

November 2, 2022

BSE Limited

Department of Corporate Services
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai - 400 001

National Stock Exchange of India Limited

Exchange Plaza
Plot No.C-1, G Block
Bandra Kurla Complex, Bandra (East)
Mumbai- 400 051

Dear Sirs,

Sub: Disclosure pursuant to Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI Circular dated May 19, 2022, we are enclosing the security cover certificate in the prescribed format certified by the Statutory Auditors of the Company for the quarter ended September 30, 2022.

We request you to take the above disclosure on your record.

Thank you.

Yours faithfully,
for **JM Financial Asset Reconstruction Company Limited**

Vineet Singh
Company Secretary

Encl: as above

MS: J19 (1.1)/04/2022

Private and Confidential

**The Board of Directors,
JM Financial Asset Reconstruction Company Limited**
7th Floor, Cnergy, Appasaheb Marathe Marg,
Prabhadevi, Mumbai-400025.

Independent Auditors' Certificate on the "Statements of Security Cover and Compliance with all the covenants specified in the Disclosure Document / Debenture Trust Deed, in respect of the listed Non-Convertible Debentures (NCDs) of the Company as on and for the half year ended September 30, 2022" (the "Statements").

1. This certificate is issued in accordance with the terms of our engagement request letter dated October 28, 2022.
2. We, Sharp & Tannan Associates, Chartered Accountants (Firm Registration No. 0109983W), Statutory Auditors of **JM Financial Asset Reconstruction Company Limited** (the "Company"), having its Registered Office at 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400025, have examined the records, documents and relevant calculation made by the Company for the purpose of certifying the accompanied Statements stamped and initialled for identification purposes, for submission to BSE, National Stock Exchange of India and SBICAP Trustee Company Limited (Debenture Trustee) to comply with Regulation 54 and 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "**Listing Regulations**"), as amended, of the listed non-convertible debt securities.

Management's responsibility for the Statements

3. The Management of the Company is responsible for preparation of accompanying Statements from the unaudited standalone financial results of the Company for the period ended September 30, 2022 and also responsible for maintenance of all accounting and other relevant records and supporting documents. This responsibility includes the designing, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statements and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.
4. The Management of the Company is also responsible for maintaining hundred percent security cover or higher security cover as per the terms of offer document / Information Memorandum and / or Debenture Trust Deed, sufficient to discharge the outstanding principal amount for the said NCDs as on September 30, 2022.
5. The Management of the Company is responsible for adherence with all other applicable conditions as mentioned in the Listing Regulations in connection with the Statement and compliance with all the covenants specified in Disclosure document and / or Debenture Trust Deed including letters, accelerated payment clause, etc. related to the said NCDs.



Independent Auditors' responsibility

6. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a limited assurance to certifying that as nothing has come to our attention that cause us to believe that the particulars mentioned in the accompanying Statements are not in agreement with the unaudited standalone financial results of the Company for the half year ended September 30, 2022 and other relevant records and documents maintained by the Company. This did not include the evaluation of adherence by the Company with all applicable guidelines of the Listing Regulations. We have obtained the management representation letter for aforementioned matters.
7. The procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for, a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
8. We have carried out our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (ICAI) and Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements

Conclusion

10. Based on our examination, as above and according to the information, explanation given to us and based on representation provided to us by the management of the Company and considering note to the Statements, we hereby certify that nothing has come to our attention that cause us to believe that the particulars furnished by the Company in the said Statements are not in agreement with the unaudited standalone financial results of the Company for the period ended September 30, 2022 and other relevant records of the Company.

We have attached **Annexure I** (page number 4), stamped and initialled by us for identification purpose and forms integral part of this certificate.



Restriction on use

11. This certificate is addressed to and provided to the Board of Directors of the Company, our work was performed solely to assist Company in meeting the responsibilities in relation to calculation of minimum requirement of Security Cover in accordance with the Listing Regulations as mentioned above for the purpose of submission to BSE, National Stock Exchange of India and SBICAP Trustee Company Limited (Debenture Trustee) to comply with Regulation 54 and 56 (1)(d) of the Listing Regulations and should not be used for any other purpose without our prior approval. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability are in no way changed by any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as auditors of the Company.
12. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.



