh
Company Secretary

Sabyasachi Ray
Chief Financial Officer

Place: Mumbai
Date: April 30, 2025

Consolidated Statement of Changes in Equity

for the year ended March 31, 2025

A. EQUITY SHARE CAPITAL

(₹ in Crore)

Particulars	Balance as at April 1, 2023	Changes in equity share capital during the year	As at March 31, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
Equity Share Capital	398.33	-	398.33	396.98	795.31

B. OTHER EQUITY

(₹ in Crore)

Particulars	Securities Premium	Retained earnings	Capital reserves on change in interest without loss of control	Initial Corpus	Impairment Reserve	Stock Option Outstanding	Attributed to owners of the Company	Non-Controlling Interest	Total
As at April 1, 2023	**283.18**	**694.32**	**28.15**	**0.01**	**127.19**	**4.59**	**1,137.44**	**245.18**	**1,382.62**
Profit for the year	-	(941.98)	-	-	-	-	(941.98)	(3.03)	(945.01)
Addition during the year	-	-	-	-	-	1.91	1.91	191.25	193.16
Redemption of security receipts	-	-	-	-	-	-	-	(69.91)	(69.91)
Initial Corpus	-	-	-	#	-	-	#	-	#
Transfer on account of options not exercised	-	0.06	-	-	-	(0.06)	-	-	-
Share of distribution of Income (net of taxes)	-	-	-	-	-	-	-	(4.78)	(4.78)
Change in controlling interest	-	-	-	-	-	-	-	(185.37)	(185.37)
Appropriation for Impairment reserve (refer note 23.2)	-	(116.54)	-	-	116.54	-	-	-	-
Re-measurement of defined benefit plans	-	(0.22)	-	-	-	-	(0.22)	-	(0.22)
As at March 31, 2024	**283.18**	**(364.36)**	**28.15**	**0.01**	**243.73**	**6.44**	**197.15**	**173.34**	**370.49**

Consolidated Statement of Changes in Equity
for the year ended March 31, 2025

(₹ in Crore)

Particulars	Securities Premium	Retained earnings	Capital reserves on change in interest without loss of control	Initial Corpus	Impairment Reserve	Stock Option Outstanding	Attributed to owners of the Company	Non-Controlling Interest	Total
As at April 1, 2024	**283.18**	**(364.36)**	**28.15**	**0.01**	**243.73**	**6.44**	**197.15**	**173.34**	**370.49**
Profit for the year	–	(29.30)	–	–	–	–	(29.30)	(58.62)	(87.92)
Addition during the year	198.49	–	–	–	–	2.19	200.68	262.45	463.13
Redemption of security receipts	–	–	–	–	–	–	–	(16.00)	(16.00)
Initial Corpus	–	–	–	#	–	–	#	–	#
Transfer on account of options not exercised	–	0.49	–	–	–	(0.49)	–	–	–
Change in controlling interest	–	–	–	–	–	–	–	50.12	50.12
Re-measurement of defined benefit plans	–	(0.09)	–	–	–	–	(0.09)	–	(0.09)
As at March 31, 2025	**481.67**	**(393.26)**	**28.15**	**0.01**	**243.73**	**8.14**	**368.44**	**411.29**	**779.73**

# Denotes amount less than ₹50,000/-

The accompanying notes are an integral part of the consolidated financial statements: 1 to 55

In terms of our report of even date attached
For Sharp & Tannan Associates
Chartered Accountants
Firm's Registration No.: 109983W

Parthiv S. Desai
Partner
Membership No.(F): 042624

Place: Mumbai
Date: April 30, 2025

For and on behalf of the Board of Directors

Munesh Khanna
Chairman
(DIN - 00202521)

Rupa Vora
Chairperson -
Audit Committee
(DIN - 01831916)

Srinivasan Viswanathan
Chief Executive Officer

Vineet Singh
Company Secretary

Sabyasachi Ray
Chief Financial Officer

Place: Mumbai
Date: April 30, 2025

Consolidated Statement of Cash Flow

for the year ended March 31, 2025

(₹ in Crore)

	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A	**Cash flow from operating activities**		
	Profit/(Loss) before exceptional items and tax	(60.69)	(87.74)
	Adjustment for		
	Interest expenses	203.32	300.57
	Interest on lease liability	1.02	1.30
	Impairment of financial instruments (net)	(14.50)	11.48
	Depreciation and amortisation of expenses	2.38	2.53
	Net (Gain)/Loss on fair value changes	(33.62)	50.11
	Net (Gain)/Loss on mutual fund	(0.81)	#
	Net (Gain)/Loss on lease modification	(3.04)	(0.03)
	Net (Gain)/Loss on sale of Property, Plant and Equipment	#	#
	Amortisation of deferred employee compensation (ESOP)	2.19	1.91
	Interest income on fixed deposits	(3.12)	(0.90)
	Operating profit/(loss) before working capital changes	**93.13**	**279.22**
	Change in operating assets and liabilities		
	(Increase)/Decrease in financial assets of trusts	725.79	842.31
	(Increase)/Decrease in trade receivables	41.42	68.95
	(Increase)/Decrease in long term loans and advances	168.01	(26.99)
	(Increase)/Decrease in other financial assets	3.15	(8.59)
	(Increase)/Decrease in non-financial assets	0.25	0.93
	(Increase)/Decrease in other bank balances	(0.99)	1.74
	Increase/(Decrease) in trade payables	(6.91)	(5.91)
	Increase/(Decrease) in financial liabilities	59.19	37.05
	Increase/(Decrease) in non-financial liabilities	(8.65)	(4.72)
	Increase/(Decrease) in provisions	(0.21)	(0.64)
	Cash generated from/(used in) operations	**1,074.18**	**1,183.35**
	Income tax refund/(paid) (net)	26.36	(80.35)
	Net cash generated from/ (used in) operating activities	**1,100.54**	**1,103.00**
B	**Cash flow from investing activities**		
	Payments for purchase of investment in Security Receipts	(65.09)	(260.56)
	Redemption of Security Receipts	336.89	184.49
	Payment for acquisition of subsidiary trusts, net of cash acquired	(289.55)	(343.02)
	Effect of change in controlling interest	#	(13.26)
	Proceed from sale of investment in equity instruments	6.22	13.13
	Payments for purchase of investment in mutual funds	(312.78)	(4.00)
	Redemption of mutual funds	313.59	4.00
	Payments for purchase of Property, Plant and Equipment and Intangibles	(0.13)	(0.51)
	Sale of Property, Plant and Equipment	#	0.01
	Interest Income	3.12	0.90
	Net cash generated from/(used in) investment activities	**(7.73)**	**(418.82)**

Consolidated Statement of Cash Flow

for the year ended March 31, 2025 (Contd..)

(₹ in Crore)

	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
C	**Cash flow from financing activities**		
	Proceeds from issue of share capital (including security premium)	595.48	-
	Proceeds from debt securities	-	129.11
	Repayment of debt securities	(789.73)	(178.50)
	Proceeds from borrowing	915.00	975.00
	Repayment of borrowing	(1,386.20)	(1,434.71)
	Proceed from issue of Optionally Convertible Debentures	-	200.00
	Interest paid on debt securities and other borrowings	(309.61)	(294.89)
	Repayment of lease liabilities	(3.09)	(3.28)
	Redemption of security receipts (Non-controlling interest)	(16.00)	(76.30)
	Net cash generated from/(used in) financing activities	**(994.15)**	**(683.57)**
	Net increase/(decrease) in cash and cash equivalents	**98.66**	**0.61**
	Cash and cash equivalents at the beginning of the financial year/period	71.56	70.95
	Cash and cash equivalents at the end of the financial year/period	**170.22**	**71.56**

Reconciliation of cash and cash equivalents as per the cash flow statement

Cash and cash equivalents as per above comprise of the following:

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Cash and cash equivalents	170.22	93.66
Bank overdrafts repayable on demand and used for cash management purposes	–	(22.10)
Cash and cash equivalents in the statement of cash flows	**170.22**	**71.56**

# Denotes amount less than ₹ 50,000/-

The accompanying notes are an integral part of the consolidated financial statements : 1-55

In terms of our report of even date attached
For Sharp & Tannan Associates
Chartered Accountants
Firm's Registration No.: 109983W

Parthiv S. Desai
Partner
Membership No.(F): 042624

Place: Mumbai
Date: April 30, 2025

For and on behalf of the Board of Directors

Munesh Khanna
Chairman
(DIN - 00202521)

Rupa Vora
Chairperson -
Audit Committee
(DIN - 01831916)

Srinivasan Viswanathan
Chief Executive Officer

Vineet Singh
Company Secretary

Sabyasachi Ray
Chief Financial Officer

Place: Mumbai
Date: April 30, 2025

Notes
forming part of the Consolidated Financial Statements

1 Corporate Information

JM Financial Asset Reconstruction Company Limited ('the Parent') is a Public Limited Company, incorporated and domiciled in India and governed by the Companies Act, 2013 (the "Act'). The Parent is a Securitization Company registered with Reserve Bank of India and along with its subsidiaries is engaged in the business of acquisition of non-performing and distressed assets (NPA) from Banks and Financial institutions. The Trust are set up under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act") for acquisition of NPAs and are considered as subsidiaries, where it exercises control for the purpose of preparation of the consolidated financial statements.

2 Basis of preparation and presentation

2.1 Statement of Compliance

The financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) and the relevant provisions of the Act (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act to the extent applicable and the guidelines prescribed by the RBI, to the extent applicable.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally the original cost or transaction price of goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows".

Amounts in the financial statements are presented in Indian Rupees (₹) in crore rounded off to two decimal places as permitted by Schedule III to the Act. Per share data are presented in Indian Rupee (₹) to two decimal places.

Previous year figures have been re-grouped or reclassified, to confirm with current year's grouping/ classifications. There is no impact on Equity or Net Profit due to these regrouping / reclassifications.

3 Material Accounting Policy information

3.1 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Group and entities (including structured entities) controlled by the Group. Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

Notes

forming part of the Consolidated Financial Statements (Contd..)

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group who's less than a majority of the security receipts of an investee trusts, it has power over the investee when it is exposed, or has rights, to variable returns from its involvement with investee's activities. Variable returns are returns in form of expected cash flow from management fees, recovery incentive fees, upside income and share of investment in said trust that are not fixed and have the potential to vary as a result of the performance of investee. The Group assesses whether returns from investee are variable and how variable those returns are on the basis of the substance of the arrangement and regardless of the legal form of the returns. The amount of variability depends on the investee's ability to generate sufficient cash flow to pay the fees & share of investment in said investee.

The Group shall consider whether in its assessment it is acting in the capacity of a principal or an agent based on the level of exposure to the variable returns and consolidate the investee if the Group is acting as a principal. The Group shall reconsider this assessment annually if relevant facts or circumstances change.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non- controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/ permitted by applicable Ind AS).

3.2 Associates:

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

3.3 Property, Plant and Equipment and Intangible Assets

Property, Plant and Equipment (PPE) is recognised when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/ duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. PPE not ready for the intended use on the date of the Balance Sheet is disclosed as "capital work-in-progress".

"Under Ind AS 116, a lessee measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and recognises depreciation of the right-of-use asset. The cost of the right-of-use asset shall comprise of:

a) the amount of the initial measurement of the lease liability which is the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease;

b) any lease payments made at or before the commencement date, less any lease incentives received;

c) any initial direct costs incurred by the lessee; and

d) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

(Also refer to policy on leases, borrowing costs and impairment of assets below).

Depreciation / amortization is recognised on a straight-line basis over the estimated useful lives of respective assets as under:

Tangible Assets - Property, Plant and Equipment	Useful life
Motor Vehicles	8 years or lease period (whichever is lower)
Computers	3 years
Servers and networks	6 years
Office equipment	5 years
Furniture and fixtures	10 years
Leasehold improvements	10 years or lease period (whichever is lower)

Intangible Assets	Useful life
Computer software	5 years

Assets costing less than ₹ 5,000 are fully depreciated in the year of purchase. Assets taken on finance lease are depreciated over a period of lease.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised as profit or loss.

Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as “Intangible assets under development”. Intangible assets are amortized on straight line basis over the estimated useful life of 5 years. The method of amortization and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortization on impaired assets is provided by adjusting the amortization charge in the remaining periods so as to allocate the asset’s revised carrying amount over its remaining useful life. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised as profit or loss when the asset is derecognised.

Impairment losses on non-financial assets

As at the end of each year, the Group reviews the carrying amount of its non-financial assets that is PPE and intangible to determine whether there is any indication that these assets have suffered an impairment loss.

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 Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does

Notes

forming part of the Consolidated Financial Statements (Contd..)

not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

3.4 Revenue Recognition

Revenue is recognised when (or as) the Group satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. When (or as) a performance obligation is satisfied, the Group recognises as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.

The Group applies the five-step approach for recognition of revenue:

- Identification of contract(s) with customers;
- Identification of the separate performance obligations in the contract;
- Determination of transaction price;
- Allocation of transaction price to the separate performance obligations; and
- Recognition of revenue when (or as) each performance obligation is satisfied.

The Group is generally able to make reliable estimates after it has agreed to the following with the other parties to the transaction:

(a) Each party's enforceable rights regarding the service to be provided and received by the parties;

(b) The consideration to be exchanged; and

(c) The manner and terms of agreements or offer documents.

Revenue in form of management fees for providing services to the trust is recognised on accrual basis over the life of the contract as per terms of the relevant trust deed/ offer documents. The fees are recognised on accrual basis till the NAV of the Trust is recoverable and not wholly impaired.

Recovery incentive is accounted over the period on a cash basis, i.e. as and when received by the Group, based on terms of the relevant trust deeds and offer document issued by the Trust.

The Group recognises followings income/(loss) under the heading Net gain/(loss) on fair value changes on financial instruments at FVTPL;

(i) Additional realisation of assets over Net Asset Value of security receipt is accounted as per the terms of relevant trust deed / offer document on actual distribution from the trust after full redemption of the Net Asset Value of security receipts in the trust.

(ii) Net appreciation/ depreciation in Net Asset Value of security receipts is considered as fair value gain/ (loss) on change in investment and credit impaired financial assets.

3.5 Leasing

The Group evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Group as a lessee

The Group assesses, whether the contract is, or contains, a lease if the contract involves–

a) the use of an identified asset;

b) the right to obtain substantially all the economic benefits from use of the identified asset; and

c) the right to direct the use of the identified asset.

The Group at the inception of the lease contract recognises a Right-of-Use (ROU) asset at cost and a corresponding lease liability, for all lease arrangements in which it is a lessee, except for leases with term of less than twelve months (short term) and low-value assets.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the Straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

For lease liabilities at inception, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

The Group recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in the Statement of profit and loss.

For short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the lease term.

Lease liability has been presented in Note 18 "Lease Liabilities" and ROU asset has been presented in Note 13 "Property, Plant and Equipment" and lease payments have been classified as financing cash flows.

The Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Contracts in which all the risks and rewards of the lease are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating leases.

Leases, for which the Group is an intermediate lessor, it accounts for the head-lease and sub-lease as two separate contracts. The sub lease is classified as a finance lease or an operating lease by reference to the ROU asset arising from the head-lease.

3.6 Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets as defined in Ind AS 23 are capitalized as a part of costs of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

Interest expenses are calculated using the EIR and all other Borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

3.7 Employee benefits

Retirement benefit costs and termination benefits: Defined Contribution Plan

Payments to defined contribution plans are recognised as expense in the Statement of Profit and Loss of the year when employees have rendered service entitling them to the contributions. The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that cash refund or a reduction in the future payment is available.

Defined Benefit Obligation

The Company's liabilities under the Payment of Gratuity Act, 1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method.

The Company net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The Company recognises current service cost, past service cost, if any and interest cost in the Statement of Profit and Loss. Re-measurement gains and losses arising from experience adjustments and changes in actual assumptions are recognised in the period in which they occur in the OCI.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided at the undiscounted amount of the benefits expected to be paid in exchange for that service. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. These benefits include performance incentive

Notes

forming part of the Consolidated Financial Statements (Contd..)

and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Other long-term employee benefits

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

3.8 Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current Tax

The tax currently payable is based on the taxable profit for the year of the Group. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Group's financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

3.9 Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

- an entity has a present obligation (legal or constructive) as a result of a past event; and
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Further, long term provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

Contingent liability is disclosed in case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- a present obligation arising from past events, when no reliable estimate is possible.

Contingent Assets:

Contingent assets are not recognised in the financial statements.

3.10 Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- changes during the period in receivables and payables transactions of a non-cash nature;
- non-cash items such as depreciation, provisions, deferred taxes; and
- all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

3.11 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above.

3.12 Financial Instruments

Financial instruments comprise of financial assets and financial liabilities. Financial assets and liabilities are recognised when the Group becomes the party to the contractual provisions of the instruments.

Financial assets primarily comprise of loans and advances, premises and other deposits, trade receivables and cash and cash equivalents. Financial liabilities primarily comprise of borrowings and trade payables.

Initial Measurement of Financial Instruments

Financial assets and financial liabilities are initially measured at fair value except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Subsequent Measurement of Financial Assets

All recognised financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortized cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Interest income

Interest income is accrued on a time basis, by reference to the amortised cost and at the effective interest rate applicable.

Classification of Financial Assets:

- Debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are subsequently measured at amortized cost;
- all other debt instruments (e.g. debt instruments managed on a fair value basis, or held for sale) and equity investments are subsequently measured at FVTPL;

Debt instruments at amortised cost or at FVTOCI

The Group assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the individual asset basis and the Group's business model for managing the asset.

For an asset to be classified and measured at amortised cost or at FVTOCI, its contractual terms should give rise to cash flows that are meeting SPPI test.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The

Notes

forming part of the Consolidated Financial Statements (Contd..)

SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Group determines the business models at a level that reflects how financial assets are managed at individual basis and collectively to achieve a particular business objective.

When a debt instrument measured at FVTOCI is derecognised, the cumulative gain/loss previously recognised in OCI is reclassified from equity to profit or loss. In contrast, for an equity investment designated as measured at FVTOCI, the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss but transferred within equity.

Debt instruments that are subsequently measured at amortised cost or at FVTOCI are subject to impairment.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading. Security receipt investments in scope of Ind AS 109, “Financial Instruments” are measured at fair value. Security Receipts are classified as at FVTPL. Gains and losses on security investments are included in the statement of profit or loss.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re- measurement recognised in profit or loss.

Reclassifications

If the business model under which the Group holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Group’s financial assets. During the current financial year and previous accounting period there was no change in the business model under which the Group holds financial assets and therefore no reclassifications were made. Changes in contractual cash flows are considered under the accounting policy on modification and de-recognition of financial assets described below.

Impairment of financial assets:

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortized cost, trade receivables and other contractual rights to receive cash or other financial asset.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument’s credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

- Stage 1 - Performing assets with zero to thirty days past due (DPD). Stage 1 loans also include facilities where no significant increase in credit risk, improvement in credit risk and the loan has been reclassified from Stage 2.
- Stage 2 - Under-performing assets having 31 to 90 DPD. Stage 2 loans also include facilities, where significant increase in the credit risk, has improved

improvement in credit risk and the loan has been reclassified from Stage 3.

- Stage 3 - Under-performing assets with overdue more than 90 DPD including non-performing assets.

For loans, Group measures the loss allowance at an amount equal to 12 months expected credit loss for Stage 1 and life time expected credit loss for Stage 2 class categories of loans. For Stage 3 financial asset, the measurement of loss allowance is based on the present value of the asset's expected cash flow using the asset's original EIR.

