

INDEPENDENT AUDITOR'S REPORT

To the members of **J.P. Morgan Securities India Private Limited**

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **J.P. Morgan Securities India Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2025 the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date and notes to financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 its profit and total comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Information Other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Company's annual report but does not include the Financial Statements and our Auditor's Report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during our audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance

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Responsibilities of management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Accounting Standards specified under section 133 of the Act.

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

In preparing the 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the 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 understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal

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financial controls with reference to financial statements 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 in the Financial Statements made by the 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 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 Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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.

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 Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in 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 Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
- (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 Act.
- (f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.
- (g) In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, the provisions of Section 197 of the Act related to the managerial remuneration are not applicable.
- (h) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company has disclosed the impact of pending litigations on its financial position in its Financial Statements note no. 42 to the Financial Statements
 - ii. The Company has made provision as at March 31, 2025 as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts – Refer Notes 9, 39(viii) 39(xii) to the Financial Statements. The Company did not have any derivative contracts as at March 31, 2025;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.
 - iv. (a) The management has represented in note no. 47 that, to the best of its knowledge and belief, no funds (which are material either individually or in 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 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 Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



(b) The management has represented in note no. 47 that, to the best of its knowledge and belief, 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 entities ("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; and

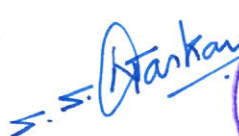
(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

- v. The Company has not declared and paid any dividend during the year in compliance with Section 123 of the Act.
- 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. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

For CNK & Associates LLP

Chartered Accountants

Firm Registration No.: 101961 W/W-100036




Suresh Agaskar

Partner

Membership No.: 110321

UDIN: 25110321BMKWIN1089

Place: Mumbai

Date: June 06, 2025

ANNEXURE – A TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' section of our report of even date on the financial statements of J.P. Morgan Securities India Private Limited for the year ended March 31, 2025]

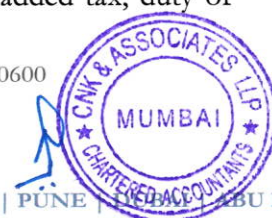
In our opinion, and on the basis of such checks of the books and records as we considered appropriate and according to the information and explanations given to us during the normal course of audit, which were necessary to the best of our knowledge and belief, we report that:

- i. In respect of its Property, Plant and Equipment and Intangible Asset:
 - a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of the Property, Plant and Equipment.

(B) The Company does not have any intangible assets. Hence, reporting under paragraph 3(i)(a)(B) is not applicable.
 - b. The Property, plant and equipment are physically verified by the company during the year. In our opinion, this periodicity of the physical verification is reasonable having regard to the size of the Company and the nature of its assets. For the assets where physical verification exercise was completed, no material discrepancies were noticed on such verification.
 - c. The company does not have any immovable properties under Property Plant and Equipment and therefore, the reporting under this paragraph 3(i)(C) of the said Order is not applicable to the Company
 - d. The company has not revalued its Property, Plant and Equipment or intangible assets during the year.
 - e. As disclosed by the management in note 47 and as confirmed by us, no proceedings have been initiated or are pending against the company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.
- ii.
 - a. The Company is Non-banking financial company engaged in lending activities. Accordingly, it does not hold any physical inventories. Therefore, the reporting under this paragraph 3(ii)(a) of the said Order are not applicable to the Company.
 - b. The Company has not been sanctioned working capital limit in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.
- iii.
 - a. Since the Company is principally engaged in providing loans, hence the reporting under clause 3(iii)(a) of the Order is not applicable.



- b. According to the information and explanations given to us, during the year the company has not granted any fresh loans or advances in the nature of loans, nor has it provided any guarantees or security given. The Company has made investments in, companies, firms, Limited Liability Partnerships and to other parties during the year. In our opinion, the
- terms and conditions of these investments are not prejudicial to the interest of the Company.
- c. The Company has given Loan during the year for which the schedule of repayment of principal and payment of interest have been stipulated, and the repayments or receipts are regular.
- d. There is no amount overdue for more than ninety days in respect of investments and loan.
- e. The principal business of the company is to give loans. Accordingly, reporting under this clause 3(iii)(e) of the Order is not applicable.
- f. 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. Accordingly reporting under this clause 3(iii)(f) of the Order is not applicable.
- iv. The company has not advanced any loans, given any guarantee or provided any security in connection with loans to any of its directors or to any person in whom the director is interested. Thus, the provisions of section 185 are not applicable to the company. Pursuant to the provisions of sub section 11 of section 186 of the Act, the company is exempted from provisions of section 186 of the Act, with respect to the loans given.
- v. The provisions of the sections 73 to 76 and any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended), are not applicable to the Company being a non-banking financial company, and also the Company has not accepted any deposits from public or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act. Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records for any of the services provided by the company under section 148(1) of the Act. Accordingly, the reporting under Clause 3(vi) of the Order is not applicable to the Company.
- vii. According to the information and explanations provided to us, in respect of statutory dues,
- a. The amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, cess and other statutory dues have generally been regularly deposited by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, value added tax, duty of customs and duty of excise;



- b. Further, there were no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and service tax, cess and other statutory dues were in arrears as on March 31, 2025 for a period of more than six months from the date they become payable;
 - c. The Company did not have any dues on account of provident fund, employees' state insurance, income tax, goods and service tax, cess and other statutory dues applicable to the Company which have not been deposited on account of dispute.
- viii. As disclosed by the management in note 47 and as verified by us, there are no transactions which are 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. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.
- ix.
- a. The Company does not have any borrowings from any lender. Accordingly, reporting under clause 3(iii)(ix)(a) is not applicable.
 - b. According to the information and explanations given to us, the Company has not been declared a wilful defaulter by any bank or financial institution or any other lender till the date of our audit report.
 - c. The Company has not raised any term loans. Accordingly, reporting under clause 3(iii)(ix)(c) is not applicable.
 - d. On an overall examination of financials statement of the Company, no funds have been raised by the Company on short term basis. Accordingly, reporting under clause 3(iii)(ix)(d) is not applicable.
 - e. The company does not have any subsidiary, joint venture or associates and accordingly, the provision of Clause 3 (ix) (e) and (f) of the Order is not applicable.
- x.
- a. According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.
 - b. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.
- xi.
- a. During the course of our examination of the books and records of the company, carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by the company or on the company noticed or reported during the year, nor have we been informed of any such cases by the management.



- b. No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.
- c. According to the information and explanations furnished by the management, there were no whistle blower complaints received by the Company during the year.
- xii. According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii)(a) to (c) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, all the transactions with the related parties are in compliance with Section 177 and Section 188 of the Act, where applicable and the details of such transactions have been disclosed in the financial statements, as required by the applicable Indian accounting standard.
- xiv.
- a. In our opinion and according to the information and explanations given to us and based on our examination, 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. The Company has not entered into any non- cash transactions with its directors or directors of its holding, or subsidiary company or persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.
- xvi.
- a. In our opinion, the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained valid registration under the said section of the said Act.
- b. The Company is registered Non- Banking Finance Company and has a valid Certificate of Registration (CoR) from Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c. The Company is not a Core Investment Company ('CIC') as defined under the Regulations by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) and (d) of the Order is not applicable to the Company.
- xvii. The company has not incurred cash losses in the financial year and in the immediately preceding financial year. Accordingly, the reporting under the clause 3(xvii) of the Order is not applicable to the Company.

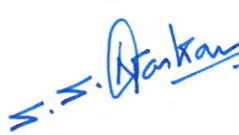
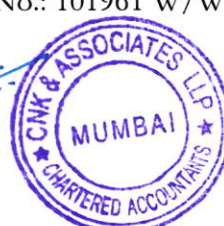


- xviii. There has been no resignation of the statutory auditors, however the outgoing Statutory Auditor has completed their tenure during the period. There has not been any issues, concerns or objections raised by the outgoing auditors.
- xix. According to the information and explanations given to us 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 and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumption, nothing has come to our attention which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the balance sheet date as and when they fall due within a period of one year from balance 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. As disclosed by the management in note 34 of the Financial Statements and as verified by us, amount remaining unspent under sub-section(5) of Section 135 of the Companies Act, pursuant to ongoing projects has been transferred to special account in compliance with the provisions of sub-section(6) of Section 135 of the Companies Act.
- xxi. Reporting under paragraph 3(xxii) of the Order is not applicable as the same is required to be reported only in case of consolidated financial Statements.