For Sharp & Tannan Associates
Chartered Accountants
ICAI Firm Reg. No. 0109983W
by the hand of

Parthiv S. Desai
Partner

Membership No. 042624

UDIN: 22042624BBUCFU9523

Mumbai: November 02, 2022

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive charge	Exclusive charge	Pari-passu charge	Pari-passu charge	Pari-passu charge	Assets not offered as security	Elimination on (amount in negative)	(Total C to H)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other secure Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-passu charge (excluding items covered in column F)		debt amount considered more than once (due to exclusive plus pari passu charges)		Market value for Assets charged on Exclusive basis	Carrying/book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank balance, DSRA market value is not applicable)	Market value for Pari passu charge Assets	Carrying value/book value for Pari passu charge assets where market value is not ascertainable or applicable. (For Eg. Bank balance, DSRA market value is not applicable)	Total Value (=K+L+M+N)
		Book value	Book value	Yes/No	Book value	Book value								
ASSETS														
Property, Plant and Equipment		-	-		-	-	16.16	-	16.16	-	-	-	-	-
Capital Work in Progress		-	-		-	-	-	-	-	-	-	-	-	-
Right of Use Assets		-	-		-	-	-	-	-	-	-	-	-	-
Goodwill		-	-		-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-		-	-	0.04	-	0.04	-	-	-	-	-
Intangible Assets under Development		-	-		-	-	-	-	-	-	-	-	-	-
Investments	Security Receipts & Equity Shares	808.50	1,058.26	No	-	-	1,433.41	-	3,300.17	-	808.50	-	-	808.50
Loans		-	-		-	-	562.63	-	562.63	-	-	-	-	-
Inventories		-	-		-	-	-	-	-	-	-	-	-	-
Trader receivables		-	-		-	-	270.39	-	270.39	-	-	-	-	-
Cash and cash Equivalents		-	-		-	-	29.48	-	29.48	-	-	-	-	-
Bank Balances other than cash & cash Equivalents		-	-		-	-	6.28	-	6.28	-	-	-	-	-
Others		-	-		-	-	141.89	-	141.89	-	-	-	-	-
Total	-	808.50	1,058.26	-	-	-	2,460.28	-	4,327.04	-	808.50	-	-	808.50
LIABILITIES														
Debt securities to which this certificate pertains		634.17	-	No	-	-	-	-	634.17	-	634.17	-	-	634.17
Other debt sharing pari-passu charge with above debt			-	-	-	-	-	-	-	-	-	-	-	-
Other Debt			-	-	-	-	213.24	-	213.24	-	-	-	-	-
Subordinated debt			-	-	-	-	-	-	-	-	-	-	-	-
Borrowings			-	-	-	-	-	-	-	-	-	-	-	-
Banks			386.01	No	-	-	-	-	386.01	-	-	-	-	-
Debt securities			-	-	-	-	-	-	-	-	-	-	-	-
Others			197.85	No	-	-	1,129.39	-	1,327.24	-	-	-	-	-
Trade payables			-	-	-	-	1.88	-	1.88	-	-	-	-	-
Lease Liabilities			-	-	-	-	18.56	-	18.56	-	-	-	-	-
Provisions			-	-	-	-	2.14	-	2.14	-	-	-	-	-
Others			-	-	-	-	40.81	-	40.81	-	-	-	-	-
Total	-	634.17	583.86	-	-	-	1,406.02	-	2,624.05	-	634.17	-	-	-
Cover on Book value		1.27	1.81											
Cover on Market Value		1.27												
		Exclusive Security cover ratio	1.53		Pari-passu Security cover ratio	NA								1.27

Notes-

The assets which are offered as Security are in the nature of Security receipts. Since these Security receipts are unlisted instrument and are issued under private placement, therefore Market value of the same is not ascertainable and hence book value is considered as Market value.