For other receivables in distress credit business, Group measures life time expected credit loss allowance based on practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account the historical credit loss experience and adjusted for forward looking information.

De-recognition of financial assets

The Group derecognises a financial asset when the Group has transferred the right to receive cash flows from the financial assets or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligations to pay the cash flows to one or more recipients.

Where the entity has transferred an assets, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Write off

Loans and debt securities are written off when the Group has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a de-recognition event. The Group may apply enforcement activities to financial assets written off. Recoveries resulting from the Group's enforcement activities will result in impairment gains.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Group or a contract that will or may be settled in the its's own equity instruments and is a non-derivative contract for which the Group is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the it's own equity instruments.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

De-recognition of financial liabilities

The Group de-recognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in profit or loss.

3.13 Share based payment arrangements

Equity settled share based payments to employee of the Group are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity settled share based payments to employees is recognised as deferred employee compensation and is expensed in the Statement of Profit and Loss over the vesting period with a corresponding increase in employee stock option outstanding in other equity.

At the end of each year, the Group revisits its estimate of the number of equity instruments expected to vest and recognised any impact in profit or loss, such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment in other equity.

3.14 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss (before Other Comprehensive Income) for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss (before Other Comprehensive Income) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

3.15 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- estimated amount of contracts remaining to be executed on capital account and not provided for;
- uncalled liability on shares, security receipts and other investments partly paid;
- other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments, if any, related to normal course of business are not disclosed to avoid excessive details.

3.16 Foreign currency translation

In preparing the financial statements of the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.

3.17 Goods and Services Input Tax Credit

Goods and Services Input Tax Credit is accounted for in the books in the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/utilising the credits.

4 Critical accounting judgments and key sources of estimation uncertainty

The preparation of consolidated financial statements in conformity with Ind AS requires the Group's Management to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities recognised in the consolidated financial statements that are not readily apparent from other sources. The judgements, estimates and associated assumptions are based on historical experience and other factors including estimation of effects of uncertain future events that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates (accounted on a prospective basis) and recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods of the revision affects both current and future periods.

The following are the critical judgements and estimations that have been made by the Management in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements and/or key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

i) Fair value measurement and valuation processes

Some of the Group's assets are measured at fair value for financial reporting purposes. The Management determines the appropriate valuation techniques and inputs for the fair value measurements. In estimating the fair value of an asset, the Group uses market observable data to the extent it is available. The Group engages third party external rating agencies to perform the valuations. The Management works closely with the qualified external rating agencies to establish the appropriate valuation techniques and inputs to the model.

Information about the valuation techniques and inputs used in determining the fair value of various assets are disclosed in Note 44.

ii) Consolidation of trusts under distressed credit business

The Group's shareholding in security receipts of certain trusts formed in respect of distressed credit business is less than 50% and are being consolidated as subsidiaries, based on the management evaluation of right to variable returns determined on the basis of expected cash flow in form of management fees, recovery incentives, upside income and investment and priority on said cash flow determined that the Group has a control over these Trusts in terms of Ind AS 110- Consolidated Financial Statements.

4A Issue of new accounting standards or amendments to the existing standards

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS 117 - Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable w.e.f. April 1, 2024. The Group has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

Notes

forming part of the Consolidated Financial Statements (Contd..)

5 Cash and Cash Equivalents

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with Banks		
- In Current account	72.18	91.08
- In Deposits account (maturity less than 3 months)	98.04	2.58
Total	**170.22**	**93.66**

6 Other Bank Balances

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Earmarked balance with banks:		
- In current account (refer note 6.1)	1.68	0.74
- In deposit account (refer note 6.2)	0.30	0.25
Total	**1.98**	**0.99**

6.1 Current account includes amount maintained for expenses towards Corporate Social Responsibility.

6.2 Balance in deposit accounts of ₹ 0.25 crore (Previous year : ₹ 0.25 crore) carry fixed rate of interest and are for period up to 12 months (Previous year : 9 months) and have lien against bank guarantees obtained by the Group.

7 Trade Receivables

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
At amortized cost:		
Unsecured considered good :		
Trade Receivables	200.60	242.02
Less: Impairment Loss allowance (refer note 45)	(44.95)	(44.24)
Total	**155.65**	**197.78**

The Group's trade receivables arise in the normal course of business. Although certain balances are overdue beyond 90 days, the nature of the business, the existence of contractual safeguards and consistent historical recovery trend indicate that there is no significant increase in credit risk or evidence of credit impairment. These receivables are secured through contractual terms and are considered recoverable irrespective of their overdue status. Accordingly, the above disclosures are considered adequate.

7.1 Trade receivable ageing schedule

For the year 2024-25

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 year	1 - 2 Year	2 - 3 Year	More than 3 years	
Undisputed trade receivable - Considered good	7.21	2.80	25.57	30.36	134.66	200.60
Less : Impairment loss allowance	-	0.72	5.66	14.94	23.63	44.95
Total	**7.21**	**2.08**	**19.91**	**15.42**	**111.03**	**155.65**

For the year 2023-24

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 year	1 - 2 Year	2 - 3 Year	More than 3 years	
Undisputed trade receivable - Considered good	18.71	16.87	44.34	48.13	113.97	242.02
Less : Impairment loss allowance	0.87	4.79	14.94	10.31	13.33	44.24
Total	**17.84**	**12.08**	**29.40**	**37.82**	**100.64**	**197.78**

The above trade receivables mostly comprises of management fees recoverable from trusts which has a priority in the cash flows of the trust. Further these fees are payable by the trust to the Group only on realisation from the financial assets in the trust.

8 Loans

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
At amortised cost		
Loans secured by tangible assets	324.60	493.50
Interest accrued	99.59	98.70
Gross Loan	424.19	592.20
Less: Impairment Loss allowance (refer note 45)	(6.95)	(93.08)
Net Loan-Total	**417.24**	**499.12**

All loans are granted within India and to entitles other than public sector (corporate loan).

Notes
forming part of the Consolidated Financial Statements (Contd..)

9 Investments (At FVTPL)

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Quoted		
Equity instruments :		
Nil Equity shares of Nitco Limited ₹ 10 each fully paid up (Previous year : 7,65,980 shares of ₹ 10 each fully paid up)	–	4.28
Unquoted		
Equity instruments :		
1,31,07,380 of equity shares (right issue) of BRFL Textiles Private Limited of face value ₹ 10 each fully paid up (Previous year : 1,31,07,380 shares of face value ₹ 10 each)	4.47	4.47
a) Security receipts of trusts held in distressed credit business (refer notes 9.2,9.3 and 49)	898.83	1,241.82
Total	**903.30**	**1,250.57**

9.1 There are no investments made by the Group outside India.

9.2 The Group has given certain identified security receipts as pledge for term loans, bank overdraft, cash credit limits availed with various banks/ hypothecated in favour of debenture trustee for NCDs issued.

9.3 Commitments:

In respect of one trust, the Group has given a commitment to the security receipt holders for purchase/ arrange to purchase the outstanding security receipts at a consideration equivalent to outstanding face value of security receipts along with yield of 10.70% p.a. compounded annually from June 19, 2019 till January 31, 2026. Commitment of outstanding as at March 31, 2025 is ₹ 10.71 crore (Previous year : ₹ 21.42 crore of one trust).

10 Other Financial Assets

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Financial Assets under Distressed Credit Business (carried at FVTPL)	1,405.79	1,487.74
Recoverable from trusts	48.81	55.65
Earnest Money Deposits (refer note 10.1)	5.00	–
Advance to others	#	#
Security deposits		
To Related Parties (refer note 42)	0.32	1.40
To Others (refer note 10.2)	0.57	0.31
Total	**1,460.49**	**1,545.10**
Less : Impairment loss allowance recoverable from trusts (refer note 45)	(12.96)	(12.39)
Net Total	**1,447.53**	**1,532.71**

Denote amount below ₹ 50,000

10.1 The Group has paid Earnest Money Deposit for participating in auctions conducted by Bank and Financial Institutions for the acquisition of stress financial assets as part of its ordinary course of business.

10.2 Includes interest-free security deposits assessed as per Ind AS 109 - Financial Instrument by recognising such deposits measured at fair value on initial recognition and subsequently carried at amortised cost using the effective interest method.

11 Current Tax Assets

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance tax paid (net of provision for taxes)	33.86	83.75
Total	**33.86**	**83.75**

12 Deferred tax liability/(asset)

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Measurement of Financial instruments at fair value	(96.74)	(99.26)
Impairment of financial instruments	(18.95)	(20.10)
Difference between books and tax written down value (WDV) of Property, Plant and Equipment	(0.26)	(0.26)
Others (43B, 35D, etc. allowances under Income Tax Act, 1961)	(1.52)	(1.52)
Total	**(117.47)**	**(121.14)**

12.1 Deferred tax recorded in the balance sheet and changes recorded in the income tax expenses :

For the year ended March 31, 2025

(₹ in Crore)

Particulars	Opening balance	Recognised in profit or loss	Recognised in Other Equity	Recognised in OCI	Closing balance
a) Measurement of financial instruments at fair value	(99.26)	2.52	–	–	(96.74)
b) Impairment on financial instruments	(20.10)	1.15	–	–	(18.95)
c) Difference between books and tax WDV of PPE	(0.26)	–	–	–	(0.26)
d) Others (43B, 35D, etc. allowances)	(1.52)	0.03	–	(0.03)	(1.52)
Total - DTL/(DTA)	**(121.14)**	**3.70**	**–**	**(0.03)**	**(117.47)**

For the year ended March 31, 2024

(₹ in Crore)

Particulars	Opening balance	Recognised in profit or loss	Recognised in Other Equity	Recognised in OCI	Closing balance
a) Measurement of financial instruments at fair value	(62.04)	(35.61)	(1.61)	–	(99.26)
b) Impairment on financial instruments	(17.19)	(2.91)	–	–	(20.10)
c) Difference between books and tax WDV of PPE	(0.32)	0.06	–	–	(0.26)
d) Others (43B, 35D, etc. allowances)	(9.36)	7.92	–	(0.08)	(1.52)
Total - DTL/(DTA)	**(88.91)**	**(30.54)**	**(1.61)**	**(0.08)**	**(121.14)**

Notes

forming part of the Consolidated Financial Statements (Contd..)

13 Property, Plant and Equipment and Intangible assets

As at March 31, 2025

Property, Plant and Equipment

(₹ in Crore)

Particulars	Gross block				Accumulated depreciation				Net block
	As at April 1, 2024	Additions	Deductions	As at March 31, 2025	As at April 1, 2024	Addition	Deductions	As at March 31, 2025	As at March 31, 2025
Owned Assets									
Freehold Land	0.03	–	–	0.03	–	–	–	–	0.03
Furniture and fixtures	0.01	–	–	0.01	0.01	–	–	0.01	–
Office equipment	0.08	–	#	0.08	0.07	0.01	#	0.08	–
Computers	1.07	0.07	(0.05)	1.09	0.66	0.14	(0.05)	0.75	0.34
Leasehold improvements	1.71	–	–	1.71	1.48	0.05	–	1.53	0.18
Leased Assets									
Office premises (Right of use assets - refer note 36)	22.33	1.26	(10.03)	13.56	11.68	2.13	(3.61)	10.20	3.36
Total	**25.23**	**1.33**	**(10.08)**	**16.48**	**13.90**	**2.33**	**(3.66)**	**12.57**	**3.91**

Denote amount below ₹ 50,000

Intangible Assets

(₹ in Crore)

Particulars	Gross block				Accumulated depreciation				Net block
	As at April 1, 2024	Additions	Deductions	As at March 31, 2025	As at April 1, 2024	Addition	Deductions	As at March 31, 2025	As at March 31, 2025
Software (refer note 13.2)	0.59	0.06	-	0.65	0.44	0.05	-	0.49	0.16
Total	**0.59**	**0.06**	**-**	**0.65**	**0.44**	**0.05**	**-**	**0.49**	**0.16**

As at March 31, 2024

Property, Plant and Equipment

(₹ in Crore)

Particulars	Gross block				Accumulated depreciation				Net block
	As at April 1, 2023	Additions	Deductions	As at March 31, 2024	As at April 1, 2023	Addition	Deductions	As at March 31, 2024	As at March 31, 2024
Owned Assets									
Freehold Land	0.03	–	–	0.03	–	–	–	–	0.03
Furniture and fixtures	0.02	–	(0.01)	0.01	0.02	#	(0.01)	0.01	#
Office equipment	0.11	–	(0.03)	0.08	0.10	#	(0.03)	0.07	0.01
Computers	0.72	0.36	(0.01)	1.07	0.60	0.07	(0.01)	0.66	0.41
Leasehold improvements	1.84	–	(0.13)	1.71	1.53	0.08	(0.13)	1.48	0.23
Leased Assets									
Office premises (Right of use assets - refer note 36)	22.60	0.04	(0.31)	22.33	9.56	2.34	(0.22)	11.68	10.65
Motor Vehicles (refer note 13.1)	0.28	–	(0.28)	–	0.27	0.01	(0.28)	–	–
Total	**25.60**	**0.40**	**(0.77)**	**25.23**	**12.08**	**2.50**	**(0.68)**	**13.90**	**11.33**

Denote amount below ₹ 50,000

Intangible Assets

(₹ in Crore)

Particulars	Gross block				Accumulated depreciation				Net block
	As at April 1, 2023	Additions	Deductions	As at March 31, 2024	As at April 1, 2023	Addition	Deductions	As at March 31, 2024	As at March 31, 2024
Software (refer note 13.2)	0.44	0.15	–	0.59	0.41	0.03	–	0.44	0.15
Total	**0.44**	**0.15**	**–**	**0.59**	**0.41**	**0.03**	**–**	**0.44**	**0.15**

Notes :

13.1 Vendor have a lien over assets taken on lease.

13.2 The Intangible assets are other than internally generated.

14 Other Non-financial Assets

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	0.60	0.79
Balances with GST/Service Tax / VAT Authorities etc.	0.40	0.45
Other non-financial Assets	0.08	0.09
Total	**1.08**	**1.33**

Notes
forming part of the Consolidated Financial Statements (Contd..)

15 Trade Payable

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Payable		
Total outstanding dues of micro enterprises and small enterprises (refer note 15.1)	0.28	0.14
Total outstanding dues of creditors other than micro enterprises and small enterprises	3.08	4.70
Total	**3.36**	**4.84**

15.1 Dues payable to Micro Enterprises and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 :

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	0.28	0.14
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	–	–
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond appointed day	–	–
(iv) The amount of interest due and payable for the year	–	–
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	–	–
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	–	–
Total	**0.28**	**0.14**

Dues to Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

15.2 Trade payable ageing schedule :

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 years	
For the year 2024-25					
(i) MSME - Undisputed	0.28	–	–	–	0.28
(ii) Others - Undisputed	3.08	–	–	–	3.08
Total	**3.36**	**–**	**–**	**–**	**3.36**
For the year 2023-24					
(i) MSME - Undisputed	0.14	–	–	–	0.14
(ii) Others - Undisputed	4.70	–	–	–	4.70
Total	**4.84**	**–**	**–**	**–**	**4.84**

16 Debt Securities (Within India)

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
At amortised cost		
Secured		
Non-convertible Debentures (refer note 16.1, 16.2, 16.3 and 51.1)	798.38	1,588.11
Add: Interest accrued	26.80	109.79
Total Secured	**825.18**	**1,697.90**
Unsecured		
Optionally Convertible Debenture (refer note 16.4)	200.00	200.00
Total Unsecured	**200.00**	**200.00**
Total	**1,025.18**	**1,897.90**

16.1 Non-convertible Debentures secured by way of hypothecation and/ or pledge of certain identified security receipt and/ or priority loans.

16.2 Maturity profile and rate of interest of NCDs/MLDs:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Private Placement - Face value of ₹ 10,00,000 each		
8.25% Tranche XXXV redeemable in the year 2024-25@^	–	70.00
8.50% Tranche XXXVI redeemable in the year 2024-25@^	–	100.00
9% Tranche XXXVII redeemable in the year 2024-25@^	–	150.00
9% Tranche XXXVIII redeemable in the year 2024-25@^	–	30.00
9.25% Tranche XXXIX redeemable in the year 2024-25@^	–	125.00
9.60% Tranche A (Series I) redeemable in the year 2024-25^	–	75.00
9.60% Tranche A (Series II) redeemable in the year 2024-25^	–	50.00
9.60% Tranche A (Series III) redeemable in the year 2025-26	75.00	75.00
9.60% Tranche A (Series IV) redeemable in the year 2025-26	50.00	50.00
Private Placement - Face value of ₹ 1,00,000 each		
10.20% Tranche C (Series I) redeemable in the year 2025-26	175.00	175.00
10.20% Tranche C (Series II) redeemable in the year 2025-26	175.00	175.00
9% Tranche D redeemable in the year 2026-27	30.00	30.00
10.20% Tranche E redeemable in the year 2026-27	50.00	50.00
10.21% Tranche F redeemable in the year 2025-26	50.00	50.00
10.21% Tranche B redeemable in the year 2024-25^	–	200.00
Private Placement - Face value of ₹ 50,000 each		
10.21% Tranche B redeemable in the year 2025-26	200.00	200.00
Total	**805.00**	**1,605.00**

@ The interest is linked to IGB 6.10 and 6.54 Government Securities of 10 years.

^ redeemed fully or partly during the year ended March 31,2025.

Maturity profile above is disclosed at face value which excludes cumulative premium amounting to ₹ Nil (As at March 31, 2024 : ₹ 0.20 crore) and cumulative impact of effective interest rate adjustment amounting to ₹ 6.62 crore (As at March 31, 2024 : ₹ 17.09 crore).

Notes

forming part of the Consolidated Financial Statements (Contd..)

16.3 The Group has utilized money obtained by way of Non-convertible debentures for the purpose for which they were obtained.

16.4 The Group has issued 20,00,000, unlisted, unrated and unsecured Optionally Convertible Debentures (OCD) having face value of ₹ 1,000 each on March 4, 2024 to its shareholder JM Financial Credit Solution Limited. Conversion of said OCD shall be any time at option of the Company (Issuer of OCD). OCD shall be redeemable at any time and redemption shall be mutually decided by Issuer of OCD and Holder of OCD (JM Financial Credit Solution Limited). The Group has recognised the OCD as liability in financial statement considering the ability to repay at any time within whole life of said instrument.