For C N K & Associates LLP

Chartered Accountants

Firm Registration No.: 101961 W/W-100036

Suresh Agaskar

Partner

Membership No.: 110321

UDIN: 25110321BMKWIN1089

Place: Mumbai

Date: June 06, 2025

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ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

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

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of sub- section (3) of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of J.P. Morgan Securities India Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the company has, in all material respects, an adequate internal financial controls systems with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025 based on the criteria for internal financial control with reference to financial statements established by the company considering the essential components of internal control stated in the guidance note on audit of Internal control stated in the guidance note on audit of internal controls over financial reporting issued by the institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 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 with reference financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal

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control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

For C N K & Associates LLP

Chartered Accountants

Firm Registration No.: 101961 W/W-100036




Suresh Agaskar

Partner

Membership No.: 110321

UDIN: 25110321BMKWIN1089

Place: Mumbai

Date: June 06, 2025

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J.P. Morgan Securities India Private Limited
Balance Sheet

(All amounts are in Rs. Lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Financial Assets			
Cash and cash equivalents	6	4,093	10,296
Receivables - other receivables	7	269	164
Loans and advances	8	87,205	12,456
Investment securities	9	358,349	400,157
Other financial assets	10	2,561	2,563
Non-Financial Assets			
Current tax assets (net)	11	5,378	5,080
Deferred tax assets (net)	12	170	124
Property, Plant and Equipment	13	-	- #
Other non-financial assets	14	239	249
Total Assets		458,264	431,089
LIABILITIES AND EQUITY			
Financial Liabilities			
Trade payables	15		
(i) total outstanding dues of micro and small enterprises		29	27
(ii) total outstanding dues of creditors other than micro and small enterprises		63	36
Other financial liabilities	16	1,355	1,162
Non-Financial Liabilities			
Current tax liabilities (net)	17	708	606
Provisions	18	837	421
Other non-financial liabilities	19	73	5
EQUITY			
Equity share capital	20	45,023	45,023
Other equity	21	410,176	383,809
Total Liabilities and Equity		458,264	431,089

Represents amounts below rounding off norm adopted by the Company

The accompanying notes are an integral part of these financial statements

For C N K & Associates LLP

Chartered Accountants

Firm Registration No. 101961W/W100036

S. S. Agaskar
Suresh Agaskar
Partner
Membership No. 110321



For and on behalf of the Board of Directors

Vikram Ramani
Vikram Ramani
CEO and Whole-time Director
DIN: 9722062
Place: Mumbai

H. Bansal
Harsh Bansal
Whole-time Director
DIN: 8878571
Place: Mumbai

KCS Bhogle
Ketki Bhogle
Company Secretary
ACS35033
Place: Mumbai

Place: Mumbai

Date : June 06, 2025

Date : June 06, 2025

J.P. Morgan Securities India Private Limited

Statement of Profit and Loss

(All amounts are in Rs. Lakhs, unless otherwise stated)

Particulars	Note	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from operations			
Interest income	22	30,384	28,350
Fees and commission income	23	4,421	-
Net gains on fair value changes	24	5,737	7,359
TOTAL INCOME		40,542	35,709
Expenses			
Finance costs	25	-	986
Impairment / (Reversal of impairment) on financial assets	26	127	(290)
Employee benefits expenses	27	1,661	1,288
Depreciation	13	- #	1
Other expenses	28	2,875	1,815
TOTAL EXPENSES		4,663	3,800
PROFIT BEFORE TAX		35,879	31,909
Tax expenses	30		
Current tax		(9,406)	(7,899)
Deferred tax (net)		46	(328)
PROFIT FOR THE YEAR		26,519	23,682
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of the net defined benefit plans		(25)	5
Income tax relating to items that will not be reclassified to profit or loss			
Remeasurement of the net defined benefit plans		6	(1)
OTHER COMPREHENSIVE INCOME FOR THE YEAR		(19)	4
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		26,500	23,686
Earnings per share (Face value of Rs. 10 each)	33		
Basic and Diluted		5.89	5.46

Represents amounts below rounding off norm adopted by the Company

The accompanying notes are an integral part of these financial statements

For C N K & Associates LLP

Chartered Accountants

Firm Registration No. 101961W/W100036

S. S. Agaskar

Suresh Agaskar

Partner

Membership No. 110321



Place: Mumbai

Date : June 06, 2025

For and on behalf of the Board of Directors

Vikram Ramani

Vikram Ramani

CEO and Whole-time Director

DIN: 9722062

Place: Mumbai

H. Bansal

Harsh Bansal

Whole-time Director

DIN: 8878571

Place: Mumbai

KCS Bhogle

Ketki Bhogle

Company Secretary

ACS35033

Place: Mumbai

Date : June 06, 2025

J.P. Morgan Securities India Private Limited

Statement of Cash Flows

(All amounts are in Rs. Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	35,879	31,909
Adjustments for:		
Depreciation	- #	1
Fair value losses / (gains) on investment securities	323	(4,354)
Fair value gains on loans and advances	(439)	(153)
Preference dividend	-	986
Provision for penalty on stamp duty (on merger cost)	385	-
Expense booked for share-based payment	59	95
Provision / (Reversal of provision) for short term compensated absences	2	(3)
Impairment / (Reversal of impairment) on financial instruments	127	(290)
Net exchange differences	5	5
Cash generated from operations before working capital changes	36,341	28,196
Adjustments for:		
Increase in Other receivables	(105)	(61)
Decrease / (Increase) in Investment securities	41,361	(65,249)
(Increase) / Decrease in Loans and advances	(74,313)	46,473
Decrease in Other financial assets	2	8
Decrease / (Increase) in Other non-financial assets	10	(168)
Increase in Trade payables	29	- #
Increase/ (Decrease) in Other non-financial liabilities	68	(230)
Increase in Other financial liabilities	193	453
Increase in Provisions	4	- #
	3,590	9,422
Less : Direct taxes paid	(9,596)	(9,080)
Net cash (used in) / generated from operating activities - [A]	(6,006)	342
CASH FLOW FROM FINANCING ACTIVITIES:		
Dividends paid	-	(160)
Settlement of share-based payments	(197)	(124)
Net cash used in financing activities - [B]	(197)	(284)
Net (decrease) / increase in cash and cash equivalents - [A+B]	(6,203)	58
Add: Cash and cash equivalents at the beginning of the year	10,296	10,238
Cash and cash equivalents at the end of the year (Refer Note 6)	4,093	10,296

Note: The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

Represents amounts below rounding off norm adopted by the Company

The accompanying notes are an integral part of these financial statements

For C N K & Associates LLP

Chartered Accountants

Firm Registration No. 101961W/W100036

Suresh Agaskar
Partner

Membership No. 110324



Place: Mumbai

Date : June 06, 2025

For and on behalf of the Board of Directors

Vikram Ramani
CEO and Whole-time Director
DIN: 9722062
Place: Mumbai

Ketki Bhogle
Company Secretary

ACS35033

Place: Mumbai

Date : June 06, 2025

Harsh Bansal
Whole-time Director
DIN: 8878571
Place: Mumbai

J.P. Morgan Securities India Private Limited
Statement of Changes in Equity
(All amounts are in Rs. Lakhs, unless otherwise stated)

EQUITY SHARE CAPITAL

	Beginning of the year	Changes in equity share capital due to prior period	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	End of the year
For the year ended March 31, 2024	43,299	-	43,299	1,724	45,023
For the year ended March 31, 2025	45,023	-	45,023	-	45,023

OTHER EQUITY

	Equity Component of Compound Financial Instruments*	General Reserve	Special Reserve under Section 45-IC of the Reserve Bank of India Act, 1934	Securities Premium Reserve	Capital Contribution towards Share payments	Impairment Reserve on Expected Credit Loss (ECL)	Retained Earnings	Other Comprehensive Income	Total
As at March 31, 2023	10,702	236	30,047	201,548	589	644	102,125	(20)	345,871
Profit for the year	-	-	-	-	-	-	23,682	-	23,682
Other comprehensive income for the year	-	-	-	-	-	-	-	4	4
Total comprehensive income for the year	-	-	-	-	-	-	23,682	4	23,686
Transfer to Special Reserve under Section 45-IC of the RBI Act, 1934	-	-	4,736	-	-	-	(4,736)	-	-
Premium on issue of equity shares	-	-	-	14,276	-	-	-	-	14,276
Transfer to Retained Earnings	-	-	-	-	-	-	(20)	20	-
Expense booked for share-based payment	-	-	-	-	95	-	-	-	95
Settlement of share-based payment	-	-	-	-	(124)	-	-	-	(124)
FX Loss on outstanding share-based payment	-	-	-	-	5	-	-	-	5
As at March 31, 2024	10,702	236	34,783	215,824	565	644	121,051	4	383,809
Profit for the year	-	-	-	-	-	-	26,519	-	26,519
Other comprehensive income for the year	-	-	-	-	-	-	-	(19)	(19)
Total comprehensive income for the year	-	-	-	-	-	-	26,519	(19)	26,500
Transfer to Special Reserve under Section 45-IC of the RBI Act, 1934	-	-	5,304	-	-	-	(5,304)	-	-
Premium on issue of equity shares	-	-	-	-	-	-	-	-	-
Transfer from Retained Earnings	-	-	-	-	-	-	4	(4)	-
Expense booked for share-based payment	-	-	-	-	59	-	-	-	59
Settlement of share-based payment	-	-	-	-	(197)	-	-	-	(197)
FX Loss on outstanding share-based payment	-	-	-	-	5	-	-	-	5
As at March 31, 2025	10,702	236	40,087	215,824	432	644	142,270	(19)	410,176

*The compound financial instrument was converted into equity shares during the previous year

The accompanying notes are an integral part of these financial statements

For and on behalf of the Board of Directors

For C N K & Associates LLP

Chartered Accountants

Firm Registration No. 101961W/WJ000936



Suresh Agaskar

Partner

Membership No. 110321

Place: Mumbai

Date : June 06, 2025

Vikram Ramani

CEO and Whole-time Director

DIN: 9722062

Place: Mumbai

Date : June 06, 2025

Harsh Bansal

Whole-time Director

DIN: 8878571

Place: Mumbai

Date : June 06, 2025

Ketki Bhogle

Company Secretary

ACS35033

Place: Mumbai

Date : June 06, 2025

J.P. Morgan Securities India Private Limited

Notes to the financial statements for the year ended March 31, 2025

(All amounts are in Rs. Lakhs, unless otherwise stated)

1. Background

J.P. Morgan Securities India Private Limited ('the Company') was incorporated in India on July 27, 1998. The Company is a subsidiary of J.P. Morgan International Finance Limited, USA (JPMIFL), and a part of the J.P. Morgan group. On December 31, 2007, 10% of the shareholding of the Company had been transferred to J.P. Morgan Overseas Capital Corporation ('JPMOCC') by JPMIFL.

