

October 26, 2023

BSE Limited

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

Dear Sirs,

Sub: Intimation under 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 Master Circular for Debenture Trustees dated March 31, 2023, as amended, we are enclosing the security cover certificate in the prescribed format certified by the Statutory Auditors of the Company viz., M/s. Sharp & Tannan Associates, Chartered Accountants, for the quarter ended September 30, 2023.

We request you to take the above on your record.

Thank you.

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

VINEET
SUBHASH
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VINEET SUBHASH
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Date: 2023.10.26
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Vineet Singh
Company Secretary

Encl: as above

MS: J19 (1.1)/14/2023

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 "Statement of Maintenance of Security Cover" as on September 30, 2023 (the "Statement")

1. This certificate is issued in accordance with the terms of our engagement request letter dated October 19, 2023.
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 Statement, stamped and initialled by us, showing 'Security Cover' in relation to assets of the Company offered as security for the listed non-convertible debt securities (NCDs) as on September 30, 2023, for submission to BSE Limited pursuant to the applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), as amended and SEBI Master Circular for Debenture Trustees dated March 31, 2023, as amended (the "SEBI Master Circular").

Management's responsibility for the Statements

3. The Management of the Company is responsible for the preparation of the accompanying Statement from the unaudited standalone financial results of the Company for the quarter ended September 30, 2023, 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 Statement 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 per cent security cover or higher security cover as per the provisions of the Listing Regulations, sufficient to discharge the outstanding principal amount and the interest thereon for the NCDs as on September 30, 2023, and ensure that they comply with the relevant requirements of the Listing Regulations and SEBI Circular issued in this regard.



Independent Auditors' responsibility

5. Pursuant to the requirements of the Listing Regulations and SEBI Master Circular issued in this regard, our responsibility is to provide a limited assurance, certifying that nothing has come to our attention that cause us to believe that the particulars mentioned in the accompanying Statement are not in agreement with the unaudited standalone financial results of the Company for the quarter ended September 30, 2023, and other relevant records and documents maintained by the Company. This does not include the evaluation of adherence by the Company to all applicable guidelines of the Listing Regulations. We have obtained the management representation letter for the aforementioned matters.
6. 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.
7. 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.
8. 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.
9. Obtained and read on a test check basis, the Debenture Trust Deeds and the Information Memorandum in respect of the secured Debentures and noted the particulars of security cover and the security cover percentage required to be maintained by the Company in respect of such NCDs, as indicated in the 'Annexure I' in the form of Statement.

Conclusion

10. Based on our examination, as above and according to the information, the explanation given to us and based on representation provided to us by the management of the Company, we hereby certify that nothing has come to our attention that causes us to believe that the particulars furnished by the Company in the said Statement are not in agreement with the unaudited standalone financial results of the Company for the quarter ended September 30, 2023 and other relevant records of the Company.

We have attached Annexure I (Number of page 1) in the form of statements, stamped and initialled by us for identification purposes and forms an 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 the Company in meeting the responsibilities in relation to the calculation of the minimum requirement of Security Cover in accordance with the Listing Regulations and SEBI Circular issued in this regard for the purpose of onward submission to BSE Limited 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,



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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:23042624BGYOXW9374

Mumbai: October 26, 2023

| 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 (amount in negative) | (Total C to H) | Related to only those items covered by this certificate | | | | | Total Value (=K+L+M+N) |
| | | Debt for which this certificate being issued | Other Secured 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) | | |
| | | Book value | Book value | Yes/No | Book value | Book value | | | | | Relating to column F | | | | |
| ASSETS | | | | | | | | | | | | | | | |
| Property, Plant and Equipment | | - | - | | - | - | 0.41 | - | 0.41 | - | - | - | - | - | |
| Capital Work in Progress | | - | - | | - | - | - | - | - | - | - | - | - | - | |
| Right of Use Assets | | - | - | | - | - | 11.81 | - | 11.81 | - | - | - | - | - | |
| Goodwill | | - | - | | - | - | - | - | - | - | - | - | - | - | |
| Intangible Assets | | - | - | | - | - | 0.17 | - | 0.17 | - | - | - | - | - | |
| Intangible Assets under Development | | - | - | | - | - | - | - | - | - | - | - | - | - | |
| Investments | Security Receipts & Equity Shares | 1,619.08 | 789.93 | No | - | - | 1,151.75 | - | 3,560.76 | - | 1,619.08 | - | - | 1,619.08 | |
| Loans | Additional Loans | 522.43 | - | - | - | - | 44.68 | - | 567.11 | - | 522.43 | - | - | 522.43 | |
| Inventories | | - | - | | - | - | - | - | - | - | - | - | - | - | |
| Trader receivables | | - | - | | - | - | 235.87 | - | 235.87 | - | - | - | - | - | |
| Cash and cash Equivalents | | - | - | | - | - | 75.45 | - | 75.45 | - | - | - | - | - | |
| Bank Balances other than cash & cash Equivalents | | - | - | | - | - | 3.19 | - | 3.19 | - | - | - | - | - | |
| Others | | - | - | | - | - | 235.34 | - | 235.34 | - | - | - | - | - | |
| Total | | 2,141.51 | 789.93 | | | | 1,758.67 | | 4,690.11 | | 2,141.51 | | | 2,141.51 | |
| LIABILITIES | | | | | | | | | | | | | | | |
| Debt securities to which this certificate pertains | | 1,826.13 | - | No | - | - | - | - | 1,826.13 | - | 1,826.13 | - | - | 1,826.13 | |
| Other debt sharing pari-passu charge with above debt | | <i>not to be filled</i> | - | - | - | - | - | - | - | - | - | - | - | - | |
| Other Debt | | - | - | | - | - | - | - | - | - | - | - | - | - | |
| Subordinated debt | | - | - | | - | - | - | - | - | - | - | - | - | - | |
| Borrowings | | - | - | | - | - | - | - | - | - | - | - | - | - | |
| Banks | | - | 350.74 | No | - | - | - | - | 350.74 | - | - | - | - | - | |
| Debt securities | | - | - | | - | - | - | - | - | - | - | - | - | - | |
| Others | | - | 135.45 | No | - | - | 738.65 | - | 874.10 | - | - | - | - | - | |
| Trade payables | | - | - | | - | - | 2.55 | - | 2.55 | - | - | - | - | - | |
| Lease Liabilities | | - | - | | - | - | 15.03 | - | 15.03 | - | - | - | - | - | |
| Provisions | | - | - | | - | - | 2.35 | - | 2.35 | - | - | - | - | - | |
| Others | | - | - | | - | - | 51.73 | - | 51.73 | - | - | - | - | - | |
| Total | | 1,826.13 | 486.19 | | | | 810.31 | | 3,122.63 | | 1,826.13 | | | 1,826.13 | |
| Cover on Book value | | 1.17 | | | | | | | | | | | | 1.17 | |
| Cover on Market Value | | 1.17 | | | | | | | | | | | | 1.17 | |
| Exclusive Security cover ratio | | | 1.27 | | Pari-passu Security cover ratio | NA | | | | | | | | | |

Notes-

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

This annexure forms part of Certificate Reference No MS- J19 (1.1)/14/2023



JM FINANCIAL

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