16.5 Additional disclosure pursuant to Ind AS 7 (Debt Securities Movement during the year)

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening Balance	1,897.90	1,709.80
Cash flows	(1,004.90)	16.38
Non cash changes*	132.18	171.72
Closing balance	**1,025.18**	**1,897.90**

*Non cash changes includes interest on debt securities

17 Borrowings (other than debt securities)

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
At amortized cost		
Secured:		
Term loans from (refer note 17.1,17.2 and 17.5)		
(a) Banks	67.10	151.22
(b) Others	14.02	113.02
Add: Interest accrued	0.07	16.50
	81.19	**280.74**
Other loans from banks (refer note 17.3)		
(a) Working capital demand loans	64.18	102.60
(b) Cash credit facilities	15.06	57.82
Add: Interest accrued	-	0.06
	79.24	**160.48**
Unsecured:		
Inter corporate deposits (refer note 17.4)		
(a) From related party (refer note 42)	230.00	257.00
(b) From others	100.00	302.00
Add: Interest accrued but not due	2.11	15.05
	332.11	**574.05**
Total	**492.54**	**1,015.27**

17.1 Term loans are secured by way of pledge of certain identified security receipts.

17.2 Maturity profile and rate of interest of term loans:

(₹ in Crore)

Residual Maturities	Interest range from	
	9% to 10%	10% to 11%
As at March 31, 2025:		
Up to one year (April- 25 to March- 26)	23.33	42.68
Up to 1-3 years (April- 26 to March- 28)	11.67	3.44
3 years and above (April- 28 onwards)	–	–
Total	**35.00**	**46.12**
As at March 31, 2024:		
Up to one year (April- 24 to March- 25)	5.00	100.82
Up to 1-3 years (April- 25 to March- 27)	–	141.42
3 years and above (April- 27 onwards)	–	17.00
Total	**5.00**	**259.24**

Note:

i) Maturity profile shown excluding effective interest rate impact amounting to ₹ 0.07 crore (As at March 31, 2024 : ₹ 16.50 crore).

ii) The rate of interest of above term loans are linked with MCLR, Repo rate and T-Bill of banks and subject to change from time to time. Classification of term loans based on interest rates has been done on interest rate prevalent as on the relevant reporting period ends.

17.3 Other loans from banks in the nature of working capital and cash credit facilities are secured by way of pledge of certain identified security receipts.

17.4 Inter corporate deposits taken from related party are for 184 days and taken from others are for 709 days (previous year : 22-344 days).

17.5 The Group has utilized money obtained by way of Term loans for the purpose for which they were obtained.

17.6 The monthly asset cover statement submitted by the Group with banks / financial institutions from which borrowing is obtained on the basis of security of investment in security receipts are in agreement with the books of account.

17.7 All borrowings are made within India.

17.8 Additional disclosure pursuant to Ind AS 7 (Borrowing Movement during the year)

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening Balance	1,015.27	1,493.55
Cash flows	(588.44)	(599.16)
Non cash changes*	65.71	120.88
Closing balance	**492.54**	**1,015.27**

*Non cash changes includes interest on borrowings

Notes

forming part of the Consolidated Financial Statements (Contd..)

18 Lease liabilities

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
On Office Premises (refer note 36)	4.25	14.02
Total	**4.25**	**14.02**

18.1 Additional disclosure pursuant to Ind AS 7 (Lease liability Movement during the year)

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening Balance	14.02	16.08
Cash flows	(3.09)	(3.28)
Non cash changes*	(6.68)	1.22
Closing balance	**4.25**	**14.02**

*Non cash changes includes interest on lease and effect of lease modification

19 Other Financial Liabilities

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Employee Benefits payable	5.58	5.90
Amount collected on behalf of trust	9.24	54.00
Provision for CSR Expenditure (refer note 38)	3.23	2.94
Undistributed collection in trusts	119.55	6.35
Others	0.28	0.32
Total	**137.88**	**69.51**

20 Provisions

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
- Gratuity (refer note 41)	1.37	1.50
- Compensated absence (refer note 41)	0.29	0.25
Total	**1.66**	**1.75**

21 Other Non-Financial Liabilities

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory Dues	8.90	16.66
Other	3.59	3.76
Total	**12.49**	**20.42**

22 Equity Share Capital

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised		
1,85,00,00,000 (Previous year: 1,85,00,00,000) equity shares of ₹ 10 each	1,850.00	1,850.00
15,00,00,000 (Previous year: 15,00,00,000) redeemable preference shares of ₹ 10 each	150.00	150.00
	2,000.00	**2,000.00**
Issued, Subscribed and Paid-up		
79,53,10,930 (Previous year: 39,83,25,537) equity shares of ₹ 10 each fully paid-up	795.31	398.33
Total	**795.31**	**398.33**

22.1 Terms and rights

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

The preference shares (not issued), forming part of Authorized Capital, have a face value of ₹ 10/-. Each holder of such preference shares would be entitled to one vote per share on resolutions placed which directly affects the rights of such preference shares.

22.2 Reconciliation of number of shares

Particulars	Equity Shares	
	As at March 31, 2025	As at March 31, 2024
Shares outstanding at the beginning of the year	39,83,25,537	39,83,25,537
Shares issued during the year	39,69,85,393	–
Shares outstanding at the end of the year	**79,53,10,930**	**39,83,25,537**

22.3 Details of shareholding more than 5%

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares:				
JM Financial Limited	–	–	21,35,65,599	53.62%
JM Financial Credit Solutions Limited	65,03,43,712	81.77%	3,97,92,720	9.99%
Mr. Narotam S Sekhsaria	5,68,66,072	7.15%	5,68,66,072	14.28%
Indian Overseas Bank	2,10,00,000	2.64%	2,10,00,000	5.27%
Valiant Mauritius Partners FDI Limited	3,35,50,551	4.22%	3,35,50,551	8.42%

Notes

forming part of the Consolidated Financial Statements (Contd..)

22.4 Details of shareholding of promoters

S.No.	Particulars	As at March 31, 2025		As at March 31, 2024		% change during the year
		No. of Shares held	% of Holding	No. of Shares held	% of Holding	
1	JM Financial Credit Solutions Limited (JMFCSL)	65,03,43,712	81.77%	3,97,92,720	9.99%	1534.33%
2	JM Financial Limited (JMFL)	-	-	21,35,65,599	53.62%	-100.00%

* JMFL has ceased to be the promoter of the Parent Company with effect from March 18, 2025 pursuant to transfer of 57,09,32,034 equity shares to JMFCSL.

22.5 During the year, the Parent Company had allotted 39,69,85,393 equity shares of face value of ₹ 10 each at an issue price of ₹ 15 per share for an amount aggregating to ₹ 595.48 crore to the existing shareholders of the Parent Company namely, JM Financial Limited and JM Financial Credit Solutions Limited, through the issuance of equity shares to them on right basis. The object of the issue was to raise the equity capital base, net owned funds and compliance of the capital adequacy ratio as per the RBI guidelines. The equity capital infusion has been duly accounted for under equity share capital and securities premium and all statutory and regulatory compliances with regard to allotment and reporting have been completed.

22.6 During the year, JM Financial Limited **("JMFL")** and JM Financial Credit Solutions Limited **("JMFCSL")** have informed the Parent Company that transfer of 57,09,32,034 equity shares from JMFL to JMFCSL representing 71.79% of the total paid up capital has been concluded on March 18, 2025. With this, JMFL has ceased to be the Sponsor and JMFCSL is the Sponsor of the Parent Company. The transaction was undertaken with the prior approval of the Reserve Bank of India (RBI) vide its letter dated December 20, 2024. This change did not impact the management or control structure of the Parent Company, and the Parent Company continues to operate as an independent legal entity with no change in its governance or business operations. The Parent Company has duly reported the changes in accordance with the requirements of applicable laws.

23 Other equity

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Securities Premium Reserve	481.67	283.18
Capital reserve on change in interest without loss of control	28.15	28.15
Retained earnings	(393.26)	(364.36)
Employee Stock option oustanding (refer note 23.1(e))	8.14	6.44
Impairment reserve (refer note 23.2)	243.73	243.73
Initial Corpus	0.01	0.01
Total	**368.44**	**197.15**

Refer Statement of Changes in Equity for movement in each reserve and surplus.

23.1 Nature of each reserves:

a) Securities premium reserve represents premium received on equity shares issued which can be used on accordance with the provisions of the Act, 2013 for specified purposes.

b) Capital reserve on acquisitions/ disposals represents reserves created on acquisition / disposal of subsidiaries without loss of control.

c) Retained earnings are the profits that the Group has earned till date less any transfers to general reserve, impairment reserve, statutory reserve, dividends or other distributions to the shareholders.

d) Initial corpus is corpus contributed by the Group for setting up of a Trust under SARFAESI Act for acquisition of account under distressed credit business.

e) Stock options oustanding account (net of deferred stock option expenses) relates to the stock options granted by the Group to employees under an Employee Stock Option Plan (refer note no.40).

f) Impairment allowance reserve represents reserve created in accordance with the Reserve Bank of India (RBI) circular no. RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 on implementation of Indian Accounting Standard. The balance in the 'Impairment Reserve' shall not be reckoned for regulatory capital. Further, no withdrawals are permitted from this reserve without prior permission from the Department of Supervision, RBI.

23.2 During the year, Impairment Reserve has been created in accordance with Income Recognition, Asset Classification and Provisioning (IRACP) provided under RBI /2019-20/ 170 DOR (NBFC). CC. PD. No. 109/ 22.10.106/2019-20 dated March 13, 2020. Total provision as required under the extant RBI guidelines for Non - Performing Advances is ₹ 239.83 crore.

The Honourable Supreme Court vide orders dated October 30, 2017, November 20, 2017, April 09, 2018 and January 20, 2020 has directed that "No Coercive Action" can be taken against one of the borrower group of company, until further directions are being issued in this regard. As per recent judicial precedence, classification of an account as Non-Performing Account can also be considered as a "Coercive Action".

As at March 31, 2025, two loan accounts belonging to the same borrower group have outstanding interest which has not been serviced for more than 180 days.

In consideration to the aforesaid orders issued by the Honourable Supreme Court of India, the two accounts are classified as Standard. However, the provision as required under the extant RBI guidelines for Non - Performing Advances amounting to ₹ 227.18 crore is carried for these borrower accounts.

In the matter of Unitech Limited, the Adjudicating Authority under the Prevention of Money Laundering Act, 2002 (the "Act") issued an order dated February 21, 2024, upholding the attachment of property held by the Group as one of the collaterals against loans acquired in the Trust (as a Trustee) and an additional loan given to the Borrower Group as referred to above ("Borrower Group"). The Group has appealed against the aforesaid order before the Appellate Tribunal. Considering the total security against the loans acquired from the Borrower Group and the expected cash flows to the Group as per the documented waterfall, the Group believes that the above proceedings do not have a material impact on its financial position. The Group views these legal proceedings as arising in the normal course of its asset reconstruction business.

In addition, during the year one loan account of another borrower also had both interest and principal overdue for more than 180 days. Consequently, in accordance with the asset classification norms prescribed by the Reserve Bank of India (RBI), the Group reclassified this loan account amounting to ₹ 126.50 crore from the 'standard' category to a 'non-performing asset' (NPA) category.

Notes
forming part of the Consolidated Financial Statements (Contd..)

24 Interest income

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Income		
On loans (at amortized cost)	11.39	71.26
On others (at FVTPL)	25.35	21.35
On fixed deposit (at amortised cost)	3.12	0.90
Total	**39.86**	**93.51**

25 Fees and Incentives

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Management fees	93.74	234.99
Recovery Incentives Fees	1.69	15.25
Total	**95.43**	**250.24**

26 Net gain on fair value changes

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
On financial instruments designated at FVTPL:		
Security Receipts and Financial assets (refer note 26.1 and 26.2)	31.68	–
Equity instruments	1.94	–
Mutual fund	0.81	–
Total	**34.43**	**–**

26.1 Investment in security receipts of face value of ₹ 12.01 crore for four trusts (Previous year : Nil) written off during the year.

26.2 Net Gain/(Loss) on fair value changes

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Realised gain/(loss)	195.67	–
Unrealised gain/(loss)	(161.24)	–
Total	**34.43**	**–**

27 Other Income

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on income tax refund	3.66	-
Other interest income	0.12	0.12
Gain on lease modification	3.04	0.03
Net gain on disposal of property, plant and equipment	#	0.01
Miscellaneous income	#	#
Total	**6.82**	**0.16**

Denote amount below ₹ 50,000

28 Finance Cost

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
At amortized cost:		
Interest on Debt Securities	132.18	171.72
Interest on Borrowings (Other than Debt Securities)	65.71	120.88
Others	6.45	9.27
Total	**204.34**	**301.87**

28.1 Interest on others includes interest on lease obligations of ₹ 1.02 crore (Previous year : ₹ 1.30 crore).

29 Net Loss on fair value changes

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
On financial instruments designated at FVTPL:		
Security receipts and financial assets of trusts (refer note 29.1)	–	54.29
Equity instruments	–	(4.18)
Gain on mutual fund	–	#
Total Net Loss/(Gain) on fair value changes	**–**	**50.11**

29.1 Net loss/(gain) on fair value changes

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Realised loss/(gain)	-	(112.28)
Unrealised loss/(gain)	-	162.39
Total	**-**	**50.11**

Notes

forming part of the Consolidated Financial Statements (Contd..)

30 Impairment of Financial Instruments

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
At amortised Cost		
Loans	(15.78)	0.80
Trade Receivables	0.71	5.66
Advances	0.57	5.02
Total	**(14.50)**	**11.48**

31 Employee benefits

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, bonus, other allowances and benefits	17.37	18.58
Contribution to provident and other funds (refer note 41)	0.77	0.88
Gratuity (refer note 41)	0.27	0.22
Share Based Payments to employees (refer note 40)	2.25	1.91
Staff welfare expenses	0.07	0.03
Total	**20.73**	**21.62**

32 Other Expenses

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Rate & Taxes	2.20	3.15
Legal & professional fees	4.80	6.25
Lease rentals	0.23	0.14
Corporate social responsibility (refer note 38)	2.98	2.83
Support service charges	6.00	6.00
Donation	0.25	0.25
Manpower Expenses	1.52	1.17
Director's commission & sitting fees	0.56	0.67
Travelling Expenses	0.14	0.16
Repairs & Maintenance	0.18	0.04
Auditors remuneration (refer note 32.1)	0.25	0.21
Insurance Expenses	0.66	0.68
Electricity Expenses	0.21	0.19
Demat charges	0.21	0.13
Conveyance Expense	0.04	0.02
Car hire charges	0.01	0.01
Resolution expenses	3.19	21.13
Miscellaneous expenses	0.85	1.01
Total	**24.28**	**44.04**

32.1 Payment to Auditors (Excluding Goods & Service Tax)

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Audit fees	0.18	0.15
In any other matters (certification, limited review, etc.)	0.05	0.05
Out of pocket expenses	0.02	0.01
Total	**0.25**	**0.21**

33 Exceptional items

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Security receipts	2.14	26.32
Financial Assets under Distressed Credit Business (carried at FVTPL)	68.21	741.55
Loans	(70.35)	70.35
Equity instruments	–	8.64
	–	**846.86**

Notes

forming part of the Consolidated Financial Statements (Contd..)

During the financial year 2023-24, the Group had recognised impairment loss/expected credit loss aggregating ₹ 846.86 crore (excluding tax) on fair valuation of investments in multiple trusts and loans related to one large account/exposure due to a change in resolution strategy/plan and events subsequent to the balance sheet date. The recognition of such impairment loss/ expected credit loss had happened in the normal course of asset reconstruction business of the Group. However, considering other impacts of the same on the financial statements and its materiality, the same had been treated as an Exceptional Item in the Statement of Profit and Loss Account.

During the year, the Group has recognised exceptional items presented separately in accordance with the respective requirement of Ind AS 109 – Financial Instrument and Ind AS 1- Presentation of Financial Statements in respect of same financial assets/ account/exposure on which impairment /expected credit loss on fair valuation of investments in multiple trusts and loans, respectively, had been recognised in previous year. The loss on fair valuation and the ECL Provision (impairment gain) offset each other on account of and result of realisation of assets, resulting in no net impact on the profit or loss for the year from this asset.

34 Income Tax

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax	23.53	40.95
Deferred tax	3.70	(30.54)
Total income tax expenses recognised in the current year	**27.23**	**10.41**
Income tax expense recognised in other comprehensive income	(0.03)	(0.08)
Total income tax expenses	**27.20**	**10.33**

34.1 Reconciliation of total tax charge

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit/(Loss) for the year	(60.69)	(934.60)
Income tax rate	25.17%	25.17%
Income tax expense	(15.28)	(235.23)
Tax Effect of:		
Effect of non deductible expenses	0.81	0.78
Effect of unrecognised deferred tax assets (net)*	41.70	250.63
Deferred tax on Remeasurement of employee defined benefit obligation	(0.03)	(0.08)
Effect of deferred tax on unrecognised tax losses	–	(5.77)
Income tax expense recognised in profit and loss	**27.20**	**10.33**

* Includes unrecognised deferred tax assets for the financial year 2024-25 in respect of deductible temporary differences of ₹ 165.62 crore (Previous year : ₹ 991.32 crore (including exceptional items) due to a change in resolution strategy/plan and events subsequent to the balance sheet date) pertaining to impairment loss/expected credit loss on fair valuation of investments in multiple trusts and loans . Considering the inherent uncertainties in the Group's business related to the timing and extent of recovery of financial assets and generation of future taxable income, the Group has adopted a prudent approach and has not recognised said deferred tax assets in the financial statements.These deferred tax assets may be recognised in future periods when there is convincing evidence of the availability of sufficient taxable profits against which such assets can be realised.

35 Earning per share

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

	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a)	Profit/(Loss) for the year attributable to equity shareholders - Basic EPS (₹ in crore)	(29.30)	(941.98)
(b)	Profit/(Loss) for the year attributable to equity shareholders - Diluted EPS (₹ in crore)	(29.30)	(941.98)
(c)	Weighted average number of equity shares outstanding (Nos.) before issue of right shares (Adjusted for Right Issue)	39,83,25,537	39,83,25,537
(d)	Add: Issue of right shares (Weighted average Nos.)	33,49,90,414	–
(e)	Weighted average number of equity shares outstanding during the year for calculating basic earning per share (Nos.)	73,33,15,951	39,83,25,537
(f)	Add : Effect of stock option scheme (Nos.)*	3,49,689	–
(g)	Weighted average number of equity shares outstanding during the year for calculating diluted earning per share (Nos.)	73,36,65,640	39,83,25,537
	Basic earnings per share (₹) (a/e)	(0.40)	# (23.65)
	Dilutive earning per share (₹) (b/g)	(0.40)	# (23.65)
	Nominal value per share (₹)	10	10

* Includes some grants under ESOS are anti-dilutive and therefore considered as Nil.

No dilution in earning per share as issue price of right share was equivalent to the fair value of the share.

36 Leasing

Following are the changes in the carrying value of the leased assets for the year ended March 31, 2025:

(₹ in Crore)

Category of leased asset	Gross block				Accumulated depreciation				Net block
	As at April 1, 2024	Additions	Deductions	As at March 31, 2025	As at April 1, 2024	Addition	Deductions	As at March 31, 2025	As at March 31, 2025
Office Premises*	22.33	1.26	(10.03)	13.56	11.68	2.13	(3.61)	10.20	3.36

* addition and deletion is as result of new lease inception, lease modification - decrease in lease area and rent

Following are the changes in the carrying value of the leased assets for the year ended March 31, 2024:

(₹ in Crore)

Category of leased asset	Gross block				Accumulated depreciation				Net block
	As at April 1, 2023	Additions	Deductions	As at March 31, 2024	As at April 1, 2023	Addition	Deductions	As at March 31, 2024	As at March 31, 2024
Office Premises*	22.60	0.04	(0.31)	22.33	9.56	2.34	(0.22)	11.68	10.65
Motor Vehicle	0.28	–	(0.28)	–	0.27	0.01	(0.28)	–	–

* addition and deletion is as result of lease modification - decrease in lease area and rent

Notes

forming part of the Consolidated Financial Statements (Contd..)