The Company is registered as a non-banking finance company (NBFC) vide registration number 13.01149 under Section 45-IA of the Reserve Bank of India (RBI) Act, 1934 since January 7, 1999. The Company is primarily engaged in wholesale lending in the form of loans and advances and investment securities and is also engaged in the activity of rendering advisory services.

2. Scheme Of Amalgamation

During the financial year ended March 2010, pursuant to a composite scheme of Reduction of Capital and Amalgamation of the erstwhile Bear Stearns Financial Services (India) Private Limited (BSFSIPL) with and into the Company, as sanctioned by the Hon'ble High Court of Bombay on December 18, 2009 and upon the coming into effect of the Scheme on March 10, 2010 being the last date on which the conditions mentioned in the scheme were fulfilled, all assets, liabilities and balance in reserves of the Transferor Company ('BSFSIPL') then represented by the reduced share capital were recorded by the Transferee Company ('the Company') at their respective book values. BSFSIPL was registered as a NBFC under section 45-IA of the Reserve Bank of India Act, 1934 since January 24, 1998.

3. Basis of Preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time)] along with other relevant provisions of the Act, the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (as amended from time to time) ('RBI Master Directions') and notification for implementation of Indian Accounting Standards vide circular RBI/2019-20/170 DOR.(NBFC).CC.PD.no.109/22.10.106/2019-20 dated March 13th, 2020 ('RBI notification for implementation of IND AS') issued by RBI.

Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that are measured at fair value;
- defined benefit plans - plan assets measured at fair value; and
- share-based payments - measured at fair value.

4. Critical Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of financial statements are prudent and reasonable. Future results could differ from these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialised.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

- Estimation of current tax expenses and payable – Note 11 and Note 17
- Recognition of deferred tax assets and liabilities – Note 12
- Estimation of useful life of tangible assets - Note 13
- Estimation of defined benefit obligation – Note 18 and Note 29 (ii)
- Estimation of annual incentives payable to employees - Note 16 and Note 27
- Assessment of carrying value of loans and advances and related impairment loss provisioning (ECL) - Note 8, Note 35 part C and Note 36
- Assessment of valuation of investment securities in certain debt instruments and related impairment loss provisioning (ECL) - Note 9, Note 35 part C and Note 36



Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

5. MATERIAL ACCOUNTING POLICIES

i. Revenue Recognition

1. Interest income

The effective interest rate method

Under Ind AS 109 interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost. The EIR is the rate that discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the financial instrument. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

Interest income is recognised by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. Loan origination fees / upfront fees or any other fee integral to EIR are amortised over the life of the loan to produce an effective rate of interest.

When a financial asset becomes credit-impaired (as set out in Note 5(vi)) and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures (as outlined in Note 35 part C) and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Interest income on all trading assets and financial assets mandatorily required to be measured at FVTPL is recognised using the contractual interest rate. Accretion of discount is recognised as interest income over the life of the discounted instruments.

2. Fee and commission income

Fees (other than fees that are an integral part of the EIR set out in Note 5(i)1) are recognised when a binding obligation to receive the fee has arisen.

3. Net gains/(losses) on fair value changes

The net gains/(losses) on the financial assets which are measured at fair value through profit and loss are recognised in statement of profit and loss under line item 'Net gains/(losses) on fair value changes'.

Fees that are an integral part of a financial instrument measured at fair value through profit and loss are recognised as realised gains under "Net gains/(losses) on fair value changes" at the time of initial recognition of the financial instrument.



ii. Financial Instruments – Initial Recognition & Measurement

1. Date of Recognition

Financial assets and liabilities, with the exception of loans and advances and investment securities are initially recognised on the trade date, i.e., the date on which the Company becomes a party to the contractual provisions of the instrument. Loans and advances are recognised when they are disbursed. Investment securities are recognised on settlement date.

2. Initial Measurement

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value [as described in Notes 5(vii)]. Receivables are measured at the transaction price [as described in Notes 36D].

3. Measurement categories of financial assets and liabilities

The Company classifies all of its financial instruments based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost, as explained in Note 5 (iii) (1)
- Fair value through other comprehensive income (FVOCI), as explained in Note 5 (iii) (1)
- Fair value through profit or loss (FVTPL), as explained in Note 5 (iii) (1)

iii. Financial assets and liabilities

1. The Company measures its financial instruments at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets that are in the hold-to-collect and sell business model are eligible to be measured at FVOCI, provided that the contractual cash flows also meet the solely payment of principal and interest criteria (SPPI).

Financial assets that are held in neither of the above two business models are required to be measured at FVTPL.

2. Business model assessment

The Company determines its business model at the level that best reflects how it manages its financial instruments to achieve its business objective. The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

3. The SPPI test

As a second step of its classification process the Company assesses the contractual terms of financial instruments to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).



The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than *de minimis* exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

4. Financial assets or financial liabilities measured at FVTPL

The Company measures financial assets as FVTPL when they have been purchased or subscribed for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is evidence of a recent pattern of short-term profit taking. FVTPL assets and liabilities are recorded and measured in the balance sheet at fair value. Changes in fair value are recognised as net gains/ (losses) on fair value changes. The fair value of financial assets is determined as mentioned below:

- a. **Investment securities:** The Company is valuing its investments based on quotes available in the active market i.e. lower of price computed based on FIMMDA guidelines, trader marked rates and quotes available from the third party intermediaries (brokers).
- b. **Loans and advances:** The fair value of the loan is derived by discounting of future interest flows and the repayment of notional.

iv. Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

v. Derecognition of financial assets & financial liabilities

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, 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 derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.



vi. Impairment of financial assets

a. Overview of the ECL principles

The Company estimates credit impairment through an allowance for expected credit losses ("ECLs"). ECLs are recognised for financial assets that are measured at amortised cost and for specified lending-related commitments such as undrawn loan commitments.

The measurement of ECL also reflects how the Company manages the credit risk in the financial instruments such as Traditional Credit Products ("TCP"), non-traditional credit products ("Non-TCP") and Debt securities measured at amortised cost. TCP are wholesale loans and lending-related commitments (including undrawn loan commitments) from extensions of credit to borrowers, Non-TCP are all other financial assets measured at amortised cost and debt securities includes investment in Pass through certificates (PTCs).

The ECL allowance is based on the credit losses expected to arise over the expected life of the instrument (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case the allowance is based on the 12 months' expected credit loss (12mECL) as outlined below. The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The Company uses statistical models to estimate ECLs for TCP on a collective basis; however ECL for credit-impaired instruments is estimated on an individual borrower basis. When determining how exposures should be grouped for collective assessment, the Company considers many factors including, but not limited to, internal credit risk ratings, tenor, borrower and industry.

The calculation of the ECL on Debt securities measured at amortised cost depends on the staging of each financial instrument.

ECLs are measured using a three stage model based on changes in credit quality of the financial instrument since it was initially recognised ("initial recognition") (For details refer Note 35 part C):

- **Stage 1** - Performing financial instruments that have not experienced a Significant Increase in Credit Risk (SICR) since initial recognition. Instruments in Stage 1 have an allowance based on the ECL resulting from default events that are possible within twelve months after the reporting date. The Group estimates the allowance on a collective basis.
- **Stage 2** - Performing financial instruments that have experienced a Significant Increase in Credit Risk since initial recognition. Instruments in Stage 2 have an allowance based on the ECL resulting from default events that are possible over the expected life of the instrument. The Group estimates the allowance on a collective basis.
- **Stage 3** - Non-performing financial instruments that are determined to be credit-impaired. The allowance for Stage 3 instruments is generally estimated on an individual basis.

b. Calculation of ECL

The Company calculates ECLs using the forward looking Probability of Default ("PD"), Loss Given Default ("LGD"), and Exposure at Default ("EAD") values for each of the five scenarios (base, relative upside, extreme upside, relative adverse and extreme adverse cases) to produce the scenario credit losses ("SCL"). The final ECL is a probability-weighted combination of the five SCLs discounted using the original effective interest rate or an approximation thereof.

- **Probability of Default ("PD")**

The PD model estimates the probability of a borrower defaulting given certain macroeconomic scenarios and the probability of a borrower moving from one risk rating to another during the reasonable and supportable (R&S) period. Country specific information is applied to risk ratings, as appropriate in accordance with the Firmwide Risk Rating Guidelines. Beyond the R&S period, the probability of default and likelihood of downgrade are based on long run historical averages with no macroeconomic forecasting element. Internal historical default data is used for all periods, both during the R&S period and beyond. For instruments included in Stage 1, the PD factor incorporates the likelihood of the instrument defaulting in the shorter of the remaining expected life or the next twelve months after the reporting date. For instruments included in Stage 2, the PD factor incorporates the likelihood of the instrument defaulting over the remaining expected life.



- **Exposure at Default ("EAD")**

The EAD model predicts gross exposure upon a borrower's default as a percentage of the total commitment at the reporting date under a given macroeconomic environment. The model estimates the probability of a change in the utilisation, and direction and magnitude of the change. Input variables include exposure and utilization at the reporting date, facility purpose, industry and macro-economic variables ("MEVs").

- **Loss Given Default ("LGD")**

LGD, also known as loss severity, represents the amount of loss, expressed as a percentage, in the event the facility defaults under a given forecasted macroeconomic environment during the R&S period. Beyond the reasonable and supportable period long run historical average LGD is used based on the Loan's risk characteristics (e.g., secured type, region, LOB). Country specific considerations are also applied to the LGD inputs, as appropriate. Similar to PD, internal historical default data is used for all periods, both during the R&S period and beyond. The 12-month ECL is calculated by multiplying the 12-month PD, EAD and LGD. Lifetime ECL is calculated using the lifetime PD instead.

- c. **Forward-looking information**

The PD, LGD and EAD models are designed to forecast the credit quality and performance of a TCP portfolio based on industry, rating and size of obligors, among other attributes of the portfolio. PD, LGD and EAD models are calibrated based on historical MEVs and use forecasted macroeconomic scenarios for projecting PD, LGD and EAD variables. ECL estimates are derived from the Company's historical experience and future forecasted economic conditions.

- d. **Measurement of Non-TCP**

The Company's approach to measuring ECLs for Non-TCP portfolios depends on the type of asset. The Company has determined that ECLs on all Non-TCP portfolios are without SICR (i.e Stage 1) and immaterial due to: the credit quality of the borrower, short-term nature of the instrument and the existence of collateral. (For details refer Note 35 part C)

vii. Determination of fair value

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

- **Level 1:** inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets;
- **Level 2:** inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument; and
- **Level 3:** one or more inputs to the valuation methodology are unobservable and significant to the fair value measurement.



J.P. Morgan Securities India Private Limited

Notes to the financial statements for the year ended March 31, 2025

(All amounts are in Rs. Lakhs, unless otherwise stated)

viii. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes balances with banks and other short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

ix. Property, Plant and Equipment and depreciation

- Property, Plant and Equipment are stated at historical cost less accumulated depreciation.
- Depreciation is provided, from the month in which the asset is capitalised, on the straight-line method over the useful life of the asset as estimated by the Management and in accordance with Schedule II to the 2013 Act.

Asset Type	Estimated useful life
Computers	3 years
Office Equipment	5 years

No depreciation is provided for the month in which the asset is sold or disposed. Items individually costing below Indian Rupee equivalent of USD 1,000 are expensed off to Statement of Profit and Loss, unless they are a part of major capital outlay. Property, Plant and Equipment purchased from group entities are depreciated over the remaining estimated useful life of the assets as indicated above. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss within other income/expenses.

x. Trade payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

xi. Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, these assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

xii. Provisions and contingencies

Provisions for legal claims, are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Contingent liabilities are disclosed when the Company has a possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation.

xiii. Foreign currency translation

(i) Functional and presentation currency

The financial statements are presented in Indian rupee (Rs.), which is the Company's functional and presentation currency. All financial information presented are rounded off to nearest lakh except share and per share data in terms of Schedule III unless otherwise stated.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit or loss.



xiv. Finance Costs

Interest expenses are recognised on a time proportionate basis using the effective interest method. The calculation includes significant fees and transaction costs that are integral to the effective interest rate, as well as premiums or discounts. Dividend cost and tax related to the same on liability component of compound financial instrument are considered as part of finance cost.

xv. Employee benefits

(i) Long-term obligations

a. Provident fund

The Company has a defined contribution plan for post-employment benefits in the form of provident fund. The Company contributes to a government administered provident fund on behalf of its employees. The Company's contributions to the above plan are charged to the Statement of Profit and Loss.

b. Gratuity

The Company has a defined benefit plan for post-employment benefits in the form of gratuity. The Company has formed a Gratuity Trust and taken group gratuity policies with insurance companies which are funded. The gratuity fund is recognised by the Income Tax Authorities and is administered through trustees. Liability with regards to the gratuity plan is determined by actuarial valuation at the balance sheet date using the Projected Unit Credit Method. The fair value of assets available with the insurance companies is compared with the gratuity liability as per an independent actuarial valuation at the year end and shortfall, if any, is provided in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

(ii) Short-term obligation

a. Short term compensated absences

Unutilised leave balance that accrues to employees as at the year end is charged to the Statement of Profit and Loss on an undiscounted basis.

b. Special awards and incentive compensation

Special awards and incentive compensation payable to employees as per the Company's policy within twelve months from the date of balance sheet is charged to the Statement of Profit and Loss on an undiscounted basis.

(iii) Share Based Payments

The Company does not provide any equity-based compensation to its employees. However, the ultimate holding company, J.P. Morgan Chase & Co. ("the grantor") grants long-term stock-based awards to certain employees under its Long-Term Incentive ("LTI") Plan.

Under the LTI Plans, Restricted stock units ("RSUs") are awarded at no cost to the recipient upon their grant to the employees of the Company. Generally, RSUs are granted annually and vest at a rate of 50% after two years and 50% after three years and are converted into shares of common stock as of the vesting date. In addition, RSUs typically include full-career eligibility provisions, which allow employees to continue to vest upon voluntary termination, subject to post-employment and other restrictions based on age or service-related requirements. All RSUs awards are subject to forfeiture until vested and contain claw back provisions that may result in cancellation under certain specified circumstances. RSUs entitle the recipient to receive cash payments equivalent to any dividends paid on the underlying common stock during the period the RSUs are outstanding and, as such, are considered participating securities. RSUs provide an employee with a share of JPMorgan Chase common stock upon vesting.

RSUs issued by the ultimate holding Company are accounted for as equity settled. Further the Company settles the said expense in cash with the group company.

The Company recognises the expenses over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied, as determined on the grant date, based on the fair value of the RSUs. The Company separately recognises compensation expense for each tranche of each award as if it were a separate award with its own vesting date with a debit to Employee compensation expense and a credit to employee benefits reserve in other equity. Annually, the Company revises its estimates of the number of share units that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to employee benefit reserve in other equity.



J.P. Morgan Securities India Private Limited

Notes to the financial statements for the year ended March 31, 2025

(All amounts are in Rs. Lakhs, unless otherwise stated)

xvi. Earnings per share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33, Earnings per Share. Basic earnings per share is computed by dividing the net profit after tax attributable to equity shareholders by the weighted average number of equity shares outstanding for the year. Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the year end.

xvii. Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

Current income tax is computed in accordance with the Indian Income Tax Act, 1961 and applicable laws and rules thereunder. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences only if it is probable that future taxable amounts will be available to utilise those temporary differences.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously and are disclosed on a net basis.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In such case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

xviii. Recent pronouncements

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 not notified any new standards or amendments to the existing standards applicable to the Company.



J.P. Morgan Securities India Private Limited
Notes to the financial statements for the year ended March 31, 2025

(All amounts are in Rs. Lakhs, unless otherwise stated)

6 CASH AND CASH EQUIVALENTS

Balances with banks in current accounts*

As at March 31, 2025	As at March 31, 2024
4,093	10,296
4,093	10,296

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting year and previous year.

* Includes earmarked balance with banks for CSR spend amounting to Rs. 319 as at March 31, 2025 (Rs. 114 as at March 31, 2024)

7 RECEIVABLES - OTHER RECEIVABLES

Other receivables (considered good - unsecured)

As at March 31, 2025	As at March 31, 2024
269	164
269	164

Receivables from related party Rs.269 as at March 31, 2025 (Rs.164 as at March 31, 2024) [Refer note 32]

8 LOANS AND ADVANCES

Measured at amortised cost

Triparty Repo System (TREPs)

As at March 31, 2025	As at March 31, 2024
23,296	-

Measured at fair value through profit or loss (FVTPL)

Term loan

63,116	12,259
--------	--------

Interest accrued but not due

204	44
-----	----

Total (A) - Gross

86,616	12,303
---------------	---------------

Impairment loss allowance on TREPs

(3)	-
-----	---

Fair valuation gains on term loan

592	153
-----	-----

Total (A) - Net

87,205	12,456
---------------	---------------

Secured by standby letter of credit, immovable fixed assets and pledge of shares

63,116	12,259
--------	--------

Secured by government securities including treasury bills

23,296	-
--------	---

Interest accrued but not due

204	44
-----	----

Total (B) - Gross

86,616	12,303
---------------	---------------

Impairment loss allowance on TREPs

(3)	-
-----	---

Fair valuation gains on term loan

592	153
-----	-----

Total (B) - Net

87,205	12,456
---------------	---------------

All loans have been granted in India and other than to public sector enterprises.

The company did not grant any loans or advances in the nature of loans to promoters, directors, KMPs and to related parties during the reporting year and previous year.

9 INVESTMENT SECURITIES

Debt securities

Measured at amortised cost

Pass through certificates

11,168	5,468
--------	-------

Interest accrued but not due

21	18
----	----

Unamortised fees

(11)	(5)
------	-----

11,178	5,481
---------------	--------------

Measured at fair value through profit or loss (FVTPL)

Debentures and bonds

265,072	318,636
---------	---------

Certificate of deposits

75,111	65,372
--------	--------

Interest accrued but not due

7,559	10,792
-------	--------

347,742	394,800
----------------	----------------

Impairment loss allowance on pass through certificates

(245)	(121)
-------	-------

Fair valuation (losses)/gains on debentures and bonds

(317)	8
-------	---

Fair valuation losses on certificate of deposits

(9)	(11)
-----	------

Total net investments

358,349	400,157
----------------	----------------

All the investments are made in India.