During the year, the Group renegotiated certain lease arrangements with lessors, resulting in a reduction in the leased area and a corresponding decrease in lease payments. These changes have been assessed as modifications to the original lease agreements under the provisions of Ind AS 116 – Leases. The Group has remeasured the lease liability based on the revised lease payments discounted using the revised discount rate (average borrowing interest rate of the JM Financial Group). The corresponding adjustment has been made to the right-of-use (ROU) asset. The impact of the lease modification is reduction in lease liability ₹ 8.87 crore, reduction in ROU ₹ 6.42 crore and gain on modification of ₹ 3.04 crore. There is no impact on the lease term or the classification of the lease.

During the year, the Group entered into new lease arrangement for two office premises, resulting in recognition of Right of used assets (ROU) of ₹ 1.26 crore and correspondence lease liability of ₹ 1.21 crore. The associated interest-free security deposits paid to lessors are assessed in accordance with the requirements of Ind AS 109 – Financial Instruments by recognising such deposits measured at fair value on initial recognition and subsequently carried at amortised cost using the effective interest method. Remaining portion of deposits of ₹ 0.05 crore recognised as ROU.

The following is the movement in lease liabilities during the year ended March 31, 2025 and March 31, 2024:

On Office premises

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	14.02	16.07
Add : Additions during the year	1.21	-
Less : Lease Modification (net) including impact of lease remeasurement	(8.91)	(0.08)
Add : Finance cost during the year	1.02	1.30
Less : Payment of lease liabilities	(3.09)	(3.27)
Closing balance	**4.25**	**14.02**

On Motor Vehicle

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	-	0.01
Add : Finance cost during the year	-	#
Less : Payment of lease liabilities	-	(0.01)
Closing balance	**-**	**-**

Table showing contractual maturities of lease liabilities as at March 31, 2025 and March 31, 2024 on an undiscounted basis:

On Office Premises:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Not later than one year	1.85	3.42
Later than one year and not later than five years	3.06	13.96
Later than five years	–	–

The Group does not face significant liquidity risk with regards to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

37 Foreign Currency Exposure and Un-hedged Foreign Currency Exposure

(₹ in Crore)

Sr. No.	Particulars	Amount in foreign currency (Equivalent to USD in Million)	Amount in INR (₹ in crore)
I.	**Details of Foreign Currency Exposure**		
	(A) Receivables	NIL	NIL
	(i) Export of goods		
	(ii) Services Rendered / Other Income		
	(B) Payables	NIL	NIL
	(i) Import of Goods		
	(ii) Services utilised / Other Expenses		
	(C) Non-Trade Items	NIL	NIL
	(i) Foreign Currency Loans (ECBs, FCTLs, etc.)		
	(a) Principal Payments		
	(b) Interest		
	(ii) Foreign Currency Investments		
	Total Foreign Currency Exposure	**NIL**	**NIL**
II	**Details of Hedgings**		
	(A) Natural Hedges	NIL	NIL
	(B) Financial Hedges	NIL	NIL
	(i) Forward Contracts Booked:		
	(a) For Export and other Receivables		
	(b) For Import and other Payables		
	(ii) Swaps		
	(a) Principal amount Swaps		
	(b) Interest Rate Swaps		
	(iii) Other Financial Derivative Hedging Instruments		
	Total Hedging of Foreign Currency Exposure	**NIL**	**NIL**
III.	**Amount of Unhedged Foreign Currency Exposure**	NIL	NIL
IV.	**Realised / Recognised Amount of Foreign Currency Loss / Gain**	NIL	NIL
V.	**EBID**		119.03
VI.	**Total Banking Exposure of the Company**		
	(i) Term Loans Exposure (Outstanding amounts + Undisbursed)		67.10
	(ii) Working Capital Exposure (Limit sanctioned & accepted)		163.00

Note

i) EBID is computed as per the definition contained in footnote 3 to paragraph 2 (c) of the RBI Circular No. RBI/ 2013-14/ 448 DBOD.No.BP.BC. 85/21.06.200/2013-14 dated January 15, 2014 i.e. Profit After Tax + Depreciation + Interest on Debt + Lease Rentals, if any.

ii) Total banking exposure of the company excludes sanction facilities against fixed deposits.

Notes

forming part of the Consolidated Financial Statements (Contd..)

38 Corporate Social Responsibility

Details of expenses towards corporate social responsibility as per section 135 of the Act, 2013 read with schedule VII there to:

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Gross amount required to be spent by the Group during the year	2.98	2.83
b) Amount spent	1.43	0.63
Amount provided for on-going projects	1.55	2.20
Total	**2.98**	**2.83**
c) Short fall at the end of the year	–	–
d) Total Previous years shortfall	–	–
e) Reason for shortfall	–	–
f) Amount contributed to a trust controlled by the Group	–	–
g) Nature of CSR Activities	–	–
(i) Construction / acquisition of any asset	–	–
(ii) On purposes other than (i) above	2.98	2.83
Total	**2.98**	**2.83**

Details of unspent obligations

In case of section 135(5) of the Companies Act, 2013 (ongoing projects)

(₹ in Crore)

Opening balance as on April 1, 2024		Amount required to be spent during the year	Amount spent during the year		Closing balance as on March 31, 2025	
With Company	In separate CSR Unspent account		From Company's bank account	From separate CSR unspent account	With Company	In separate CSR Unspent account
₹ 2.20	₹ 0.74	₹ 2.98	₹ 1.43	₹ 1.26	**₹ 1.55**	**₹ 1.68**

(₹ in Crore)

Opening balance as on April 1, 2023		Amount required to be spent during the year	Amount spent during the year		Closing balance as on March 31, 2024	
With Company	In separate CSR Unspent account		From Company's bank account	From separate CSR unspent account	With Company	In separate CSR Unspent account
₹ 3.74	₹ 2.46	₹ 2.83	₹ 0.63	₹ 5.46	₹ 2.20	₹ 0.74

39 Segment Reporting

The group operates in a segment of distressed credit business and all other activities are incidental to its main business activities as per requirement of Ind AS- 108 on Operating Segment. The reportable business segment is in line with the segment wise information which is being presented to the Chief Operating Decision Maker.

The Group has one geographical segment identified based on its location of customers which is within India.

40 Employee Stock Option Scheme

40.1 JM Financial Limited granted the Stock Options to the eligible employees and/or directors (the Employees) of JM Financial Limited and its subsidiaries. Out of the total number of Options granted by JM Financial Limited, the following Stock Options pertain to the employees of the Group.

May 10, 2024 20,000 Stock Options

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

Vesting/ Grant Date	Options series	No. of Stock Options	Status	Exercise Period	Exercise Price in ₹
May 10, 2025	Series-XIX-B	5,000	Unvested	Seven years from the date of Grant	1
May 10, 2026	Series-XIX-B	5,000	Unvested	Seven years from the date of Grant	1
May 10, 2027	Series-XIX-B	5,000	Unvested	Seven years from the date of Grant	1
May 10, 2028	Series-XIX-B	5,000	Unvested	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	
	March 31, 2025	March 31, 2024
Outstanding at the beginning of the year	–	–
Granted during the year	20,000	–
Outstanding at the end of the year	20,000	–
Exercisable at the end of the year	–	–

The charge on account of the above scheme is included in employee benefit expense aggregating ₹ 0.07 crore (Previous year: ₹ Nil). Since the options are granted by JM Financial Limited (the Ultimate Holding Company), basic and diluted earnings per share of the Group would remain unchanged.

40.2 The Employee Stock Option Scheme (the “Scheme”) provides for grant of stock options to the eligible employees and/or directors (“the Employees”) of the Group. The Stock Options are granted at an exercise price, which is either equal to the fair market price or at a premium, or at a discount to market price as may be determined by the Nomination and Remuneration Committee of the Board of the Company.

During the year 2024-25, the Nomination and Remuneration Committee has not granted any stock options (previous year : Nil options) to the Employees, that will vest in a graded manner and which can be exercised within a specified period.

During the year, the Parent Company approved a modification to its Employee Stock Option Scheme (ESOS) in accordance with the applicable regulations and the approval of the Board of Directors / Shareholders. The modification involved a change in the exercise price of outstanding stock options granted to eligible employees under the scheme. Effective from May 16, 2024, the exercise price of 30,54,492 outstanding options (no of options : Series I - 10,47,705; Series II - 5,34,888 and Series III - 14,71,899) revised from ₹ 28.46 for Series I, ₹ 29.69 for Series II and ₹ 33.63 for Series III to ₹ 11.25 for all series to continue incentivising and retaining key talent.

As per Ind AS 102 – Share Based Payment, this modification has been accounted for as a repricing of the stock options. The incremental fair value arising from the modification, determined as the difference between the fair value of the modified options and the original options as on the date of modification, has been calculated using the Black-Scholes option pricing model and will be recognized as an expense over the remaining vesting period. The impact of the modification on the statement of profit and loss for the year is an additional expense of ₹ 1.53 crore, with a corresponding increase in stock option outstanding under equity.

Notes

forming part of the Consolidated Financial Statements (Contd..)

The details of options are as under:

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Outstanding at the beginning of the year	34,42,191	34,99,797
Less: Forfeited/cancelled during the year	(3,87,699)	(57,606)
Outstanding at end of the year	30,54,492	34,42,191
Exercisable at end of the year	18,94,930	9,73,347

The Group follows fair value based method of accounting for determining compensation cost for its stock-based compensation scheme. The fair value has been calculated by applying Black and Scholes model as valued by an independent valuer. The fair value of each stock options granted during the current year and previous year is mentioned in the table below.

Details of options granted

Particulars	Series I	Series II	Series III
Grant date	April 16, 2020	April 19, 2021	May 4, 2022
Options granted	15,81,444	9,09,549	19,60,749
Options forfeited/cancelled till March 31, 2025	(5,33,739)	(3,74,661)	(4,88,850)
Outstanding at end of year	10,47,705	5,34,888	14,71,899
Exercisable at end of year	10,47,705	3,56,592	4,90,633
Vesting of options	1/3rd Options each on completion of first, second and third year from the date of grant of options	1/3rd Options each on completion of first, second and third year from the date of grant of options	1/3rd Options each on completion of first, second and third year from the date of grant of options
Exercise period	Within 3 years from the date of vesting	Within 3 years from the date of vesting	Within 3 years from the date of vesting
Exercise price as per original scheme	₹ 28.46	₹ 29.69	₹ 33.63
Exercise price as per new scheme	₹ 11.25	₹ 11.25	₹ 11.25
Pricing formula	As was determined by the Nomination and Remuneration Committee	As was determined by the Nomination and Remuneration Committee	As was determined by the Nomination and Remuneration Committee

The charge on account of the above scheme is included in employee benefit expense aggregating ₹ 2.19 crore (Previous year: ₹ 1.91 crore).

41 Employee Benefits

a) Defined contribution plans

The Group operates defined contribution plan (Provident fund) for all qualifying employees. The employees of the Group are members of a retirement contribution plan operated by the government. The Group is required to contribute a specified percentage of payroll cost to the retirement contribution scheme to fund the benefits. The only obligation of the Group with respect to the plan is to make the specified contributions.

The Group's contribution to Provident Fund aggregating ₹ 0.60 crore (Previous year ₹ 0.69 crore) has been recognized in the Statement of Profit and Loss under the head Employee Benefits Expense.

b) Defined benefit obligation

The Group's liabilities under the Payment of Gratuity Act, 1972 are determined on the basis of independent actuarial valuation made at the end of each financial year using the projected unit credit method. The plan is of a final salary defined benefit in nature which is sponsored by the Group and hence it underwrites all the risks pertaining to the plan. The actuarial risks associated are:

Interest Rate Risk:

The risk of government security yields falling due to which the corresponding discount rate used for valuing liabilities falls. Such a fall in discount rate will result in a larger value placed on the future benefit cash flows whilst computing the liability and thereby requiring higher accounting provisioning.

Longevity Risks:

Longevity risks arises when the quantum of benefits payable under the plan is based on how long the employee lives post cessation of service with the company. The gratuity plan provides the benefit in a lump sum form and since the benefit is not payable as an annuity for the rest of the lives of the employees, there is no longevity risks.

Salary Risks:

The gratuity benefits under the plan are related to the employee's last drawn salary. Consequently, any unusual rise in future salary of the employee raises the quantum of benefit payable by the Group, which results in a higher liability for the Group and is therefore a plan risk for the Group.

The principal assumptions used for the purposes of the actuarial valuations:

Particulars	As at March 31, 2025	As at March 31, 2024
Discount rate	6.55%	7.15%
Expected rate of salary increase	8.00%	7.00%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ult table.	Indian Assured Lives Mortality (2012-14) Ult table.

Amount recognized in statement of profit and loss in respect of these defined benefit obligation

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current service cost	0.17	0.12
Past service cost	-	-
Net interest cost	0.10	0.10
Components of defined benefits recognised in profit or loss.	**0.27**	**0.22**
Remeasurements on the net defined benefit liability :		
- Return on plan assets, excl. amount included in interest exp. (income)	-	-
- Actuarial (gain)/loss from change in demographic assumptions	0.02	0.13
- Actuarial (gain)/loss from change in financial assumptions	0.08	0.03
- Actuarial (gain)/loss from change in experience adjustments	0.03	0.14
Total amount recognised in OCI	**0.12**	**0.30**
Total	**0.39**	**0.52**

The current service cost and the net interest expense for the year are included in the 'Employee benefit expense' line item in the Statement of Profit and Loss.

Notes
forming part of the Consolidated Financial Statements (Contd..)

The amount included in the balance sheet arising from Company's obligation in respect of its defined benefit plan is as follows:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of defined benefit obligation	1.37	1.50
Fair value of plan assets	–	–
Net liability/(asset) arising from defined benefit obligation	**1.37**	**1.50**

Movement in the present value of the defined benefit obligation are as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening defined benefit obligation	1.50	1.44
Current service cost	0.17	0.12
Interest cost	0.10	0.10
Past service cost	–	–
Remeasurements (gains)/losses:		
- Actuarial (gain)/loss from change in demographic assumptions	0.02	0.13
- Actuarial (gain)/loss from change in financial assumptions	0.08	0.03
- Actuarial (gain)/loss from change in experience adjustments	0.03	0.14
Benefits paid	(0.49)	(0.46)
Liabilities extinguished on settlements	(0.03)	–
Closing defined benefit obligation	**1.37**	**1.50**

A reconciliation of the plan assets during the inter-valuation period is given below

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening balance of fair value of plan assets	–	–
Employer contribution	0.49	0.46
Interest on plan assets	–	–
Administrative Expenses	–	–
Remeasurement due to :		
Actual return on plan assets less interest on plan assets	–	–
Benefit paid	(0.49)	(0.46)
Asset acquired/(settled) on account of business combination or inter group transfer	–	–
Asset distributed on settlements	–	–
Closing balance of fair value of plan assets	**–**	**–**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, attrition rate and mortality. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is as follows:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Defined benefit obligation (base)	1.37	1.50

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Discount Rate	Salary Escalation Rate	Discount Rate	Salary Escalation Rate
Defined benefit obligation on increase in 50 bps	1.35	1.40	1.46	1.53
Impact of increase in 50 bps on DBO	(2.10%)	1.67%	(2.93%)	2.13%
Defined benefit obligation on decrease in 50 bps	1.41	1.35	1.55	1.47
Impact of decrease in 50 bps on DBO	2.19%	(1.65%)	3.09%	(2.09%)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the method of valuation for the prior periods in preparing the sensitivity analysis. For change in assumptions refer above.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation asset recognized in the balance sheet.

There is no compulsion on the part of the Group to pre fund the liability of the plan.The Group's philosophy is to not to externally fund these liabilities but instead create an accounting provisions in its books of accounts and pay the gratuity to its employees directly from its own resources as and when the employee leaves the Group. The expected contribution payable to the plan next year is therefore Nil.

Projected benefits payable:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Expected benefits for year 1	0.25	0.20
Expected benefits for year 2	0.23	0.19
Expected benefits for year 3	0.35	0.18
Expected benefits for year 4	0.16	0.32
Expected benefits for year 5	0.21	0.14
Expected benefits for year 6	0.11	0.22
Expected benefits for year 7	0.09	0.13
Expected benefits for year 8	0.08	0.10
Expected benefits for year 9	0.07	0.10
Expected benefits for year 10 and above	0.34	0.97

The weighted average duration to the payment of these cash flows is 4.28 years (previous year : 6.02 years)

Notes

forming part of the Consolidated Financial Statements (Contd..)

Compensated absences

As per Group's policy, provision of ₹ 0.29 crore (Previous year ₹ 0.25 crore) has been made towards compensated absences, determined on the basis of independent actuarial valuation made at the end of each financial year using the projected unit credit method.

c) Code on Social Security, 2020

The new Code on Social Security, 2020 has been enacted, which could impact the contributions by the Group towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. The Group will complete its evaluation and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules are published.