10 OTHER FINANCIAL ASSETS

Margin money with the Clearing Corporation of India Limited

As at March 31, 2025	As at March 31, 2024
2,561	2,561

Interest accrued but not due on margin money

-	2
---	---

2,561	2,563
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Represents amounts below rounding off norm adopted by the Company



J.P. Morgan Securities India Private Limited
Notes to the financial statements for the year ended March 31, 2025

(All amounts are in Rs. Lakhs, unless otherwise stated)

11 CURRENT TAX ASSETS (net)

Advance tax (including fringe benefit tax)
(net of provision for taxation Rs. 53,243 as at March 31, 2025; Rs. 48,463 as at March 31, 2024)

As at March 31, 2025	As at March 31, 2024
5,378	5,080
5,378	5,080

12 DEFERRED TAX ASSETS (net)

Employee benefits payable
Unamortised fees
Depreciation
Provision for impairment loss allowance (net)
Fair value gains on unquoted investments in debentures and bonds (net)

As at March 31, 2025	As at March 31, 2024
164	172
3	1
(2)	(2)
62	31
(57)	(78)
170	124

Employee benefits payable
Unamortised fees
Depreciation
Provision for impairment loss allowance (net)
Fair value gains on unquoted investments in debentures and bonds (net)

As at March 31, 2024	Credit/(Charge) in the statement of profit and loss	As at March 31, 2025
172	(8)	164
1	2	3
(2)	- #	(2)
31	31	62
(78)	21	(57)
124	46	170

13 PROPERTY, PLANT AND EQUIPMENT

Balance as at March 31, 2023

Additions

Disposals

Balance as at March 31, 2024

Additions

Disposals

Balance as at March 31, 2025

Accumulated depreciation

Balance as at March 31, 2023

Additions

Disposals

Balance as at March 31, 2024

Additions

Disposals

Balance as at March 31, 2025

Net carrying amount

Balance as at March 31, 2024

Balance as at March 31, 2025

Computers	Total
7	7
-	-
-	-
7	7
-	-
-	-
7	7
6	6
1	1
-	-
7	7
- #	- #
-	-
7	7
- #	- #
-	-

The Company doesn't have any intangible assets under development in current year and in previous year.

14 OTHER NON-FINANCIAL ASSETS

Prepaid expenses

Input credit

Other non-financial assets

As at March 31, 2025	As at March 31, 2024
3	3
235	246
1	- #
239	249

Represents amounts below rounding off norm adopted by the Company



J.P. Morgan Securities India Private Limited
Notes to the financial statements for the year ended March 31, 2025

(All amounts are in Rs. Lakhs, unless otherwise stated)

15 TRADE PAYABLES

	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro and small enterprises (MSME) (Refer Note : 41)	29	27
Total outstanding dues of creditors other than MSME (others)	63	36
	92	63

Trade Payables as on March 31, 2025

Particulars	Unbilled	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME	29	-	-	-	-	29
(ii)Others	46	17	-	-	-	63
Total	75	17	-	-	-	92

Trade Payables as on March 31, 2024

Particulars	Unbilled	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME	27	-	-	-	-	27
(ii)Others	26	10	-	-	-	36
Total	53	10	-	-	-	63

16 OTHER FINANCIAL LIABILITIES

	As at March 31, 2025	As at March 31, 2024
Employee benefits payables	182	115
Employee related statutory dues including provident fund	10	8
Unspent balance in Corporate Social Responsibility (CSR) account for ongoing projects	729	562
Advance from / payable to inter company [Refer note 32]	434	477
	1,355	1,162

17 CURRENT TAX LIABILITIES (net)

	As at March 31, 2025	As at March 31, 2024
Provision for income tax (including fringe benefit tax) (net of advance tax Rs. 24,794 as at March 31, 2025; Rs. 20,276 as at March 31, 2024)	705	603
Interest tax (net of taxes paid Rs. 86 as at March 31, 2025; Rs. 86 as at March 31, 2024)	3	3
	708	606

18 PROVISIONS

	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
- Compensated absences	16	14
- Gratuity [Refer note 29 (ii)]	32	3
Provision for merger costs (including penalty)*	789	404
	837	421

*The adjudication order on the stamp duty payable on the order of the Honorable Bombay High Court sanctioning the scheme of amalgamation of BSFSIPL with and into the Company is being currently contested before the Supreme Court. Provisions has been revised to Rs. 789 as of March 31, 2025 from Rs. 404 as of March 31, 2024 to reflect the stamp duty demand and maximum probable penalty amounts prescribed under the statute.

19 OTHER NON-FINANCIAL LIABILITIES

	As at March 31, 2025	As at March 31, 2024
Statutory dues including tax deducted at source	73	5
	73	5



J.P. Morgan Securities India Private Limited
Notes to the financial statements for the year ended March 31, 2025

(All amounts are in Rs. Lakhs, unless otherwise stated)

20 EQUITY SHARE CAPITAL

	As at March 31, 2025	As at March 31, 2024
Authorised		
983,500,000 (983,500,000 as at March 31, 2024) equity shares of Rs. 10 each	98,350	98,350
16,500,000 (16,500,000 as at March 31, 2024) 5% cumulative convertible redeemable preference shares of Rs. 10 each	1,650	1,650
Issued, subscribed and fully paid-up:		
450,230,666 (450,230,666 as at March 31, 2024) equity shares of Rs. 10 each	45,023	45,023
	45,023	45,023

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
At the beginning of the year	450,230,666	45,023	432,989,287	43,299
Issued during the year	-	-	17,241,379	1,724
As at the end of the year	450,230,666	45,023	450,230,666	45,023

(b) Details of shares held by holding and subsidiary of holding company at the beginning and at the end of the reporting year

	As at March 31, 2025			As at March 31, 2024		
	Number of shares	% Holding	% change during the year	Number of shares	% Holding	% change during the year
Equity Shares						
J.P. Morgan International Finance Limited	434,854,616	96.58%	0.00%	434,854,616	96.58%	0.13%
J.P. Morgan Overseas Capital Corporation *	15,376,050	3.42%	0.00%	15,376,050	3.42%	-0.13%

* includes 10 equity shares held as the nominee of J.P. Morgan International Finance Limited

(c) Rights, preferences and restrictions attached to shares
Equity Shares

The Company has one class of equity shares having nominal value of Rs 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(d) Conversion of preference shares

16,000,000, 5% cumulative convertible redeemable preference shares of Rs 10 each issued at a premium of Rs 90 per share on March 23, 2004 were converted into 17,241,379 equity shares of Rs. 10 each in previous year with the approval of the Board of Directors effective March 21, 2024. The new equity shares were issued at a premium of Rs. 82.80 per share.

21 OTHER EQUITY *

	As at March 31, 2025	As at March 31, 2024
Reserves and surplus		
General Reserve	236	236
Special Reserve under Section 45-IC of the RBI Act, 1934	40,087	34,783
Impairment Reserve on Expected Credit Loss (ECL)	644	644
Securities Premium Reserve	215,824	215,824
Capital Contribution towards Share based payments (Refer note 38)	432	565
Other Comprehensive Income	(19)	4
Retained Earnings	142,270	121,051
Total	(A) 399,474	373,107
Equity component of compound financial instruments	(B) 10,702	10,702
Total	(A+B) 410,176	383,809

* Refer statement of changes in equity



J.P. Morgan Securities India Private Limited
Notes to the financial statements for the year ended March 31, 2025

(All amounts are in Rs. Lakhs, unless otherwise stated)

22 INTEREST INCOME
On financial assets measured at amortised cost

Triparty Repo System (TREPs)	1,025	2,533
Margin money with the Clearing Corporation of India Limited	4	11
Interest income on investment securities	1,920	961

On financial assets measured at fair value through profit or loss (FVTPL)

Interest income on investment securities	24,748	24,606
Term loans and advances	2,687	239

Year Ended March 31, 2025	Year Ended March 31, 2024
30,384	28,350

23 FEES AND COMMISSION INCOME

Structuring fees

Year Ended March 31, 2025	Year Ended March 31, 2024
4,421	-
4,421	-

24 NET GAINS ON FAIR VALUE CHANGES
Fair value changes on investment securities measured at FVTPL

Profit on sale of investment securities	5,621	2,852
Structuring and upfront fees	262	-
Realised gains	5,359	2,852
Unrealised (losses)/gains	(323)	4,354

Fair value changes on loans and advances measured at FVTPL

Unrealised gains	439	153
	<u>5,737</u>	<u>7,359</u>

25 FINANCE COSTS
Interest expense on financial liabilities measured at amortised cost

Interest expense on financial liabilities measured at amortised cost	-	986
Interest on liability component of compound financial instrument	-	986
	-	986

26 IMPAIRMENT / (REVERSAL OF IMPAIRMENT) ON FINANCIAL INSTRUMENTS
At amortised cost

At amortised cost		
Loans and advances	3	(7)
Investment securities	124	(283)
	<u>127</u>	<u>(290)</u>

27 EMPLOYEE BENEFIT EXPENSES

	2024	2023
Salaries and incentives	1,933	1,437
Contribution to provident and other funds (Refer note 29 (i))	52	46
Gratuity benefits (Refer note 29 (ii))	7	8
Share-based payments (Refer note 38)	59	95
Staff welfare expenses	23	40
Less: Recovery from group entities for employees oversight	(413)	(338)
	1,661	1,288

28 OTHER EXPENSES

	March 31, 2025	March 31, 2024
Brokerage, stamp duty and transaction charges	387	178
Expenditure on corporate social responsibility (Refer note 34)	490	471
Electricity	24	15
Insurance	-	#
Legal and professional services (Refer note 28.1)	893	733
Postage, telephone and communication	89	35
Printing and stationery	3	2
Provision for penalty on stamp duty (on merger cost)	385	-
Rates and taxes	344	184
Rent	136	98
Repairs and maintenance	86	75
Travel and conveyance	26	9
Miscellaneous	12	15
	<u>2,875</u>	<u>1,815</u>

Represents amounts below rounding off norm adopted by the Company



J.P. Morgan Securities India Private Limited
Notes to the financial statements for the year ended March 31, 2025
(All amounts are in Rs. Lakhs, unless otherwise stated)

28.1 Payment to Auditors

Legal and professional services includes auditors' remuneration as follows:

- Statutory audit
- Tax audit
- Other services
- Out of pocket expenses

Year Ended March 31, 2025	Year Ended March 31, 2024
23	22
2	2
2	1
1	-
28	25

#

29 EMPLOYEE BENEFIT OBLIGATIONS

- i Charge to the Statement of Profit and Loss based on contributions under defined contribution scheme

Particulars

Provident fund

Year Ended March 31, 2025	Year Ended March 31, 2024
52	46

- ii Disclosures for funded gratuity based on actuarial report as of March 31, 2025

Particulars

I Change in defined benefit obligations during the year

Opening defined benefit obligation

Current service cost

Interest cost

Actuarial losses/(gains)

Past service cost - plan amendments

(Transfers) / Acquisition costs

Benefits paid

Closing defined benefit obligation (DBO)

Year Ended March 31, 2025	Year Ended March 31, 2024
71	86
7	8
4	6
23	(8)
3	3
(1)	13
(13)	(37)
94	71

II Change in fair value of plan assets

Opening fair value of plan assets

Interest income on plan assets

Return on plan assets greater than discount rate

Contributions by employer

(Transfers) / Acquisition costs

Benefits paid

Closing fair value of plan assets

Year Ended March 31, 2025	Year Ended March 31, 2024
68	78
4	6
1	-
3	8
(1)	13
(13)	(37)
62	68

#

III Net liability recognised in the Balance Sheet

Present value of obligation as at the year end

Fair value of plan assets as at the year end

Net liability recognised in the Balance Sheet

Year Ended March 31, 2025	Year Ended March 31, 2024
94	71
(62)	(68)
32	3

IV Amount recognised in the Statement of Profit and Loss

Current service cost

Net interest on net defined benefit asset

Total expense recognised in the Statement of Profit and Loss

Year Ended March 31, 2025	Year Ended March 31, 2024
7	8
-	-
7	8

#

V Amount recognised in the Other Comprehensive Income (OCI)

Actuarial losses / (gains) due to DBO experience

Actuarial losses due to DBO assumption changes

Actuarial losses / (gains) arising during the year

Return on plan assets greater than discount rate

Actuarial losses / (gains) recognized in OCI

Year Ended March 31, 2025	Year Ended March 31, 2024
23	(8)
3	3
26	(5)
1	-
25	(5)

#

VI Asset information

Insurer managed funds

Cash

Year Ended March 31, 2025	Year Ended March 31, 2024
86.80%	87.40%
13.20%	12.60%

VII Principal actuarial assumptions and sensitivity analysis

A) Discount Rate

Effect on DBO due to 0.5% increase in Discount Rate

Effect on DBO due to 0.5% decrease in Discount Rate

Year Ended March 31, 2025	Year Ended March 31, 2024
6.60%	7.20%
(2)	(2)
2	2

B) Salary Escalation Rate

Upto 30 years

for 30 -39 years

for 40-45 years

for above 45 years

Effect on DBO due to 0.5% increase in Salary escalation Rate

Effect on DBO due to 0.5% decrease in Salary escalation Rate

Year Ended March 31, 2025	Year Ended March 31, 2024
10.00%	10.00%
9.00%	9.00%
8.00%	8.00%
7.00%	7.00%
1	1
(1)	(1)

C) Withdrawal Rate

Service - 0-4

Service - 5 & above

Effect on DBO due to 5% increase in Withdrawal Rate

Effect on DBO due to 5% decrease in Withdrawal Rate

Year Ended March 31, 2025	Year Ended March 31, 2024
35.00%	35.00%
15.00%	15.00%
1	1
(3)	(2)

VIII Expected benefit payments for the year ending

Expected benefits for year 1

Expected benefits for year 2

Expected benefits for year 3

Expected benefits for year 4

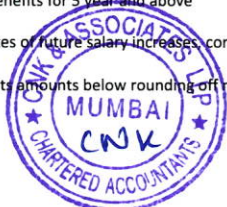
Expected benefits for year 5

Expected benefits for 5 year and above

Year Ended March 31, 2025	Year Ended March 31, 2024
14	12
16	11
16	12
14	12
14	11
52	46

The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors.

Represents amounts below rounding off norm adopted by the Company.



J.P. Morgan Securities India Private Limited
Notes to the financial statements for the year ended March 31, 2025

(All amounts are in Rs. Lakhs, unless otherwise stated)

30 RECONCILIATION OF TAX EXPENSE AND ACCOUNTING PROFIT MULTIPLIED BY INDIA'S TAX RATE:

	Year Ended March 31, 2025	Year Ended March 31, 2024
Profit before income tax expenses	35,879	31,909
Tax rate (%)	25.168%	25.168%
Tax at the Indian Tax Rate	9,030	8,031
Tax effect of amounts which are not deductible in calculating taxable income		
Effect of tax on disallowed expenses	330	196
	9,360	8,227

31 SEGMENT REPORTING

The Company is engaged primarily in wholesale lending in the form of loans and advances and investment securities which in the context of Ind AS 108 constitutes single reporting business segment.

32 RELATED PARTY DISCLOSURES

i Related parties (during the current year and previous year) as required under Ind AS 24:

Nature of Relationship	Name of Related Party
Ultimate holding company	J.P. Morgan Chase & Co.
Holding companies	JPMorgan Chase Bank, National Association and its branches J.P. Morgan International Finance Limited J.P. Morgan Chase Holdings LLC
Fellow Subsidiaries with whom the Company has had transactions during the current year and previous year	J.P. Morgan India Private Limited J.P. Morgan Services India Private Limited J.P. Morgan Securities Asia Private Limited
Key management personnel	Ms. Naquiyah Aga (Whole-time Director) Mr. Harsh Bansal (Whole-time Director) Mr. Vikram Ramani (Whole-time Director) Mr. Nikhil Agarwal (Whole-time Director appointed w.e.f. June 27, 2023 and resigned w.e.f. November 3, 2023) Ms. Ketki Bhogle (Company Secretary)

Post Employment Benefit Trust J.P. Morgan Securities India Private Limited Employees Comprehensive Gratuity Scheme

ii The following transactions were carried out with the related parties in the ordinary course of business:

Year Ended March 31, 2025

Nature of transactions	Post Employment Benefit Trust	Key Management Personnel*	Holding Companies	Fellow Subsidiaries
Transactions during the year				
Legal and professional services			736 (a)	50 (c)
Recovery from group entities for employees oversight			156 (a)	257 (h)
Expense reimbursement				261 (i)
Other receipts			52 (a)	# (c)
Other payments			1 (a)	
Purchase of investment securities				662,419 (e)
Sale of investment securities				757,133 (e)
Short term employee benefits		817		
Post employment benefits		20		
Restricted stock units (issued under group share based payments schemes)			59 (g)	
Adjustment to gratuity liability	29			
Balances at the year end				
Payable to inter company			216 (a)	218 (d)
Receivables - other receivables			141 (a)	128 (b)
Cash and cash equivalents			3,178 (a)	
Capital contribution towards share based payments			432 (g)	
Gratuity Trust-Defined benefit - liability	32			

Represents amounts below rounding off norm adopted by the Company



J.P. Morgan Securities India Private Limited
Notes to the financial statements for the year ended March 31, 2025

(All amounts are in Rs. Lakhs, unless otherwise stated)

Year Ended March 31, 2024

Nature of transactions	Post Employment benefit trust	Key Management Personnel*	Holding Companies	Fellow Subsidiaries
Transactions during the year				
Legal and professional services			586 (a)	52 (c)
Recovery from group entities for employee oversight			103 (a)	235 (h)
Expense reimbursement				212 (i)
Other receipts			4 (a)	# (c)
Other payments			# (a)	
Interest on liability component of compound financial instruments			986 (f)	
Purchase of investment securities				90,727 (e)
Sale of investment securities				354,431 (e)
Conversion of preference shares into equity shares			16,000 (f)	-
Short term employee benefits		662		
Post employment benefits		19		
Restricted stock units (issued under group share based payments schemes)			95 (g)	
Adjustment to gratuity liability	(5)			
Balances at the year end				
Payable to inter company			286 (a)	191 (d)
Receivables - other receivables			93 (a)	71 (b)
Cash and cash equivalents			5,168 (a)	
Equity component of compound financial instruments			10,702 (f)	
Capital contribution towards share- based payments			565 (g)	
Gratuity Trust-Defined benefit - liability	3			

Notes:

- a JPMorgan Chase Bank, National Association and its branches
- b J.P. Morgan India Private Limited
- c J.P. Morgan Services India Private Limited
- d Includes Rs. 22 (previous year Rs. 14) payable to J.P. Morgan India Private Limited and Rs.196 (previous year Rs.177) payable to J.P. Morgan Services India Private Limited.
- e J.P. Morgan Securities Asia Private Limited
- f J.P. Morgan International Finance Limited
- g J P Morgan Chase Holdings LLC
- h Includes Rs. 142 (previous year Rs.78) from J.P. Morgan India Private Limited and Rs. 115 (previous year Rs.157) from J.P. Morgan Services India Private Limited .
- i Includes Rs. 254 (previous year Rs. 205) to J.P. Morgan India Private Limited and Rs. 7 (previous year Rs. 7) to J.P. Morgan Services India Private Limited.

* There are no transactions with the relatives of the Key management personnel in current year and previous year.

The policy on Related Party Transactions is available on the Company's website at <https://www.jpmorgan.com/content/dam/jpm/global/disclosures/us/related-party.pdf>

33 EARNINGS PER SHARE

Earnings	Year ended March 31, 2025	Year ended March 31, 2024
a) Net Profit for the year	26,519	23,682
b) Net Profit attributable to equity shareholders	26,519	23,682
Number of shares (in lakhs)		
c) Weighted average number of equity shares of Rs. 10 each for computation of basic earnings per share	4,502	4,335
Earnings per share (Basic and Diluted) – In Rupees (b/c)	5.89	5.46

Represents amounts below rounding off norm adopted by the Company



34 CORPORATE SOCIAL RESPONSIBILITY (CSR)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Contribution to ongoing projects	80	23
Accrual towards unspent obligations in relation to:		
Ongoing projects	410	448
Total	490	471
Amount required to be spent as per Section 135 of the Act	489	465
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	490	471

Details of ongoing CSR projects under Section 135(6) of the Act for FY 2024-25:

Nature of the project	Balance as at April 1, 2024		Amount allocated during the year	Amount spent during the year		Balance as at March 31, 2025	
	With the company	In separate CSR unspent account with the company		From the company's bank account	From separate CSR unspent account with the company	With the company	In separate CSR unspent account with the company*
Jobs and skills	-	-	490	80	-	-	410
Total	-	-	490	80	-	-	410

Balance in unspent CSR account of FY 2023-24 spent during FY 2024-25:

Nature of the project	Balance as at April 1, 2024		Amount allocated during the year	Amount spent during the year		Balance as at March 31, 2025	
	With the company	In separate CSR unspent account with the company		From the company's bank account	From separate CSR unspent account with the company	With the company	In separate CSR unspent account with the company*
Enabling growth of women microbusinesses in Pune and Mumbai	-	270	-	-	120	-	150
Skilling for careers in e mobility	-	178	-	-	89	-	89
Total	-	448	-	-	209	-	239

Balance in unspent CSR account of FY 2022-23 spent during FY 2024-25:

Nature of the project	Balance as at April 1, 2024		Amount allocated during the year	Amount spent during the year		Balance as at March 31, 2025	
	With the company	In separate CSR unspent account with the company		From the company's bank account	From separate CSR unspent account with the company	With the company	In separate CSR unspent account with the company*
Entrepreneurial skills training for young women in Mumbai and Bengaluru	-	140	-	-	60	-	80
Bulandi Livelihood Programme	-	39	-	-	39	-	-
Total	-	179	-	-	99	-	80

Details of ongoing CSR projects under Section 135(6) of the Act for FY 2023-24:

Nature of the project	Balance as at April 1, 2023		Amount allocated during the year	Amount spent during the year		Balance as at March 31, 2024	
	With the company	In separate CSR unspent account with the company		From the company's bank account	From separate CSR unspent account with the company	With the company	In separate CSR unspent account with the company*
Enabling growth of women microbusinesses in Pune and Mumbai	-	-	290	20	-	-	270
Skilling for careers in e mobility	-	-	181	3	-	-	178
Total	-	-	471	23	-	-	448

Balance in unspent CSR account of FY 2022-23 spent during FY 2023-24:

Nature of the project	Balance as at April 1, 2023		Amount allocated during the year	Amount spent during the year		Balance as at March 31, 2024	
	With the company	In separate CSR unspent account with the company		From the company's bank account	From separate CSR unspent account with the company	With the company	In separate CSR unspent account with the company*
Entrepreneurial skills training for young women in Mumbai and Bengaluru	-	251	-	-	111	-	140
Bulandi Livelihood Programme	-	112	-	-	73	-	39
Youth Employability Program	-	89	-	-	89	-	-
Total	-	452	-	-	273	-	179

* Includes Rs. 410 (previous year Rs. 448 and Rs. 65 deposited by the Company and NGOs respectively) deposited by the Company to CSR unspent account before April 30, 2025 (previous year before April 30, 2024).

Details of excess CSR expenditure under Section 135(5) of the Act for FY 2024-25:

Particulars	Balance excess spent as at April 1, 2024	Amount required to be spent during the year	Amount spent/transferred to CSR unspent account during the year	Balance excess spent as at March 31, 2025	Excess CSR spent carried forward to next financial year
Details of excess CSR expenditure under Section 135(5) of the Act	-	489	490	1	-

Details of excess CSR expenditure under Section 135(5) of the Act for FY 2023-24:

Particulars	Balance excess spent as at April 1, 2023	Amount required to be spent during the year	Amount spent/transferred to CSR unspent account during the year	Balance excess spent as at March 31, 2024	Excess CSR spent carried forward to next financial year
Details of excess CSR expenditure under Section 135(5) of the Act	-	465	471	6	-

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects - Nil (previous year Nil)



35 FINANCIAL RISK MANAGEMENT

Risk is an inherent part of the Company's business activities. The Company's risk management framework and governance structure are intended to provide comprehensive controls and an ongoing management of major risks inherent in its business activities.

The Board of Directors (BOD) have formed the Risk Management Committee (RMC) and the Asset Liability Committee (ALCO) who together have the overall responsibility for the establishment and oversight of the Company's risk management framework. RMC and ALCO are responsible for developing the Company's risk management policies which are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to those limits. Risk management policies and systems are reviewed periodically to reflect changes in RBI regulations, the Company's activities and the market conditions.

The Company's risk management objectives and policies are consistent with those of the group. The Company employs a holistic approach to risk management to ensure the broad spectrum of risk types are considered in managing its business activities. It is also intended to create a culture of risk transparency and awareness and personal responsibility throughout the Company where collaboration, discussion, escalation and sharing of information is encouraged. The Company's ability to properly identify, measure, monitor/control and report risk is critical to its soundness and profitability. The Company has a documentation on its risk management policies and procedures, risk measurement and reporting systems.

The Company's business activities expose it to a variety of financial risks, key risks being liquidity risk, market risk and credit risk.

A. Management of liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. A material and sustained shortfall in the Company's cash flow could undermine its credit rating and impair shareholder confidence.

The Board of Directors of JPMorgan Securities India Private Limited ("JPMSI") has delegated oversight of liquidity risk to the JPMorgan Securities India Private Limited Risk Management Committee ("RMC"). As governed by the JPMSI RMC Terms of Reference, where required, matters will be escalated from the JPMSI RMC to JPMSI Board of Directors or Asia Pacific Risk Committee.

The liquidity risk limits and indicators are monitored and presented periodically to the RMC. These are reviewed and approved by RMC on a periodic basis.

Further, ALCO recognizes that, being a NBFC, the Company's exposure to liquidity risk must be monitored and controlled and the funding mix on the balance sheet is as stable and diverse as possible. ALCO periodically monitors the nature and maturity of the assets to ensure that the funding mix is appropriate and stable as well as the norms laid down by the RBI and Asset Liability Management (ALM) Policy are strictly adhered to.

Any breaches or exceptions to the norms and guidelines laid down by the ALM policy or RBI from time to time, along with their explanations are noted by the ALCO and placed before the BOD of the Company.

B. Management of market risk

Market risk is the exposure to an adverse change in the market value of financial instruments caused by a change in market parameters. The Board of Directors (BoD) of the company has delegated the responsibility of governing the market risk management structure to the Risk Management Committee ("RMC"). The RMC delegates responsibility to Market Risk (MR), who are responsible for establishing an appropriate market risk management framework to measure, monitor and control market risk. The RMC is responsible for application of these processes to the company. The company utilizes measures, which include but are not limited to, Value at Risk (VaR) and Non-statistical measures. The company has also employed market risk limits as the primary control. The company's Line of Business (LOBs) should not exceed their limits unless authorized by a Temporary Limit Approval (TLA) or a limit change. Notifications of valid limit breaches are sent to signatories to limits and the RMC. Aged or significant valid / under investigation (UI) limit breaches are escalated to the Legal entity Market Risk Head, APAC Risk Committee, Company's Chief Executive Officer and the Risk Officer.



C. Management of credit risk

Credit risk is the risk of loss arising from the default of a customer, client or counterparty. The company manages credit risk by setting credit limits in accordance with RBI regulations and these limits are defined in the Credit Policy of the Company.

Credit risk is managed by the Credit Risk Management function. The Credit and Investment Committee (CIC) of the Company reviews and approves proposals to book credit exposure in the Company.

Expected credit loss measurement**Approach to measuring expected credit losses**

The Company estimates credit impairment through an allowance for expected credit losses ("ECLs"). ECLs are recognised for financial assets that are measured at amortised cost. The measurement of ECLs must reflect:

- An unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and evidence-based information about past events, current (economic) conditions, and forecasts of future economic conditions.

The measurement of ECL also reflects how the Company manages the financial instruments it uses for credit risk purposes such as Traditional Credit Products ("TCP"), non-traditional credit products ("Non-TCP") and debt securities measured at amortised cost. TCP are wholesale loans and lending-related commitments from extensions of credit to borrowers, Non-TCP are all other debt financial assets measured at amortised cost which include but are not limited to Triparty Repo System (TREPs), fee receivables and inter-company receivables and debt securities includes investment in Pass through certificates (PTCs).

The following table sets out the balances of the Company's financial assets that are measured at amortised cost by the respective TCP, Non-TCP and Debt Securities categories.

Balance sheet categories	As at March 31, 2025			As at March 31, 2024		
	TCP	Non-TCP	Debt Securities	TCP	Non-TCP	Debt Securities
Cash and cash equivalents	-	4,093	-	-	10,296	-
Loans and advances	-	23,293	-	-	-	-
Receivables - other receivables	-	269	-	-	164	-
Other financial assets	-	2,561	-	-	2,563	-
Investment securities	-	-	10,933	-	-	5,360

The Company uses statistical models to estimate ECLs for TCP on a collective basis; however ECL for credit-impaired instruments is estimated on an individual borrower basis. When determining how exposures should be grouped for collective assessment, the Company considers many factors including, but not limited to, internal credit risk ratings, tenor, borrower geography and industry.

The calculation of the ECL on Debt securities measured at amortised cost depends on the staging of each financial instrument.