42 Disclosure of related party

a) Name and relationship with related parties:

(i) Names of related parties and description of relationship where control exists

Ultimate holding company

JM Financial Limited

Immediate holding company

JM Financial Credit Solutions Limited (holding company w.e.f. March 18, 2025)

(ii) Names of related parties and description of relationship where transactions have taken place

(A) Ultimate holding company

JM Financial Limited

(B) Immediate holding company

JM Financial Credit Solutions Limited (holding company w.e.f. March 18, 2025)

(C) Fellow Subsidiaries

JM Financial Institutional Securities Limited

JM Financial Products Limited

JM Financial Properties and Holdings Limited

JM Financial Home Loans Limited

JM Financial Services Limited

JM Financial Capital Limited (merged with JM Financial Services Limited w.e.f. May 18, 2023 - refer note 42(g))

JM Financial Asset Management Limited

Astute Investments

CR Retail Malls (India) Limited

(D) Key managerial personnel

Whole time director or Chief Executive Office

Mr. Srinivasan Viswanathan - Chief Executive Officer (appointed w.e.f. June 22, 2023)

Non-Executive Directors

Mr. V. P. Shetty

Mr. Narotam Sekhsaria [Ceased w.e.f October 15, 2024]

Mr. Pulkit Sekhsaria

Mr. Adi Patel

Mr. Vishal Kampani

Independent Directors

Ms. Rupa Vora

Dr. Vijay Kelkar

Mr. Ameet Desai

Mr. Satish Chand Mathur [Ceased w.e.f July 30, 2024]

Mr. Munesh Khanna

Key managerial personnel of Ultimate holding company

Mr. Nimesh Kampani (NNK)

Mr. Vishal Kampani (VNK)

Mr. Atul Mehra (ASM) (ceased to be related party of the Company with effect from March 28, 2024)

Mr. Adi Patel (ARP)

Ms. Jagi Mangat Panda (JMP) - upto March 30, 2025

Mr. P S Jayakumar (PSJ)

Ms. Roshini Bakshi (RHB)

Mr. Navroz Udwadia (NDU)

Mr. Pradip Kanakia (PMK)

Mr. Sumit Bose (SB)

Key managerial personnel of holding company

Mr. Vikram Pandit

Mr. Vishal Kampani

Mr. Hariharan Aiyar

Mr. Adi Patel

Ms. Dipti Neelakantan

Dr. Anup Shah

Mr. Satish Chand Mathur

Mr. K. G. Krishnamurthy

(E) Entity controlled or jointly controlled or significantly influenced by key management personnel of a ultimate holding company of the reporting entity

JM Financial & Investment Consultancy Services Private Limited

Notes

forming part of the Consolidated Financial Statements (Contd..)

b) Transactions with related parties :

(₹ in Crore)

Name of the Related Party	Nature of relationship	For the year ended March 31, 2025	For the year ended March 31, 2024
JM Financial Limited (JMFL)	(A)		
Inter Corporate Deposit taken		255.00	541.00
Inter Corporate Deposit paid		255.00	806.00
Interest on Inter Corporate Deposits		5.64	38.37
Rating Support Fees		4.89	7.28
Support Service Charges		4.25	3.00
Recovery of Expense		0.13	0.26
Reimbursement of Expenses		0.03	0.03
Issue of equity shares including security premium (Rights Issue)		536.05	–
Employee stock option expenses		0.07	–
Gratuity Liability received		0.03	–
JM Financial Properties and Holdings Limited (JMFPHL)	(C)		
Space and other related cost		2.48	2.72
Security Deposit received		1.75	–
Reimbursement of Expenses		0.42	0.43
JM Financial Home Loans Limited (JMFHL)	(C)		
Reimbursement of Expenses		#	#
JM Financial Products Limited (JMFPL)	(C)		
Inter Corporate Deposit taken		430.00	257.00
Inter Corporate Deposit paid		687.00	–
Management Fees received		1.73	1.89
Interest on Inter Corporate Deposits paid		8.01	0.31
Support Service Charges		1.25	2.50
Reimbursement of Expenses		0.04	0.03
Issue of security receipts through subsidiary trust		245.00	–
JM Financial Services Limited (JMFSL)	(C)		
Brokerage paid		0.08	0.01
Repayment of NCD/MLD		0.20	1.60
JM Financial Credit Solutions Limited (JMFCSL)	(B)		
Inter Corporate Deposit taken		230.00	–
Issue of Optionally Convertible Debenture		–	200.00
Management Fees received		3.83	4.94
Interest on Inter Corporate Deposits paid		0.46	–
Issue of equity shares including security premium (Rights Issue)		59.43	–
Security deposit against lease		0.33	–
Reimbursement of expenses		0.17	
Purchase of distress assets		–	300.00
Issue of security receipts through subsidiary trust		–	102.00

(₹ in Crore)

Name of the Related Party	Nature of relationship	For the year ended March 31, 2025	For the year ended March 31, 2024
Key Managerial Personnel	(D)		
Remuneration (refer note (d))		2.25	2.94
Repayment of NCD/MLD		0.20	2.00

c) Closing balances

(₹ in Crore)

Name of the Related Party	Nature of relationship	For the year ended March 31, 2025	For the year ended March 31, 2024
Inter Corporate Deposit payable			
JM Financial Credit Solutions Limited (JMFCSL)	(B)	230.00	–
JM Financial Products Limited (JMFPL)	(C)	–	257.00
Security Deposit Receivable			
JM Financial Properties and Holdings Limited (JMFPHL)	(C)	0.46	2.21
JM Financial Credit Solutions Limited (JMFCSL)	(B)	0.33	–
Market linked Non-Convertible Debentures			
JM Financial Services Limited (JMFSL)	(C)	–	0.20
Dr. Vijay Kelkar	(D)	–	0.20
Optionally Convertible Debenture			
JM Financial Credit Solutions Limited (JMFCSL)	(B)	200.00	200.00
Trade Receivables			
JM Financial Services Limited (JMFSL)	(C)	#	–
Trade Payable			
JM Financial Limited (JMFL)	(A)	2.36	1.88
Outstanding Security Receipts			
JM Financial Credit Solutions Limited (JMFCSL)	(B)	102.00	102.00
JM Financial Products Limited (JMFPL)	(C)	245.00	–
Key Managerial Personnel	(D)	0.68	1.45

Denote amount below ₹ 50,000

d) Remuneration to KMP were as follows

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) short term employee benefits	1.63	2.02
(b) post employment benefits;	0.06	0.25
(c) other benefits*	0.56	0.67
Total	**2.25**	**2.94**

* Other benefits includes directors sitting fees and commissions.

Notes

forming part of the Consolidated Financial Statements (Contd..)

e) Remuneration excludes provision for gratuity and compensated absences as the incremental liability has been accounted for Group as a whole.

f) There are no provisions for doubtful debts / advances or amounts written off or written back for debts due from/ due to related parties.

g) Pursuant to the NCLT order approving the Scheme of Arrangement (the "Scheme") on April 20, 2023 with the appointed date being April 1, 2023, JM Financial Capital Limited has been merged with JM Financial Services Limited.

h) The transactions disclosed above are exclusive of GST.

Note

The Group enters into transactions, arrangements and agreements involving directors, senior management and their business associates, or close family members, in the ordinary course of business under the same commercial and market terms, interest and commission rates that apply to non-related parties.

43 Capital Management

The Group manages its capital to ensure that the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimization of the debt and equity balance.(also refer note no 51.1)

The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants. The Group monitors capital using debt to equity ratio.

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Borrowings (Debt securities and borrowing other than debt securities)	1,517.72	2,913.17
Less - Cash and cash equivalents	(170.22)	(93.66)
Net Debt	**1,347.50**	**2,819.51**
Total equity (excluding non-controlling interest)	1,163.75	595.48
Net Debt to equity ratio	1.16	4.73

44 Fair value measurement

a) Fair value hierarchy and method of valuation:

This note explains the judgements and estimates made in determining the fair values of the financial instruments that are a) recognized and measured at fair value and b) measured at amortized cost and for which fair values are disclosed in the consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2 fair value measurements are those derived from quoted prices of equity instruments.

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). The input factors considered are estimated cash flows, collateral values and other assumptions etc.

b) Categories of Financial Instruments:

As at March 31, 2025

(₹ in Crore)

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	–	–	170.22	170.22	–	–	–	–
Other bank balances	–	–	1.98	1.98	–	–	–	–
Trade receivables (net)	–	–	155.65	155.65	–	–	–	–
Loans (net)	–	–	417.24	417.24	–	–	–	–
Investments	903.30	–	–	903.30	–	–	903.30	903.30
Other financial assets (net)	1,405.79	–	41.74	1,447.53	–	–	1,405.79	1,405.79
Total	**2,309.09**	**–**	**786.83**	**3,095.92**	**–**	**–**	**2,309.09**	**2,309.09**
Financial liabilities								
Trade payables	–	–	3.36	3.36	–	–	–	–
Debt securities	–	–	1,025.18	1,025.18	–	–	–	–
Borrowing (other debt securities)	–	–	492.54	492.54	–	–	–	–
Lease liabilities	–	–	4.25	4.25	–	–	–	–
Other financial liabilities	–	–	137.88	137.88	–	–	–	–
Total	**–**	**–**	**1,663.21**	**1,663.21**	**–**	**–**	**–**	**–**

As at March 31, 2024

(₹ in Crore)

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	–	–	93.66	93.66	–	–	–	–
Other bank balances	–	–	0.99	0.99	–	–	–	–
Trade receivables (net)	–	–	197.78	197.78	–	–	–	–
Loans (net)	–	–	499.12	499.12	–	–	–	–
Investments	1,250.57	–	–	1,250.57	4.28	–	1,246.29	1,250.57
Other financial assets (net)	1,487.74	–	44.97	1,532.71	–	–	1,487.74	1,487.74
Total	**2,738.31**	**–**	**836.52**	**3,574.83**	**4.28**	**–**	**2,734.03**	**2,738.31**
Financial liabilities								
Trade payables	–	–	4.84	4.84	–	–	–	–
Debt securities	–	–	1,897.90	1,897.90	–	–	–	–
Borrowing (other debt securities)	–	–	1,015.27	1,015.27	–	–	–	–
Lease liabilities	–	–	14.02	14.02	–	–	–	–
Other financial liabilities	–	–	69.51	69.51	–	–	–	–
Total	**–**	**–**	**3,001.54**	**3,001.54**	**–**	**–**	**–**	**–**

Notes

forming part of the Consolidated Financial Statements (Contd..)

Notes

1 Includes debt securities issued at fixed rate of interest for which carrying value and fair value are as under :

(₹ in Crore)

Particulars	Carrying value	Fair value
As at March 31, 2025	825.18	828.25
As at March 31, 2024	1,153.65	1,144.19

2 Except for those financial instruments for which the carrying amounts are mentioned in the above table, the Group considers that the carrying amounts of financial instruments measured at amortised cost recognized in the financial statements approximate their fair values.

3 For financial assets that are measured at amortized cost, the carrying amounts are equal to the fair values.

c) Valuation techniques used to determine the fair values:

i) For level 1 - Listed equity instruments are fair valued using quoted prices;

ii) For level 2 - fair value measurements are derived from quoted prices of equity instruments; and

iii) For level 3 - fair value measurements are derived on a recovery range provided by the External Rating Agency and other unobservable inputs. The values of financial instruments are estimated using a combination of the recovery range provided by the External Rating Agency and discounting the estimated cash flows based on realization of collateral values, etc. using interest rate on borrowing of the Group. Further, necessary and appropriate adjustments (adequate provisions for contingencies/appropriate discounting of the cash flows) have been made by considering credit risk, uncertainties associated with prevailing economic condition, timing of the recoveries, strategy which may involve actions such as settling dues, selling assets through legal action or other means like NCLT, restructuring, and bringing in investors or strategic partners and the value at which the collaterals are expected to be recovered for determination of fair value of the financial assets.

d) Fair value measurements use significant unobservable inputs (Level-3):

The following table presents the changes in level 3 items for the year ended March 31, 2025 and March 31, 2024

(₹ in Crore)

Particulars	Investment in Security Receipts	Financial Asset	Total
As at April 1, 2023	**1,237.03**	**2,714.88**	**3,951.91**
Acquisitions made	260.56	534.27	794.83
(Realisations) made	(184.49)	(842.31)	(1,026.80)
Change in controlling interest	96.18	(264.40)	(168.22)
Net gain/(loss) on fair value changes (Including exceptional items)	(167.46)	(654.70)	(822.16)
As at March 31, 2024	**1,241.82**	**1,487.74**	**2,729.56**
Acquisitions made	65.09	552.01	617.10
(Realisations) made	(336.89)	(725.79)	(1,062.68)
Change in controlling interest	(31.76)	91.07	59.31
Net gain/(loss) on fair value changes (Including exceptional items)	(39.43)	0.76	(38.67)
As at March 31, 2025	**898.83**	**1,405.79**	**2,304.62**

e) Sensitivity for instruments

(₹ in Crore)

Nature of the instrument	Fair Value as at March 31, 2025	Fair Value as at March 31, 2024	Significant unobservable inputs	Increase / Decrease in the unobservable input	Sensitivity Impact for the year ended March 31, 2025*		Sensitivity Impact for the year ended March 31, 2024*	
					FV Increase	FV Decrease	FV Increase	FV Decrease
Investment in Security receipts	898.83	1,241.82	Estimated cash flow based on realisation of collaterals value, etc.	5%	75.70	(75.70)	90.50	(90.50)
Investment in financial assets of structured entities	1,405.79	1,487.74	Estimated cash flow based on realisation of collaterals value, etc.	5%	119.27	(119.27)	111.91	(111.91)

* above sensitivity is determined at percentage of outstanding security receipts at cost considering the normal course of business excluding exceptional item disclosed in Note 33.

f) Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Group could have realized. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

45 Financial risk management

The Group's activities expose it to credit risks, liquidity risks and market risks.

Risk management forms an integral part of the business and as it being into distressed credit business it exposed to several risks related to stress assets i.e. non-performing assets (NPA) acquired from banks and financial institutions. The group has a robust account monitoring system which ensures early detection of risks whereby timely action can be taken to surmount any avoidable slippages. The Group has an effective mechanism of driving business through policies and committees. The group has well balanced and experienced team of resources to drive its business.

The Group has established Risk Management Committee and Asset Acquisition Committee, responsible for identifying, developing, monitoring and mitigating all the risks related to its business. The committees reports to the board of directors on regular basis.

i) Credit risk

Credit risk is the risk of loss that may occur from the failure of party to abide by the terms and conditions of any financial contract, principally the failure to make the required payments. In order to minimize credit risk, the Group has adopted a policy of acquisition of asset in a transparent manner and at a fair price in a well-informed market, and the transactions are executed at arm's length in exercise of due diligence and adopt an industry / sector neutral and geography neutral approach in targeting financial assets for acquisition. Credit risk management is achieved by considering the factors like cash flow, collateral values, etc.

In order to minimize credit risk, the Group has tasked its Risk Management Committee and Asset Acquisition Committee to develop and maintain the Group's credit risk grading's.

Group has classified its receivables in to following categories:

a) Loans given (in the nature of restructuring loans, additional funding for working capital, etc.); and

b) Other receivables under distress credit business.

Notes

forming part of the Consolidated Financial Statements (Contd..)

Provision for expected credit loss

1 For loans:

Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. The Group's current credit risk rating and grading framework comprises the following categories:

For stage-1 performing assets- 12 months Expected Credit Loss (ECL); and

For stage-2- under performing assets- lifetime ECL (on default occurred)

For stage-3-credit impaired assets-based on expected cash flows

(i) Movement of gross carrying amount in loans given:

As at March 31, 2025

(₹ in Crore)

Particulars	As at March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount-opening balance	162.77	–	429.43	592.20
New assets originated or purchased	48.12	–	–	48.12
Assets derecognised or repaid (excluding write offs)	(13.88)	–	(202.25)	(216.13)
Transfer to Stage 3	(126.50)	–	126.50	–
Gross carrying amount- closing balance	**70.51**	**–**	**353.68**	**424.19**

As at March 31, 2024

(₹ in Crore)

Particulars	As at March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount-opening balance	135.78	–	429.43	565.21
New assets originated or purchased	83.82	–	34.76	118.58
Transfer to Stage 3	(56.83)	–	(34.76)	(91.59)
Gross carrying amount- closing balance	**162.77**	**–**	**429.43**	**592.20**

(ii) Movement of provision for impairment (ECL):

As at March 31, 2025

(₹ in Crore)

Particulars	As at March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	2.67	–	90.41	93.08
New assets originated or purchased	0.56	–	–	0.56
Assets derecognised or repaid (excluding write offs)	–	–	(86.69)	(86.69)
Transfers to Stage 3	(2.07)	–	2.07	–
ECL allowance - closing balance	**1.16**	**–**	**5.79**	**6.95**

As at March 31, 2024

(₹ in Crore)

Particulars	As at March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	2.23	–	19.70	21.93
New assets originated or purchased	0.54	–	70.71	71.25
Transfer to Stage 3	(0.10)	–	–	(0.10)
ECL allowance - closing balance	**2.67**	**–**	**90.41**	**93.08**

2 For other receivables under distressed credit business:

For the purpose of measuring the expected credit loss, including the lifetime expected credit loss allowances for other receivables under distress credit business, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information. ECL rates are based on actual credit loss experience over the past six years and the ECL rate is calculated by averaging loss rates over past six years.

There is no credit period defined for other receivables and amount is due on the date of invoice/debit note. Interest is charged on overdue amount as per terms agreed.

Movement of provision for impairment

As at March 31, 2025

(₹ in Crore)

Particulars	As at March 31, 2025		
	Trade receivables	Other financial assets	Total
ECL allowance - opening balance	44.24	12.39	56.63
Addition	0.71	0.57	1.28
Closing balance	**44.95**	**12.96**	**57.91**

As at March 31, 2024

(₹ in Crore)

Particulars	As at March 31, 2024		
	Trade receivables	Other financial assets	Total
ECL allowance - opening balance	38.58	7.37	45.95
Addition	5.66	5.02	10.68
Closing balance	**44.24**	**12.39**	**56.63**

The ageing of trade receivables :

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Past due 1–180 days	7.21	18.71
More than 180 days	193.39	223.31
	200.60	**242.02**

Notes

forming part of the Consolidated Financial Statements (Contd..)

b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. However the Company believes that it has a strong financial position and business is adequately capitalized, have good credit rating and appropriate credit lines available to address liquidity risks.

Ultimate responsibility for liquidity risk rest with the management, which has established by an appropriate liquidity risk framework for the management of the Group's short term, medium-term and long term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Company has undrawn lines of credit of ₹ 83.77 crore and ₹ 10.58 crore as of March 31, 2025 and March 31, 2024 respectively, from its bankers for working capital requirements. The Company also has Bank balances of ₹ 170.22 crore as on March 31, 2025.

Exposure to liquidity risk

The following tables details the Group's remaining contractual/ expected maturities for its non-derivative financial liabilities and assets as at the reporting date. The tables have been drawn up based on undiscounted cash flow basis.

As at March 31, 2025

(₹ in Crore)

Particulars	Contractual cash flows					
	Carrying amount	Total	0-1 year	1-3 years	3-5 years	More than 5 years
Financial Liabilities						
Borrowings and debt securities	1,517.72	1,517.72	1,323.35	194.37	–	–
Trade payables	3.36	3.36	3.36	–	–	–
Lease liabilities	4.25	4.25	1.52	2.04	0.69	–
Other financial liabilities	137.88	137.88	137.27	0.61	–	–
Total	**1,663.21**	**1,663.21**	**1,465.50**	**197.02**	**0.69**	**–**
Financial Assets						
Cash and cash equivalents	170.22	170.22	170.22	–	–	–
Other Bank balances	1.98	1.98	1.98	–	–	–
Trade receivables (net)	155.65	155.65	22.10	133.55	–	–
Loans (net)	417.24	417.24	2.70	414.54	–	–
Investment	903.30	903.30	320.62	559.25	23.43	–
Other Financial Assets (net)	1,447.53	1,447.53	1,303.33	131.78	8.39	4.03
Total	**3,095.92**	**3,095.92**	**1,820.95**	**1,239.12**	**31.82**	**4.03**

As at March 31, 2024

(₹ in Crore)

Particulars	Contractual cash flows					
	Carrying amount	Total	0-1 year	1-3 years	3-5 years	More than 5 years
Financial Liabilities						
Borrowings and debt securities	2,913.17	2,913.17	1,940.01	953.38	19.78	–
Trade payables	4.84	4.84	4.84	–	–	–
Lease liabilities	14.02	14.02	2.23	5.44	6.35	–
Other financial liabilities	69.51	69.51	68.31	1.20	–	–
Total	**3,001.54**	**3,001.54**	**2,015.39**	**960.02**	**26.13**	**–**
Financial Assets						
Cash and cash equivalents	93.66	93.66	93.66	–	–	–
Other Bank balances	0.99	0.99	0.99	–	–	–
Trade receivables (net)	197.78	197.78	54.53	143.25	–	–
Loans (net)	499.12	499.12	286.58	212.54	–	–
Investment	1,250.57	1,250.57	502.76	600.70	147.11	–
Other Financial Assets (net)	1,532.71	1,532.71	719.60	604.02	203.50	5.59
Total	**3,574.83**	**3,574.83**	**1,658.12**	**1,560.51**	**350.61**	**5.59**

Note

a) The maturities of non-derivative financial liabilities are based on the earliest date on which the Group may be required to pay.

b) The maturities of the financial assets are based on the management's estimation on realization.

c) The liquidity gap between 0-1 year for the financial year 2023-24 was addressed through refinancing via bank facilities and other refinancing options. This gap included inter-corporate deposits payable to related parties, which were callable, and bank working capital balances, which were annually renewable. During the year, the Parent Company also infused capital by raising equity to cover its obligations.

The following are the details of Group's remaining contractual maturities of financial liabilities based on undiscounted cash flows:

As at March 31, 2025

(₹ in Crore)

Particulars	Contractual cash flows					
	Carrying amount	Total	0-1 year	1-3 years	3-5 years	More than 5 years
Financial Liabilities						
Borrowings and debt securities	1,517.72	1,524.35	1,329.23	195.12	–	–
Trade payables	3.36	3.36	3.36	–	–	–
Lease liabilities	4.25	4.91	1.85	2.34	0.72	–
Other financial liabilities	137.88	137.88	137.27	0.61	–	–
Total	**1,663.21**	**1,670.50**	**1,471.71**	**198.07**	**0.72**	**–**

Notes
forming part of the Consolidated Financial Statements (Contd..)

The following are the details of Group's remaining contractual maturities of financial liabilities based on undiscounted cash flows:

As at March 31, 2024

(₹ in Crore)

Particulars	Carrying amount	Total	Contractual cash flows 0-1 year	1-3 years	3-5 years	More than 5 years
Financial Liabilities						
Borrowings and debt securities	2,913.17	2,930.05	1,725.22	1,185.05	19.78	–
Trade payables	4.84	4.84	4.84	–	–	–
Lease liabilities	14.02	17.38	3.42	7.03	6.93	–
Other financial liabilities	69.51	69.51	68.31	1.20	–	–
Total	**3,001.54**	**3,021.78**	**1,801.79**	**1,193.28**	**26.71**	**–**

c) Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates as future specific market changes cannot be normally predicted with reasonable accuracy.

1. Currency risk

The functional currency of the Group is Indian Rupee (₹). The Group has not undertaken any transactions denominated in foreign currencies and therefore is not exposure to exchange rate fluctuations. Group has not taken derivative contracts during the year.

2. Interest rate risk

The Group is exposed to interest rate risk pertaining to funds borrowed at both fixed and floating interest rates. The Group has an approved Asset and Liability Management Policy which empowers the Asset and Liability Management Committee (ALCO) to assess the interest rate risk and provide appropriate guidelines to the Treasury to manage such risk. The ALCO reviews the interest rate risk on periodic basis and decides on the appropriate funding mix.

Exposure to interest rate risk

The exposure of the Group's borrowings to the interest rates risk at the end of the reporting period is:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Borrowings:		
Fixed rate borrowings*	1,128.38	1,793.45
Floating rate borrowings	160.36	778.32
Total	**1,288.74**	**2,571.77**

* Exclude Optionally Convertible Debenture (refer note 16.4)

Interest rate Sensitivity analysis:

The sensitivity analysis has been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming that the amount of the liability as at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents Management's assessment of the reasonably possible change in interest rates.

If floating rate of interest had been 100 basis points higher/ lower, the Group's profit for the year ended March 31, 2025 would decrease/ increase by ₹ 1.60 crore (Previous year: decrease/ increase by ₹ 7.78 crore).

3 Equity Price Risk

Equity price risk is related to the change in market reference price of the instruments in quoted and unquoted securities. The fair value of the Group's investments exposes to equity price risks. In general, these securities are not held for trading purposes.

Equity Price Sensitivity analysis:

The fair value of quoted equity instruments as at March 31, 2025 aggregate to ₹ Nil (Previous year ₹ 4.28 crore). If price of equity instruments decrease/ increase by 5%, the Group's profit for the year ended March 31, 2025 would be decrease/ increase by ₹ Nil (Previous year: decrease/ increase by ₹ 0.21 crore).

46 A) Entities considered for Consolidation

a) Composition of the Group

Information about the composition of the Group at the end of the reporting period is as follows:

Name of the Entity	Principal activity	Country of incorporation	Proportion of ownership interest and voting power held by the group	
			As at March 31, 2025	As at March 31, 2024
Subsidiary Trusts in India			(%)	(%)
JMFARC - Pasupati SASF Trust	Asset reconstruction	India	100%	100%
JMFARC - UCO Bank March 2011 Trust	Asset reconstruction	India	100%	100%
JMFARC - Corp Apparel 2013 Trust	Asset reconstruction	India	100%	100%
JMFARC - Central India 2013 Trust	Asset reconstruction	India	100%	100%
JMFARC - Dena Bank March 2014 Trust	Asset reconstruction	India	100%	100%
JMFARC - Gelatine March 2014 Trust	Asset reconstruction	India	100%	100%
JMFARC - ICICI Bank July 2014 Trust	Asset reconstruction	India	100%	100%
JMFARC - Axis Bank Cement March 2015 Trust	Asset reconstruction	India	100%	100%
JMFARC - ICICI Bank Cement June 2015 Trust	Asset reconstruction	India	100%	100%
JMFARC - United Bank Cement Sept 2015 Trust	Asset reconstruction	India	100%	100%
JMFARC - ICICI Geometric Trust	Asset reconstruction	India	15%	15%
JMFARC - Axis Bank February 2016 Trust	Asset reconstruction	India	100%	100%
JMFARC - OBC Cement March 2016 Trust	Asset reconstruction	India	100%	100%
JMFARC - Axis Iris II March 2016 Trust	Asset reconstruction	India	100%	100%
JMFARC - SBI Geometric October 2016 Trust	Asset reconstruction	India	100%	100%
JMFARC - IRIS Cash 2016 Trust	Asset reconstruction	India	100%	100%
JMFARC - Tata Capital December 2016 Trust	Asset reconstruction	India	100%	100%
JMFARC - IDBI March 2017 Trust	Asset reconstruction	India	100%	100%
JMFARC - BOB 2008 Trust	Asset reconstruction	India	100%	100%
JMFARC - SME Retail 2011 Trust	Asset reconstruction	India	100%	100%
JMFARC - IOB II March 2011 Trust	Asset reconstruction	India	11%	40%
JMFARC - Corp I 2013 Trust	Asset reconstruction	India	100%	100%
JMFARC - Corp II 2013 Trust	Asset reconstruction	India	100%	100%
JMFARC - Retail June 2011 Trust	Asset reconstruction	India	100%	100%
JMFARC - Retail Aug 2011 Trust	Asset reconstruction	India	100%	100%
JMFARC - IRIS IIFL May 2017 Trust	Asset reconstruction	India	100%	100%
JMFARC - ALHB Bank Textile June 2017 Trust	Asset reconstruction	India	100%	100%

Notes
forming part of the Consolidated Financial Statements (Contd..)

Name of the Entity	Principal activity	Country of incorporation	Proportion of ownership interest and voting power held by the group	
			As at March 31, 2025	As at March 31, 2024
JMFARC - ALHB Bank June 2017 Trust	Asset reconstruction	India	100%	100%
JMFARC - Federal Bank June 2017 Trust	Asset reconstruction	India	100%	100%
JMFARC - IRIS Cash July 2017 Trust	Asset reconstruction	India	100%	100%
JMFARC - Woods October 2017 Trust	Asset reconstruction	India	100%	100%
JMFARC - Fabrics August 2018 I Trust	Asset reconstruction	India	100%	100%
JMFARC - IRIS Cash March 2018 Trust	Asset reconstruction	India	100%	100%
JMFARC - Metallics July 2018 Trust	Asset reconstruction	India	100%	100%
JMFARC - Federal Bank March 2013 Trust	Asset reconstruction	India	100%	100%
JMFARC - Fabrics March 2019 I	Asset reconstruction	India	100%	100%
JMFARC - Fabrics September 2018 I Trust	Asset reconstruction	India	100%	100%
JMFARC - Fabrics September 2018 II Trust	Asset reconstruction	India	100%	100%
JMFARC - PNB IRIS II September 2018 Trust	Asset reconstruction	India	100%	100%
JMFARC - Fabrics June 2018 Trust	Asset reconstruction	India	100%	100%
JMFARC - Fabrics June 2019 II Trust	Asset reconstruction	India	100%	100%
JMFARC - Fabrics June 2019 III Trust	Asset reconstruction	India	100%	100%
JMFARC - Fabrics December 2019 I Trust	Asset reconstruction	India	100%	100%
JMFARC - March 2018	Asset reconstruction	India	60%	60%
JMFARC - Fabrics September 2020 Trust	Asset reconstruction	India	100%	100%
JMFARC - Fabrics November 2020 Trust	Asset reconstruction	India	100%	100%
JMFARC - Metallics February 2018 Trust	Asset reconstruction	India	92%	92%
JMFARC - Metallics November 2018 Trust	Asset reconstruction	India	95%	95%
JMFARC - Metallics December 2018 Trust	Asset reconstruction	India	94%	94%
JMFARC - KTK Metallics December 2018 Trust	Asset reconstruction	India	94%	94%
JMFARC - Coated February 2021 Trust	Asset reconstruction	India	89%	89%
Deccan 2021 Trust^	Asset reconstruction	India	100%	100%
Deccan June 2022 Trust^	Asset reconstruction	India	100%	100%
Textile 2022 Trust	Asset reconstruction	India	100%	100%
Retail June 2022 Trust #	Asset reconstruction	India	–	–
Deccan January 2023 Trust^	Asset reconstruction	India	100%	100%
Real Estate May 2023 Trust	Asset reconstruction	India	57%	59%
Deccan September 2023 Trust^	Asset reconstruction	India	100%	100%
JMFARC - Fabrics September 2018 III - Trust*	Asset reconstruction	India	39%	–
JMFARC – Fabrics August 2018 II – Trust*	Asset reconstruction	India	39%	–
Retail May 2024 Trust@	Asset reconstruction	India	90%	–
Rail December 2024-Trust@	Asset reconstruction	India	51%	–
Iris March 2025 Trust@	Asset reconstruction	India	100%	–

@ Trusts addition during the year

^ Trusts closed during the year

Subsidiary till July 31,2023

* Subsidiary from May 31, 2024 by control through ability to direct relevant activities and influence variable returns.

Note :

All the entities considered for consolidation above are Trust formed under SARFAESI Act in India for conducting principal activities of acquisition of accounts under distressed credit business.

B) Additional Information, as required under Schedule III to the Act, 2013, of entities consolidated as Subsidiary.

i) As at and for the year ended March 31, 2025

(₹ in Crore)

Particulars	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in Other comprehensive income		Share in Total comprehensive income	
	₹ in crore	As % of consolidated net assets	₹ in crore	As % of consolidated profit or (loss)	₹ in crore	As % of consolidated other comprehensive income	₹ in crore	As % of consolidated Total Comprehensive Income
Parent								
JM Financial Asset Reconstruction Company Limited	176.51	11.21%	92.91	(105.69%)	(0.09)	100.00%	92.82	(105.49%)
Subsidiary Trusts in India								
JMFARC - Pasupati SASF Trust	(0.10)	(0.01%)	#	0.00%	–	–	#	0.00%
JMFARC - UCO Bank March 2011 Trust	0.10	0.01%	–	–	–	–	–	–
JMFARC - Corp Apparel 2013 Trust	0.09	0.01%	–	–	–	–	–	–
JMFARC - Central India 2013 Trust	0.97	0.06%	(5.09)	5.79%	–	–	(5.09)	5.78%
JMFARC - Dena Bank March 2014 Trust	1.04	0.07%	(0.04)	0.05%	–	–	(0.04)	0.05%
JMFARC - Gelatine March 2014 Trust	6.45	0.41%	–	–	–	–	–	–
JMFARC - ICICI Bank July 2014 Trust	0.03	0.00%	–	–	–	–	–	–
JMFARC - Axis Bank Cement March 2015 Trust	10.98	0.70%	0.56	(0.64%)	–	–	0.56	(0.64%)
JMFARC - ICICI Bank Cement June 2015 Trust	7.76	0.49%	0.44	(0.50%)	–	–	0.44	(0.50%)
JMFARC - United Bank Cement Sept 2015 Trust	12.64	0.80%	(1.39)	1.58%	–	–	(1.39)	1.58%
JMFARC - ICICI Geometric Trust	1.55	0.10%	–	–	–	–	–	–
JMFARC - Axis Bank February 2016 Trust	0.51	0.03%	0.12	(0.14%)	–	–	0.12	(0.14%)
JMFARC - OBC Cement March 2016 Trust	1.99	0.13%	0.12	(0.14%)	–	–	0.12	(0.14%)
JMFARC - Axis Iris II March 2016 Trust	6.00	0.38%	–	–	–	–	–	–
JMFARC - SBI Geometric October 2016 Trust	3.60	0.23%	#	–	–	–	#	–
JMFARC - IRIS Cash 2016 Trust	30.72	1.95%	(14.41)	16.39%	–	–	(14.41)	16.37%

Notes

forming part of the Consolidated Financial Statements (Contd..)

(₹ in Crore)

Particulars	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in Other comprehensive income		Share in Total comprehensive income	
	₹ in crore	As % of consolidated net assets	₹ in crore	As % of consolidated profit or (loss)	₹ in crore	As % of consolidated other comprehensive income	₹ in crore	As % of consolidated Total Comprehensive Income
JMFARC - Tata Capital December 2016 Trust	16.33	1.04%	(19.66)	22.36%	–	–	(19.66)	22.34%
JMFARC - IDBI March 2017 Trust	1.31	0.08%	(1.03)	1.17%	–	–	(1.03)	1.17%
JMFARC - IIFL May 2017 Trust	1.68	0.11%	(0.75)	0.85%	–	–	(0.75)	0.85%
JMFARC - IRIS Cash July 2017 Trust	7.81	0.50%	(3.47)	3.95%	–	–	(3.47)	3.94%
JMFARC - Woods October 2017 Trust	(1.14)	(0.07%)	–	–	–	–	–	–
JMFARC - IRIS Cash March 2018 Trust	2.16	0.14%	(0.87)	0.99%	–	–	(0.87)	0.99%
JMFARC - BOB 2008 Trust	(0.01)	0.00%	#	0.00%	–	–	#	0.00%
JMFARC - SME Retail 2011 Trust	0.01	0.00%	–	–	–	–	–	–
JMFARC - IOB II March 2011 Trust	1.87	0.12%	6.07	(6.90%)	–	–	6.07	(6.90%)
JMFARC - Federal Bank March 2013 Trust	22.78	1.45%	4.77	(5.43%)	–	–	4.77	(5.42%)
JMFARC - Corp I 2013 Trust	4.05	0.26%	–	–	–	–	–	–
JMFARC - Corp II 2013 Trust	0.27	0.02%	–	–	–	–	–	–
JMFARC - ALHB Bank June 2017 Trust	0.03	0.00%	0.02	(0.02%)	–	–	0.02	(0.02%)
JMFARC - ALHB Bank Textile June 2017 Trust	0.01	0.00%	–	–	–	–	–	–
JMFARC - Federal Bank June 2017 Trust	1.09	0.07%	0.03	(0.03%)	–	–	0.03	(0.03%)
JMFARC - Metallics July 2018 Trust	(0.01)	0.00%	#	0.00%	–	–	#	0.00%
JMFARC - Fabrics August 2018 I Trust	213.03	13.53%	(35.40)	40.26%	–	–	(35.40)	40.22%
JMFARC - Fabrics September 2018 I Trust	20.28	1.29%	(3.13)	3.56%	–	–	(3.13)	3.56%
JMFARC - Fabrics September 2018 II Trust	14.40	0.91%	(2.29)	2.60%	–	–	(2.29)	2.60%
JMFARC - PNB IRIS II September 2018 Trust	1.15	0.07%	–	–	–	–	–	–
JMFARC - Fabrics June 2018 Trust	19.92	1.26%	(3.09)	3.51%	–	–	(3.09)	3.51%
JMFARC - Fabrics March 2019 I	9.09	0.58%	(1.42)	1.62%	–	–	(1.42)	1.61%
JMFARC - Retail June 2011 Trust	0.05	0.00%	0.01	(0.01%)	–	–	0.01	(0.01%)
JMFARC - Retail Aug 2011 Trust	0.08	0.01%	#	0.00%	–	–	#	0.00%

(₹ in Crore)

Particulars	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in Other comprehensive income		Share in Total comprehensive income	
	₹ in crore	As % of consolidated net assets	₹ in crore	As % of consolidated profit or (loss)	₹ in crore	As % of consolidated other comprehensive income	₹ in crore	As % of consolidated Total Comprehensive Income
JMFARC - Fabrics June 2019 II Trust	19.04	1.21%	(3.05)	3.47%	–	–	(3.05)	3.47%
JMFARC - Fabrics June 2019 III Trust	4.93	0.31%	(0.79)	0.90%	–	–	(0.79)	0.90%
JMFARC - Fabrics December 2019 I Trust	1.32	0.08%	(0.18)	0.20%	–	–	(0.18)	0.20%
JMFARC - March 2018	93.84	5.96%	–	–	–	–	–	–
JMFARC - Fabrics September 2020 Trust	2.72	0.17%	(0.43)	0.49%	–	–	(0.43)	0.49%
JMFARC - Fabrics November 2020 Trust	13.64	0.87%	(2.38)	2.71%	–	–	(2.38)	2.70%
JMFARC - Metallics February 2018 Trust	0.02	0.00%	#	0.00%	–	–	#	0.00%
JMFARC - Metallics November 2018 Trust	0.01	0.00%	#	0.00%	–	–	#	0.00%
JMFARC - Metallics December 2018 Trust	0.01	0.00%	#	0.00%	–	–	#	0.00%
JMFARC - KTK Metallics December 2018 Trust	#	0.00%	#	0.00%	–	–	#	0.00%
JMFARC - Coated February 2021 Trust	(0.01)	0.00%	(0.01)	0.01%	–	–	(0.01)	0.01%
Deccan 2021	#	0.00%	(0.01)	0.01%	–	–	(0.01)	0.01%
Deccan June 2022	#	0.00%	–	–	–	–	–	–
Textile 2022	15.20	0.97%	(9.97)	11.34%	–	–	(9.97)	11.33%
Deccan January 2023 Trust	(0.01)	0.00%	(0.01)	0.01%	–	–	(0.01)	0.01%
Real Estate May 2023 Trust	132.23	8.40%	(4.50)	5.12%	–	–	(4.50)	5.11%
Deccan September 2023 Trust	#	(0.05%)	–	–	–	–	–	–
JMFARC - Fabrics September 2018 III - Trust	1.09	0.07%	(1.09)	1.24%	–	–	(1.09)	1.25%
JMFARC – Fabrics August 2018 II – Trust	10.22	0.65%	(19.89)	22.62%	–	–	(19.89)	22.61%
Retail May 2024 Trust	12.42	0.79%	–	–	–	–	–	–
Rail December 2024-Trust	255.00	16.19%	–	–	–	–	–	–
Iris March 2025 Trust	5.00	0.32%	–	–	–	–	–	–
	1,163.75	**73.88%**	**(29.30)**	**33.30%**	**(0.09)**	**100.00%**	**(29.39)**	**33.37%**
Non Controlling Interests in all subsidiaries	**411.29**	**26.12%**	**(58.62)**	**66.70%**	**–**	**–**	**(58.62)**	**66.63%**
JMFARC - ICICI Geometric Trust	8.77	0.56%	–	–	–	–	–	–
JMFARC - IOB II March 2011 Trust	–	–	–	–	–	–	–	–
JMFARC - March 2018	62.57	3.97%	–	–	–	–	–	–

Notes

forming part of the Consolidated Financial Statements (Contd..)

(₹ in Crore)

Particulars	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in Other comprehensive income		Share in Total comprehensive income	
	₹ in crore	As % of consolidated net assets	₹ in crore	As % of consolidated profit or (loss)	₹ in crore	As % of consolidated other comprehensive income	₹ in crore	As % of consolidated Total Comprehensive Income
JMFARC - Metallics February 2018 Trust	#	0.00%	#	0.00%	–	–	#	0.00%
JMFARC - Metallics November 2018 Trust	#	0.00%	#	0.00%	–	–	#	0.00%
JMFARC - Metallics December 2018 Trust	#	0.00%	#	0.00%	–	–	#	0.00%
JMFARC - KTK Metallics December 2018 Trust	#	0.00%	#	0.00%	–	–	#	0.00%
JMFARC - Coated February 2021 Trust	#	0.00%	#	0.00%	–	–	#	0.00%
JMFARC - Fabrics September 2018 III - Trust	1.61	0.10%	(1.70)	1.94%	–	–	(1.70)	1.94%
JMFARC – Fabrics August 2018 II – Trust	15.40	0.98%	(31.42)	35.75%	–	–	(31.42)	35.71%
Retail May 2024 Trust	1.44	0.09%	–	–	–	–	–	–
Rail December 2024-Trust	245.00	15.56%	–	–	–	–	–	–
Real Estate May 2023 Trust	76.50	4.86%	(25.50)	29.01%	–	–	(25.50)	28.98%
Total	**1,575.04**	**100.00%**	**(87.92)**	**100.00%**	**(0.09)**	**100.00%**	**(88.01)**	**100.00%**

# Denotes amount less than 50,000

Note:

1) Subsidiaries share in OCI is Nil for the year ended March 31, 2025.

ii) As at and for the year ended March 31, 2024

(₹ in Crore)

Particulars	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in Other comprehensive income		Share in Total comprehensive income	
	₹ in crore	As % of consolidated Net Assets	₹ in crore	As % of consolidated profit or (loss)	₹ in crore	As % of consolidated Other Comprehensive Income	₹ in crore	As % of consolidated Total Comprehensive Income
Parent								
JM Financial Asset Reconstruction Company Limited	(633.92)	(82.39%)	(236.89)	25.06%	(0.22)	100.00%	(237.11)	25.06%
Subsidiary Trusts in India								
JMFARC - Pasupati SASF Trust	(0.10)	(0.01%)	#	0.00%	–	–	#	0.00%
JMFARC - UCO Bank March 2011 Trust	0.10	0.01%	–	–	–	–	–	–
JMFARC - Corp Apparel 2013 Trust	0.09	0.01%	–	–	–	–	–	–
JMFARC - Central India 2013 Trust	29.04	3.78%	–	–	–	–	–	–

(₹ in Crore)

Particulars	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in Other comprehensive income		Share in Total comprehensive income	
	₹ in crore	As % of consolidated Net Assets	₹ in crore	As % of consolidated profit or (loss)	₹ in crore	As % of consolidated Other Comprehensive Income	₹ in crore	As % of consolidated Total Comprehensive Income
JMFARC - Dena Bank March 2014 Trust	1.49	0.19%	–	–	–	–	–	–
JMFARC - Gelatine March 2014 Trust	6.45	0.84%	–	–	–	–	–	–
JMFARC - ICICI Bank July 2014 Trust	0.03	0.00%	–	–	–	–	–	–
JMFARC - Axis Bank Cement March 2015 Trust	12.65	1.65%	(9.20)	0.97%	–	–	(9.20)	0.97%
JMFARC - ICICI Bank Cement June 2015 Trust	9.06	1.18%	(7.55)	0.80%	–	–	(7.55)	0.80%
JMFARC - United Bank Cement Sept 2015 Trust	16.81	2.19%	#	0.00%	–	–	#	0.00%
JMFARC - ICICI Geometric Trust	1.55	0.20%	–	–	–	–	–	–
JMFARC - Axis Bank February 2016 Trust	0.39	0.05%	–	–	–	–	–	–
JMFARC - OBC Cement March 2016 Trust	2.05	0.27%	(1.30)	0.14%	–	–	(1.30)	0.14%
JMFARC - Axis Iris II March 2016 Trust	6.00	0.78%	–	–	–	–	–	–
JMFARC - SBI Geometric October 2016 Trust	3.60	0.47%	0.01	0.00%	–	–	0.01	0.00%
JMFARC - IRIS Cash 2016 Trust	45.13	5.87%	(31.03)	3.28%	–	–	(31.03)	3.28%
JMFARC - Tata Capital December 2016 Trust	42.56	5.54%	33.52	(3.55%)	–	–	33.52	(3.55%)
JMFARC - IDBI March 2017 Trust	2.34	0.30%	–	–	–	–	–	–
JMFARC - IRIS IIFL May 2017 Trust	2.42	0.31%	(1.65)	0.17%	–	–	(1.65)	0.17%
JMFARC - IRIS Cash July 2017 Trust	11.27	1.47%	(10.69)	1.13%	–	–	(10.69)	1.13%
JMFARC - Woods October 2017 Trust	8.65	1.13%	(4.83)	0.51%	–	–	(4.83)	0.51%
JMFARC - IRIS Cash March 2018 Trust	3.03	0.39%	(1.83)	0.19%	–	–	(1.83)	0.19%
JMFARC - BOB 2008 Trust	(0.01)	0.00%	#	0.00%	–	–	#	0.00%
JMFARC - SME Retail 2011 Trust	0.01	0.00%	#	0.00%	–	–	#	0.00%
JMFARC - IOB II March 2011 Trust	1.88	0.24%	(0.02)	0.00%	–	–	(0.02)	0.00%
JMFARC - Federal Bank March 2013 Trust	22.78	2.96%	7.18	(0.76%)	–	–	7.18	(0.76%)
JMFARC - Corp I 2013 Trust	4.05	0.53%	–	–	–	–	–	–
JMFARC - Corp II 2013 Trust	0.27	0.04%	–	–	–	–	–	–

Notes
forming part of the Consolidated Financial Statements (Contd..)

(₹ in Crore)

Particulars	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in Other comprehensive income		Share in Total comprehensive income	
	₹ in crore	As % of consolidated Net Assets	₹ in crore	As % of consolidated profit or (loss)	₹ in crore	As % of consolidated Other Comprehensive Income	₹ in crore	As % of consolidated Total Comprehensive Income
JMFARC - ALHB Bank June 2017 Trust	0.01	0.00%	–	–	–	–	–	–
JMFARC - ALHB Bank Textile June 2017 Trust	0.01	0.00%	(0.02)	0.00%	–	–	(0.02)	0.00%
JMFARC - Federal Bank June 2017 Trust	1.05	0.14%	(2.51)	0.27%	–	–	(2.51)	0.27%
JMFARC - Metallics July 2018 Trust	(0.01)	0.00%	#	0.00%	–	–	#	0.00%
JMFARC - Fabrics August 2018 I Trust	248.43	32.31%	(511.53)	54.13%	–	–	(511.53)	54.12%
JMFARC - Fabrics September 2018 I Trust	23.41	3.04%	(49.13)	5.20%	–	–	(49.13)	5.20%
JMFARC - Fabrics September 2018 II Trust	16.69	2.17%	(34.82)	3.68%	–	–	(34.82)	3.68%
JMFARC - PNB IRIS II September 2018 Trust	1.15	0.15%	–	–	–	–	–	–
JMFARC - Fabrics June 2018 Trust	23.01	2.99%	(48.25)	5.11%	–	–	(48.25)	5.10%
JMFARC - Fabrics March 2019 I	10.51	1.37%	(22.01)	2.33%	–	–	(22.01)	2.33%
JMFARC - Retail June 2011 Trust	0.03	0.00%	0.02	0.00%	–	–	0.02	0.00%
JMFARC - Retail Aug 2011 Trust	0.08	0.01%	#	0.00%	–	–	#	0.00%
JMFARC - Fabrics June 2019 II Trust	22.09	2.87%	(46.02)	4.87%	–	–	(46.02)	4.87%
JMFARC - Fabrics June 2019 III Trust	5.72	0.74%	(11.91)	1.26%	–	–	(11.91)	1.26%
JMFARC - Fabrics December 2019 I Trust	1.50	0.20%	(3.24)	0.34%	–	–	(3.24)	0.34%
JMFARC - March 2018	93.86	12.21%	–	–	–	–	–	–
JMFARC - Fabrics September 2020 Trust	3.13	0.41%	(6.58)	0.70%	–	–	(6.58)	0.70%
JMFARC - Fabrics November 2020 Trust	16.05	2.09%	(32.85)	3.48%	–	–	(32.85)	3.48%
JMFARC - Metallics February 2018 Trust	0.02	0.00%	#	0.00%	–	–	#	0.00%
JMFARC - Metallics November 2018 Trust	0.01	0.00%	#	0.00%	–	–	#	0.00%
JMFARC - Metallics December 2018 Trust	0.01	0.00%	#	0.00%	–	–	#	0.00%
JMFARC - KTK Metallics December 2018 Trust	#	0.00%	#	0.00%	–	–	#	0.00%
JMFARC - Coated February 2021 Trust	#	0.00%	66.14	(7.00%)	–	–	66.14	(7.00%)

(₹ in Crore)

Particulars	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in Other comprehensive income		Share in Total comprehensive income	
	₹ in crore	As % of consolidated Net Assets	₹ in crore	As % of consolidated profit or (loss)	₹ in crore	As % of consolidated Other Comprehensive Income	₹ in crore	As % of consolidated Total Comprehensive Income
Deccan 2021	9.52	1.24%	0.01	0.00%	–	–	0.01	0.00%
Deccan June 2022	3.03	0.39%	–	–	–	–	–	–
Textile 2022	164.84	21.44%	25.00	(2.63%)	–	–	25.00	(2.61%)
Deccan January 2023 Trust	94.67	12.31%	–	–	–	–	–	–
Real Estate May 2023 Trust@	149.72	19.47%	–	–	–	–	–	–
Deccan September 2023 Trust@	107.27	13.90%	–	–	–	–	–	–
	595.48	**77.45%**	**(941.98)**	**99.68%**	**(0.22)**	**100.00%**	**(942.20)**	**99.68%**
Non Controlling Interests in all subsidiaries	**173.34**	**22.55%**	**(3.03)**	**0.32%**	**–**	**–**	**(3.03)**	**0.32%**
JMFARC - ICICI Geometric Trust	8.77	1.14%	–	–	–	–	–	–
JMFARC - IOB II March 2011 Trust	#	0.00%	–	–	–	–	–	–
JMFARC - March 2018	62.57	8.14%	–	–	–	–	–	–
JMFARC - Metallics February 2018 Trust	#	0.00%	#	0.00%	–	–	#	0.00%
JMFARC - Metallics November 2018 Trust	#	0.00%	#	0.00%	–	–	#	0.00%
JMFARC - Metallics December 2018 Trust	#	0.00%	#	0.00%	–	–	#	0.00%
JMFARC - KTK Metallics December 2018 Trust	#	0.00%	#	0.00%	–	–	#	0.00%
JMFARC - Coated February 2021 Trust	–	–	(3.03)	0.32%	–	–	(3.03)	0.32%
Real Estate May 2023 Trust	102.00	13.27%	–	–	–	–	–	–
Total	**768.82**	**100.00%**	**(945.01)**	**100.00%**	**(0.22)**	**100.00%**	**(945.23)**	**100.00%**

# Denotes amount less than ₹ 50,000

@ Trust addition during the year

Note:

Subsidiaries share in OCI is Nil for the year ended March 31, 2024.

Notes

forming part of the Consolidated Financial Statements (Contd..)

47 Details of non-wholly owned subsidiaries that have material non-controlling interest

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

(₹ in Crore)

Name of the subsidiaries	Place of incorporation and principal place of business	Proportion of ownership interest and voting rights held by non-controlling interests		Profit/ (loss) allocated to non-controlling interests		Accumulated non-controlling interests	
		As at March 31, 2025	As at March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
JMFARC ICICI Geometric Trust	India	85.00%	85.00%	–	–	8.77	8.77
JMFARC IOB II March 2011 Trust	India	88.77%	59.59%	–	–	–	#
JMFARC March 2018	India	40.00%	40.00%	–	–	62.57	62.57
JMFARC Metallics February 2018 Trust	India	7.61%	7.61%	#	#	#	#
JMFARC Metallics November 2018 Trust	India	5.08%	5.08%	#	#	#	#
JMFARC Metallics December 2018 Trust	India	6.16%	6.16%	#	#	#	#
JMFARC KTK Metallics December 2018 Trust	India	6.16%	6.16%	#	#	#	#
Retail June 2022#	India	–	–	–	–	–	–
JMFARC Coated February 2021 Trust	India	11.05%	11.05%	#	(3.03)	#	–
Real Estate May 2023 Trust	India	42.73%	40.52%	(25.50)	–	76.50	102.00
JMFARC - Fabrics September 2018 III - Trust*	India	61.01%	–	(1.70)	–	1.61	–
JMFARC – Fabrics August 2018 II – Trust*	India	61.22%	–	(31.42)	–	15.40	–
Retail May 2024 Trust@	India	10.42%	–	–	–	1.44	–
Rail December 2024-Trust@	India	49.00%	–	–	–	245.00	–
Total				**(58.62)**	**(3.03)**	**411.29**	**173.34**

@ addition during the year

* subsidiary from May 31, 2024 by control through ability to direct relevant activities and influence variable returns.

subsidiary upto July 31, 2023

47.1 Summarized financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarized financial information below represents amounts before intra-Company eliminations:

(₹ in Crore)

Name of the subsidiaries	JMFARC Coated February 2021 Trust		JMFARC ICICI Geometric Trust		JMFARC – March 2018	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Financial assets	1.26	1.26	0.58	0.57	156.63	156.62
Non-financial assets	#	–	10.32	10.32	–	–
Financial liabilities	1.21	1.20	0.58	0.57	0.21	0.19
Non-financial liabilities	0.06	0.06	#	#	0.01	–
Equity attributable to owners of the Company	(0.01)	–	1.55	1.55	93.84	93.86
Non-controlling interests	#	–	8.77	8.77	62.57	62.57
Revenue	–	44.35	#	0.01	0.02	0.05
Expenses	0.01	5.00	#	0.01	0.02	0.05
Tax Expenses	#	(23.76)	–	–	–	–
Profit for the year	**(0.01)**	**63.11**	**–**	**–**	**–**	**–**
Profit attributable to owners of the Company	(0.01)	66.14	–	–	–	–
Profit attributable to non-controlling interests	#	(3.03)	–	–	–	–
Profit for the year	**(0.01)**	**63.11**	**–**	**–**	**–**	**–**
Other comprehensive income attributable to owners of the Company	–	–	–	–	–	–
Other comprehensive income attributable to non-controlling interests	–	–	–	–	–	–
Other comprehensive income for the year	**–**	**–**	**–**	**–**	**–**	**–**
Total comprehensive income attributable to owners of the Company	(0.01)	66.14	–	–	–	–
Total comprehensive income attributable to non-controlling interests	#	(3.03)	–	–	–	–
Total comprehensive income for the year	**(0.01)**	**63.11**	**–**	**–**	**–**	**–**
Dividend paid to non-controlling interests	–	–	–	–	–	–
Net cash generated from/(used in) operating activities	0.07	572.94	–	#	0.02	#
Net cash generated from/(used in) investing activities	–	–	–	–	–	–
Net cash generated from/(used in) financing activities	–	(572.87)	–	–	(0.02)	0.01
Net cash generated from/(used in)	**0.07**	**0.07**	**#**	**#**	**#**	**#**

# Denotes amount less than ₹ 50,000

Notes
forming part of the Consolidated Financial Statements (Contd..)

(₹ in Crore)

Name of the subsidiaries	JMFARC IOB II March 2011 Trust		JMFARC Metallics February 2018 Trust		JMFARC Metallics November 2018 Trust	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Financial assets	–	0.03	1.06	1.06	0.62	0.62
Non-financial assets	1.88	1.88	#	#	#	#
Financial liabilities	0.01	0.03	#	–	#	–
Non-financial liabilities	#	–	1.04	1.04	0.61	0.61
Equity attributable to owners of the Company	1.87	1.88	0.02	0.02	0.01	0.01
Non-controlling interests	#	#	#	#	#	#
Revenue	–	–	#	–	–	–
Expenses	(6.07)	0.03	#	#	#	#
Tax Expenses	#	(0.01)	#	#	#	#
Profit for the year	**6.07**	**(0.02)**	**#**	**#**	**#**	**#**
Profit attributable to owners of the Company	6.07	(0.02)	#	#	#	#
Profit attributable to non-controlling interests	–	–	#	#	#	#
Profit for the year	**6.07**	**(0.02)**	**#**	**#**	**#**	**#**
Other comprehensive income attributable to owners of the Company	–	–	–	–	–	–
Other comprehensive income attributable to non-controlling interests	–	–	–	–	–	–
Other comprehensive income for the year	**–**	**–**	**–**	**–**	**–**	**–**
Total comprehensive income attributable to owners of the Company	6.07	(0.02)	#	#	#	#
Total comprehensive income attributable to non-controlling interests	–	–	#	#	#	#
Total comprehensive income for the year	**6.07**	**(0.02)**	**#**	**#**	**#**	**#**
Dividend paid to non-controlling interests	–	–	–	–	–	–
Net cash generated from/(used in) operating activities	6.08	0.02	0.06	0.05	0.03	0.03
Net cash generated from/(used in) investing activities	–	–	–	–	–	–
Net cash generated from/(used in) financing activities	(6.08)	–	–	–	–	–
Net cash generated from/(used in)	**#**	**0.02**	**0.06**	**0.05**	**0.03**	**0.03**

# Denotes amount less than ₹ 50,000

(₹ in Crore)

Name of the subsidiaries	JMFARC Metallics December 2018 Trust		JMFARC KTK Metallics December 2018 Trust		Retail June 2022	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Financial assets	0.63	0.63	0.32	0.33	–	–
Non-financial assets	#	#	#	#	–	–
Financial liabilities	#	–	#	–	–	–
Non-financial liabilities	0.62	0.62	0.32	0.33	–	–
Equity attributable to owners of the Company	0.01	0.01	#	#	–	–
Non-controlling interests	#	#	#	#	–	–
Revenue	#	–	#	–	–	25.09
Expenses	#	#	#	#	–	25.09
Tax Expenses	#	#	#	#	–	–
Profit for the year	**#**	**#**	**#**	**#**	**–**	**–**
Profit attributable to owners of the Company	#	#	#	#	–	–
Profit attributable to non-controlling interests	#	#	#	#	–	–
Profit for the year	**#**	**#**	**#**	**#**	**–**	**–**
Other comprehensive income attributable to owners of the Company	–	–	–	–	–	–
Other comprehensive income attributable to non-controlling interests	–	–	–	–	–	–
Other comprehensive income for the year	**–**	**–**	**–**	**–**	**–**	**–**
Total comprehensive income attributable to owners of the Company	#	#	#	#	–	–
Total comprehensive income attributable to non-controlling interests	#	#	#	#	–	–
Total comprehensive income for the year	**#**	**#**	**#**	**#**	**–**	**–**
Dividend paid to non-controlling interests	–	–	–	–	–	–
Net cash generated from/(used in) operating activities	0.03	0.03	0.02	0.03	–	(11.44)
Net cash generated from/(used in) investing activities	–	–	–	–	–	–
Net cash generated from/(used in) financing activities	–	–	–	(0.01)	–	24.70
Net cash generated from/(used in)	**0.03**	**0.03**	**0.02**	**0.02**	**–**	**13.26**

# Denotes amount less than ₹ 50,000

Notes
forming part of the Consolidated Financial Statements (Contd..)

(₹ in Crore)

Name of the subsidiaries	Real Estate May 2023 Trust		JMFARC - Fabrics September 2018 III - Trust		JMFARC – Fabrics August 2018 II – Trust	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Financial assets	209.15	251.91	3.66	–	32.94	–
Non-financial assets	–	–	0.05	–	0.48	–
Financial liabilities	0.42	0.05	1.01	–	7.81	–
Non-financial liabilities	#	0.13	#	–	(0.01)	–
Equity attributable to owners of the Company	132.23	149.73	1.09	–	10.22	–
Non-controlling interests	76.50	102.00	1.61	–	15.40	–
Revenue	(9.33)	9.46	3.16	–	5.19	–
Expenses	20.67	9.46	5.95	–	56.49	–
Tax Expenses	–	–	–	–	–	–
Profit for the year	**(30.00)**	**–**	**(2.79)**	**–**	**(51.30)**	**–**
Profit attributable to owners of the Company	(4.50)	–	(1.09)	–	(19.88)	–
Profit attributable to non-controlling interests	(25.50)	–	(1.70)	–	(31.42)	–
Profit for the year	**(30.00)**	**–**	**(2.79)**	**–**	**(51.30)**	**–**
Other comprehensive income attributable to owners of the Company	–	–	–	–	–	–
Other comprehensive income attributable to non-controlling interests	–	–	–	–	–	–
Other comprehensive income for the year	**–**	**–**	**–**	**–**	**–**	**–**
Total comprehensive income attributable to owners of the Company	(4.50)	–	(1.09)	–	(19.88)	–
Total comprehensive income attributable to non-controlling interests	(25.50)	–	(1.70)	–	(31.42)	–
Total comprehensive income for the year	**(30.00)**	**–**	**(2.79)**	**–**	**(51.30)**	**–**
Dividend paid to non-controlling interests	–	–	–	–	–	–
Net cash generated from/(used in) operating activities	13.27	(251.01)	(0.03)	–	#	–
Net cash generated from/(used in) investing activities	–	–	–	–	–	–
Net cash generated from/(used in) financing activities	(13.00)	251.73	0.03	–	–	–
Net cash generated from/(used in)	**0.27**	**0.72**	**#**	**–**	**#**	**–**

# Denotes amount less than ₹ 50,000

(₹ in Crore)

Particulars	Retail May 2024- Trust		Rail December 2024-Trust	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Financial assets	13.95	–	504.94	–
Non-financial assets	–	–	–	–
Financial liabilities	#	–	4.57	–
Non-financial liabilities	0.09	–	0.37	–
Equity attributable to owners of the Company	12.42	–	255.00	–
Non-controlling interests	1.44	–	245.00	–
Revenue	6.38	–	4.94	–
Expenses	6.38	–	4.94	–
Tax Expenses	–	–	–	–
Profit for the year	**–**	**–**	**–**	**–**
Profit attributable to owners of the Company	–	–	–	–
Profit attributable to non-controlling interests	–	–	–	–
Profit for the year	**–**	**–**	**–**	**–**
Other comprehensive income attributable to owners of the Company	–	–	–	–
Other comprehensive income attributable to non-controlling interests	–	–	–	–
Other comprehensive income for the year	**–**	**–**	**–**	**–**
Total comprehensive income attributable to owners of the Company	–	–	–	–
Total comprehensive income attributable to non-controlling interests	–	–	–	–
Total comprehensive income for the year	**–**	**–**	**–**	**–**
Dividend paid to non-controlling interests	–	–	–	–
Net cash generated from/(used in) operating activities	(13.76)	–	(500.00)	–
Net cash generated from/(used in) investing activities	–	–	–	–
Net cash generated from/(used in) financing activities	13.86	–	500.00	–
Net cash generated from/(used in)	**0.10**	**–**	**#**	**–**

# Denotes amount less than ₹ 50,000

Notes

forming part of the Consolidated Financial Statements (Contd..)

48 Maturity Analysis of Assets and Liabilities

(₹ in Crore)

Sr. No.	Particulars	As at March 31, 2025			As at March 31, 2024		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
(1)	**Financial Assets**						
(a)	Cash and cash equivalents	170.22	–	170.22	93.66	–	93.66
(b)	Other bank balances	1.98	–	1.98	0.99	–	0.99
(c)	Trade Receivables	22.10	133.55	155.65	54.53	143.25	197.78
(d)	Loans	2.70	414.54	417.24	286.58	212.54	499.12
(e)	Investments	320.62	582.68	903.30	502.76	747.81	1,250.57
(f)	Other Financial assets	1,303.33	144.20	1,447.53	719.60	813.11	1,532.71
(2)	**Non-Financial Assets**						
(a)	Current tax Assets (Net)	–	33.86	33.86	–	83.75	83.75
(b)	Deferred tax assets (Net)	–	117.47	117.47	–	121.14	121.14
(c)	Property, Plant and Equipment	–	3.91	3.91	–	11.33	11.33
(d)	Other Intangible assets	–	0.16	0.16	–	0.15	0.15
(e)	Other non-financial assets	1.08	–	1.08	1.33	–	1.33
	Total Assets	**1,822.03**	**1,430.37**	**3,252.40**	**1,659.45**	**2,133.08**	**3,792.53**
	LIABILITIES AND EQUITY						
	LIABILITIES						
(1)	**Financial Liabilities**						
(a)	Trade Payables	3.36	–	3.36	4.84	–	4.84
(b)	Debt Securities	945.93	79.25	1,025.18	1,099.58	798.32	1,897.90
(c)	Borrowings (Other than Debt Securities)	377.42	115.12	492.54	840.43	174.84	1,015.27
(d)	Lease liabilities	1.52	2.73	4.25	2.23	11.79	14.02
(e)	Other financial liabilities	137.27	0.61	137.88	68.31	1.20	69.51
(2)	**Non-Financial Liabilities**						
(a)	Provisions	0.54	1.12	1.66	0.45	1.30	1.75
(b)	Other non-financial liabilities	12.49	–	12.49	20.42	–	20.42
	Total Liabilities	**1,478.53**	**198.83**	**1,677.36**	**2,036.26**	**987.45**	**3,023.71**

Note : Maturity Analysis of Assets and Liabilities- within 12 months of previous year was negative on account of ICDs payables to related parties which were payable on call and working capital demand loans/ cash credit facilities which were annually renewals. The shortfall has been balanced through refinancing/ others modes of borrowings and fresh infusion of equity.

49 Schedule of security receipts

Name of Trust	As at March 31, 2025		As at March 31, 2024	
	No. of SRs	Amount ₹ in Crore	No. of SRs	Amount ₹ in Crore
Investment in Trust Security receipts at fair value				
JMFARC - BOI 2009 - Trust	48,600	–	48,600	–
JMFARC - Swarna 2011 - Trust	72,199	0.65	72,199	0.98
JMFARC - Swarna II 2012 - Trust Class A	66,200	0.01	66,200	1.58
JMFARC - Swarna II 2012 - Trust Class B	12,500	0.31	12,500	0.31
JMFARC - OBC March 2014 - Trust	34,500	–	34,500	–
JMFARC - Fed Gelatine March 2014 - Trust	17,500	–	17,500	–
JMFARC - OBC March 2014 II - Trust	4,760	0.25	4,760	0.29
JMFARC - UBOI March 2014 - Trust	66,750	–	66,750	0.73
JMFARC - SBI Ceramics June 2014 - Trust	1,56,000	0.12	1,56,000	1.54
JMFARC - Indian Bank June 2014 - Trust	32,200	–	32,200	0.38
JMFARC - Vijaya Bank June 2014 - Trust	25,360	–	25,360	0.10
JMFARC - Hotels June 2014 - Trust Class A	3,29,099	–	3,29,099	–
JMFARC - Hotels June 2014 - Trust Class B	20,71,631	–	20,71,631	–
JMFARC - Central Bank of India June 2014 - Trust	32,000	–	32,000	–
JMFARC - CSB Ceramics September 2014 - Trust	32,625	0.07	32,625	1.21
JMFARC - LVB Ceramics September 2014 - Trust	27,900	0.06	27,900	0.77
JMFARC - SBOP Ceramics December 2014 - Trust	11,850	0.03	11,850	0.62
JMFARC - SBH Ceramics December 2014 - Trust	60,000	0.11	60,000	3.08
JMFARC - SBT Ceramics March 2015 - Trust	23,250	0.06	23,250	1.11
JMFARC - SBI Steel March 2015 - Trust	93,150	–	93,150	–
JMFARC - SBM Ceramics March 2015 - Trust	12,750	0.03	12,750	0.78
JMFARC - Karnataka Bank Cement March 2015 - Trust	49,500	1.78	49,500	1.78
JMFARC - Vijaya Bank Ceramics March 2015 - Trust	27,000	0.03	27,000	0.79
JMFARC - SBH Cement June 2015 - Trust	66,000	2.44	66,000	2.44
JMFARC - United Bank Textile September 2015 - Trust	27,075	0.64	27,075	0.64
JMFARC - PNB Ceramics November 2015 - Trust	4,01,640	1.02	4,01,640	14.82
JMFARC - Corp Bank Ceramics September 2015 - Trust	46,065	0.10	46,065	2.54
JMFARC - SBOP Geometric - Trust	61,560	–	61,560	–
JMFARC - Dena Ceramics January 2016 - Trust	15,750	0.03	15,750	0.52
JMFARC - UBOI Steel March 2016 - Trust	63,000	–	63,000	–
JMFARC - IDBI Ceramics March 2016 - Trust	57,180	0.10	57,180	3.05
JMFARC - EXIM Ceramics March 2016 - Trust	17,101	0.04	17,101	0.91
JMFARC - UCO Geometric March 2016 - Trust	88,965	–	88,965	–
JMFARC - KVB Iris II March 2016 - Trust	37,500	4.20	37,500	5.63
JMFARC - Indian Bank March 2016 - Trust	97,515	–	97,515	–
JMFARC - IOB March 2016 - Trust	50,250	1.26	50,250	1.27
JMFARC - Iris March 2016 - Trust	10,00,165	25.37	10,00,165	35.84
JMFARC - Exim Iris March 2016 - Trust	60,000	0.38	60,000	1.66
JMFARC - Axis Iris March 2016 - Trust	1,50,000	6.07	1,50,000	6.36

Notes
forming part of the Consolidated Financial Statements (Contd..)

Name of Trust	As at March 31, 2025		As at March 31, 2024	
	No. of SRs	Amount ₹ in Crore	No. of SRs	Amount ₹ in Crore
JMFARC - KB Metals September 2016 - Trust^	–	–	22,500	#
JMFARC - Andhra Resin September 2016 - Trust	37,605	#	37,605	#
JMFARC - Dena SEZ September 2016 - Trust	7,335	0.18	7,335	0.37
JMFARC - IDBI Geometric Dec 2016 - Trust	41,250	–	41,250	–
JMFARC - IRIS December 2016 - Trust	31,110	1.57	31,110	2.21
JMFARC - IRIS UBOI December 2016 - Trust	16,005	0.59	16,005	0.86
JMFARC - IRIS PNB January 2017 - Trust	41,550	1.37	41,550	2.02
JMFARC - IOB CHN March 2017 - Trust	37,500	3.49	37,500	3.49
JMFARC - IOB Ceramics March 2017 - Trust^	–	–	33,000	1.25
JMFARC - IRIS United March 2017 - Trust	66,900	0.19	66,900	0.49
JMFARC - SBP March 2017 - Trust	31,665	1.58	31,665	1.68
JMFARC - IRIS UCO March 2017 - Trust	38,310	0.88	38,310	1.39
JMFARC - SBP Retreat March 2017 - Trust	77,600	–	77,600	5.42
JMFARC - SBI Retreat March 2017 - Trust	1,66,800	–	1,66,800	11.65
JMFARC - SBI Tollways March 2017 - Trust	1,53,000	2.70	1,53,000	2.70
JMFARC - Karnataka Bank September 2017 - Trust	20,310	0.10	20,310	1.07
JMFARC - Syndicate Ceramics September 2017 - Trust^	–	–	1,25,250	4.35
JMFARC - Allahabad Bank December 2017 - Trust	76,275	5.49	76,275	5.49
JMFARC - Motors December 2017 - Trust	94,500	4.73	94,500	5.39
JMFARC - IOB Metallics February 2018 - Trust	3,60,000	–	3,60,000	–
JMFARC - Township February 2018 - Trust	4,80,000	–	4,80,000	8.47
JMFARC - IRIS Canara March 2018 - Trust	18,225	0.88	18,225	1.22
JMFARC - Alphahealth 2018 - Trust	17,80,700	143.23	17,80,700	190.53
JMFARC - Fabrics August 2018 II - Trust*	–	–	3,80,000	29.64
JMFARC - Fabrics September 2018 III - Trust*	–	–	40,200	2.12
JMFARC - IRIS SIDBI December 2018 - Trust	33,000	1.74	33,000	2.43
JMFARC - Infra March 2019 - Trust	60,000	4.50	60,000	4.50
JMFARC - IOB March 2011 - Trust Class A	2,80,000	–	2,80,000	–
JMFARC - IOB March 2011 - Trust Class B	96,500	–	96,500	–
JMFARC - UCO Bank March 2014 - Trust	4,62,500	3.95	4,62,500	6.09
JMFARC - SBI March 2014 I - Trust	1,73,750	0.67	1,73,750	4.78
JMFARC - SBI March 2014 II - Trust	45,250	1.52	45,250	1.52
JMFARC - Cosmos March 2014 - Trust	1,54,500	1.32	1,54,500	1.32
JMFARC - Indian Bank March 2014 - Trust	44,500	–	44,500	–
JMFARC - BOI March 2014 II - Trust	2,15,750	–	2,15,750	–
JMFARC - OBC June 2014 - Trust	8,915	–	8,915	–
JMFARC - Karnataka Bank December 2014 - Trust	1,72,500	3.08	1,72,500	3.13
JMFARC - CSB September 2015 - Trust	63,000	0.01	63,000	0.01
JMFARC - SBH December 2015 - Trust	73,380	–	73,380	–
JMFARC - KVB March 2016 - Trust	3,55,095	0.72	3,55,095	5.52
JMFARC - Federal Bank March 2016 - Trust	73,350	3.77	73,350	3.77

Name of Trust	As at March 31, 2025		As at March 31, 2024	
	No. of SRs	Amount ₹ in Crore	No. of SRs	Amount ₹ in Crore
JMFARC - PAN INDIA 2016 - Trust	15,46,908	139.22	15,46,908	139.22
JMFARC - PNB March 2017 - Trust	2,22,075	7.33	2,22,075	7.65
JMFARC - SBT March 2017 - Trust	55,875	2.40	55,875	2.40
JMFARC - LTF June 2017 - Trust	6,00,000	5.64	6,00,000	3.93
JMFARC - Central Bank Retail 2011 - Trust	88,872	–	88,872	–
JMFARC - ICICI Bank September 2016 - Trust	8,55,495	15.32	8,55,495	15.16
JMFARC - Fabrics June 2019 I - Trust Class A$	2,32,500	21.56	1,71,800	11.82
JMFARC - Fabrics June 2019 I - Trust Class B	1,51,200	–	1,51,200	–
JMFARC - Textile Gama I - Trust^	–	–	48,000	–
JMFARC - Textile Gama II - Trust^	–	–	33,390	–
Victory Real Estate 2021- Trust	60,000	6.00	60,000	6.00
Realty March 2022 - Trust	6,07,500	45.56	6,07,500	60.75
Textile Gama III - Trust^	–	–	9,150	–
Textile Gama IV - Trust^	–	–	14,850	–
Textile Gama V - Trust^	–	–	–	–
Aranya - Trust	60,05,000	354.25	60,05,000	540.50
Retail June 2022 - Trust	24,90,540	23.63	24,90,540	47.78
Indus 2024 - Trust@	1,06,500	7.61	–	–
Indus 2024 Pool 2 - Trust@	1,03,500	7.88	–	–
Indus 2024 Pool 3 - Trust@	90,000	6.09	–	–
AC Retail September 2024 Trust@	33,000	3.01	–	–
Indus 2024 Pool 4 - Trust@	69,200	6.42	–	–
Indus 2024 Pool 5 - Trust@	66,100	6.42	–	–
Indus 2024 Pool 6 - Trust@	75,500	7.07	–	–
Total		**898.83**		**1,241.82**

# Denotes amount less than ₹ 50,000.

@ trusts added during the year or additional investment made in security receipts of existing trust.

^ trusts closed during the year.

* subsidiary from May 31, 2024 by control through ability to direct relevant activities and influence variable returns.

$ includes security receipts bought back during the year.

50 Pursuant to notification issued by the Ministry of Corporate Affairs (MCA) dated August 16, 2019, on Companies (Share Capital and Debentures) Rules, 2014, **('Rules')**, the Parent Company is not required to create DRR and as per MCA notification dated June 5, 2020, the Parent Company is also exempted to invest or deposit a sum which shall not be less than 15% of the amount of the Debentures issued and maturing during the financial year.

Notes

forming part of the Consolidated Financial Statements (Contd..)

51 Disclosure of ratios:

Sr. No.	Ratio	Numerator (₹ in crore)	Denominator (₹ in crore)	As at March 31, 2025	Numerator (₹ in crore)	Denominator (₹ in crore)	As at March 31, 2024
a)	Capital to risk-weighted assets ratio (CRAR)	2,156.64	687.82	31.89%	3,329.56	96.99	2.91%
b)	Tier I CRAR*	NA	NA	NA	NA	NA	NA
c)	Tier II CRAR*	NA	NA	NA	NA	NA	NA
d)	Liquidity Coverage Ratio*	NA	NA	NA	NA	NA	NA

* not applicable considering the nature of company's business.

51.1 Pursuant to note 33 of exceptional item, there was decrease in the Group's net worth as on March 31, 2024. However, the Group had raised addtional equity of ₹ 595.48 crore through the issuance of 39,69,85,393 right shares at ₹ 15 each (at ₹ 10 face value per share) to the existing shareholders of the Parent Company on May 28, 2024 Post infusion of the above equity, the requirement of Capital Adequacy Ratio was complied with. Considering the above, there would be no impact on Going concern principle on the Group in the foreseeable future and the Group would continue to operate its business in the normal course.

52 Contingent liabilities

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Income tax matter under dispute* :		
Primarily relates to demand received from income tax authorities on account of disallowance of donation u/s 80G of Income Tax Act, 1961	0.41	0.41

*In respect of above disputed demand, the Group has filed appeal before appellate authority and has sufficient tax credit to pay the above demand in case the same materialises.

53 Additional Regulatory Information

(i) The Company has not been declared wilful defaulter by any bank or financial institutions or government or any government authority.

(ii) The Company has no transactions with the companies struck off under the Companies Act, 2013.

(iii) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(iv) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(v) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vi) (A) During the year, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries); or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(B) During the year, the Company has not received any fund from any persons or entities, including foreign entities with the understanding (whether recorded in writing or otherwise) that the Company shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vii) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(ix) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.

(x) There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

54 The figures for the previous year have been regrouped/rearranged wherever necessary to make them comparable with the current year's figures.

55 The consolidated financial statements are approved for issue by the Board of Directors at its meeting held on April 30, 2025.

For and on behalf of the Board of Directors

Munesh Khanna
Chairman
(DIN - 00202521)

Rupa Vora
Chairperson -
Audit Committee
(DIN - 01831916)

Srinivasan Viswanathan
Chief Executive Officer

Vineet Singh
Company Secretary

Sabyasachi Ray
Chief Financial Officer

Place: Mumbai
Date: April 30, 2025

JM FINANCIAL

7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, India
www.jmfinancialarc.com