Impact of staging on measuring expected credit losses

ECLs are measured using a three-stage model based on changes in credit quality of the financial instrument since it was initially recognised ("initial recognition"):

- Stage 1 - performing financial assets that have not had a significant increase in credit risk since initial recognition;
- Stage 2 - performing financial assets that have experienced a significant increase in credit risk; and
- Stage 3 - non-performing financial assets that have been determined to be credit-impaired.



Default and credit-impairment (Stage 3)

Financial assets are included in Stage 3 when there is objective evidence of impairment at the reporting date. For Stage 3 instruments, ECL is calculated considering the probability of default over the remaining life of each instrument ("Lifetime ECL") on an individual asset basis and interest revenue is calculated on the net carrying amount (that is, net of the allowance for credit losses). All financial assets, regardless of their category as TCP, Non-TCP or debt securities, are considered to be credit-impaired and included in Stage 3 when events that have a detrimental impact on the estimated future cash flows of that financial asset has occurred:

A financial asset is considered to no longer be impaired when the borrower has made payments for a minimum of twelve months and there is other objective evidence of credit improvement.

Significant increase in credit risk (Stage 2)

Financial assets that have experienced a significant increase in credit risk ("SICR") since initial recognition for which there is no objective evidence of impairment are included in Stage 2. For Stage 2 instruments, ECL is calculated considering the probability of default over the remaining life of the instrument on a collective basis and interest revenue is calculated on the gross carrying amount of the asset (that is, without deduction for the credit loss allowance).

The Company assesses for evidence of a SICR by considering whether there has been a change in the risk of a default occurring since the financial instrument was initially recognised.

For TCP, the Company assesses SICR based on a combination of qualitative and quantitative assessments, as described in more detail below:

Quantitative criteria

The Company determines whether the probability of a default ("PD") occurring has changed between the initial recognition and the reporting date of a financial instrument. If the change in PD exceeds certain relative and absolute thresholds, the instrument has experienced a SICR. The assessment of the PD takes into account reasonable and supportable information, including information about past events, current and future economic conditions.

Qualitative criteria

The Company monitors borrowers that may become impaired and are considered to have experienced a SICR. The Company also monitors changes in internal credit risk ratings (relative to the credit rating on initial recognition) and delinquency triggers to determine if a borrower has experienced a SICR.

The Company's TCP portfolio is mostly comprised of large corporate borrowers. For these borrowers, short-term delinquencies alone are not considered to be a meaningful credit quality indicator as the Company's experience has shown that other internal credit quality indicators generally identifies increases in credit risk well before delinquency. As such, the Company has determined that using the quantitative and qualitative criteria described above are most appropriate for capturing SICR for TCP.

Financial instruments that are in Stage 2 are moved to Stage 1 as described below in the period that the quantitative and qualitative criteria for a SICR no longer exist.

The approach for determining whether there has been a SICR for Non-TCP portfolios depends on the type of instrument which is explained in detail in "ECL measurement for Non-TCP Portfolios".

Instruments without significant increase in credit risk (Stage 1)

Financial instruments that have not had a SICR since initial recognition are included in Stage 1. For Stage 1 instruments, ECL is calculated by considering the probability of default within 12 months after the reporting date on a collective basis and interest revenue is calculated on the gross carrying amount of the asset (that is, without deduction for the credit loss allowance).



ECL measurement for TCP Portfolios

Key Inputs

In broad terms, ECLs for the Company's TCP portfolios are generally calculated based on the following key inputs:

- **Probability of Default ("PD")**

The PD model estimates the probability of a borrower defaulting given certain macroeconomic scenarios and the probability of a borrower moving from one risk rating to another during the reasonable and supportable (R&S) period. The 12-month and lifetime PDs represent the probability of default occurring over the next 12 months and the remaining maturity of the instrument respectively. The PD is determined at a facility level. Country specific information is applied to risk ratings, as appropriate in accordance with the internal risk rating guidelines. Beyond the R&S period, the probability of default and likelihood of downgrade are based on long run historical averages with no macroeconomic forecasting element. Internal historical default data is used for all periods, both during the R&S period and beyond. For instruments included in Stage 1, the PD factor incorporates the likelihood of the instrument defaulting in the shorter of the remaining expected life or the next twelve months after the reporting date. For instruments included in Stage 2, the PD factor incorporates the likelihood of the instrument defaulting over the remaining expected life.

- **Exposure at Default ("EAD")**

The EAD model predicts gross exposure upon a borrower's default as a percentage of the total commitment at the reporting date under a given macroeconomic environment. The model estimates the probability of a change in the utilisation, and direction and magnitude of the change. Input variables include exposure and utilization at the reporting date, facility purpose, industry and macro-economic variables ("MEVs").

- **Loss Given Default ("LGD")**

LGD, also known as loss severity, represents the amount of loss, expressed as a percentage, in the event the facility defaults given certain macroeconomic environment during the R&S period. Beyond the reasonable and supportable period long run historical average LGD is used based on the instrument's risk characteristics (e.g., secured type, region, LOB). Country specific considerations are also applied to the LGD inputs, as appropriate. Similar to PD, internal historical default data is used for all periods, both during the R&S period and beyond. The 12-month ECL is calculated by multiplying the 12-month PD, EAD and LGD. Lifetime ECL is calculated using the lifetime PD instead.

Forward-looking information

ECL estimates are derived from the Company's historical experience and future forecasted economic conditions. To incorporate forward-looking information into the ECL calculation, the Company develops forecasted economic scenarios (base, relative upside, extreme upside, relative downside and extreme downside cases). Each of these scenarios contains a set of MEVs that reflect forward-looking economic and financial conditions. MEVs include, but are not limited to GDP per country or country block. MEVs for each scenario are projected over a reasonable and supportable forecast period of two years. After the forecast period, the losses revert to historical averages over a one-year transition period.

On a quarterly basis, the five economic scenarios are updated and probability weighted. The Company uses judgement to develop the scenarios and assign probability weightings. The most likely economic scenario in management's view is the base case which would generally be expected to be weighted more heavily than the other scenarios.

The PD, LGD and EAD models are designed to forecast the credit quality and performance of a TCP portfolio based on industry, geography, rating and size of obligors, among other attributes of the portfolio. PD, LGD and EAD models are calibrated based on historical MEVs and use forecasted macroeconomic scenarios for projecting PD, LGD and EAD values.



J.P. Morgan Securities India Private Limited

Notes to the financial statements for the year ended March 31, 2025

(All amounts are in Rs. Lakhs, unless otherwise stated)

Debt Securities

The calculation of the ECL on Debt securities measured at amortised cost depends on the staging of each financial instrument.

ECL calculation

The Company uses the forward-looking PD, LGD, and EAD values for each of the scenarios to produce the scenario credit losses ("SCLs"). The modelled ECL estimate includes a probability-weighted calculation of the five SCLs discounted using the original effective interest rate or an approximation thereof.

The modelled ECL results are reviewed by management and adjustments ('management overlays') are considered to ensure final results reflect the Company's best estimate of ECLs on its exposures. Management overlays are only applied if necessary to account for significant idiosyncratic risks which are not yet reflected in underlying risk ratings, LGD, exposure profile or scenario weights used and which are expected to have a high probability of occurrence. The final ECL estimate and assumptions require significant management judgement and certain assumptions are highly subjective.

Measurement of ECLs in the Company's Non-TCP Portfolios

The Company's approach to measuring ECLs for Non-TCP portfolios depends on the type of asset. The Company has determined that ECLs on all Non-TCP portfolios are without SICR (i.e. Stage 1) and immaterial due to: the credit quality of the borrower, short-term nature of the instrument and the existence of collateral.

TREPs

TREPs refer to Repo with Government securities with Clearing Corporation of India Limited acting as Tri-party repo agent. The TREPs engaged into by the Company are fully collateralized by basket of government securities. However, as guided by RBI, the company has disclosed TREPs under "Loans and advances" in the Balance Sheet and computes ECL on the same.

Receivables

The Company's receivables mainly consists of intercompany receivables. The Company will write-off an intercompany receivable when it is (i) deemed to be uncollectible or (ii) past due for more than 90 days, whichever occurs first. The Company believes that the 90 day write-off policy materially limits the intercompany exposure recorded on the balance sheet that may have collectability concerns and no additional impairment charges are required in this category. The Company has not experienced any losses on inter-company receivables in the past.

The Company continues to monitor its Non-TCP portfolios to ensure the described framework is appropriate and its exposure to credit risk and ECLs on these portfolios are adequately reflected in the allowance for credit losses.

ECL and gross carrying amount reconciliation

The following tables provide an explanation of the change in the loss allowance during the year ended March 31, 2025 by respective product classes. The tables also set out how significant changes in the gross carrying amount of financial instruments contributed to the changes in the loss allowance:

Traditional credit products

Loans and advances to corporates at amortised cost

The company has no outstanding TCP loans and advances to corporates at amortised cost for current year and previous year.



J.P. Morgan Securities India Private Limited**Notes to the financial statements for the year ended March 31, 2025**

(All amounts are in Rs. Lakhs, unless otherwise stated)

Debt securities measured at amortised cost**For the year ended March 31, 2025**

Particulars	ECL				Gross carrying amount			
	Stage 1 12-Month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total	Stage 1	Stage 2	Stage 3	Total
New debt securities originated or purchased	878	-	-	878	31,926	-	-	31,926
Debt securities derecognised or repaid	754	-	-	754	26,229	-	-	26,229
Debt securities at the beginning of the year	121	-	-	121	5,481	-	-	5,481
Transfer to stage 1	-	-	-	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-	-	-	-
As at March 31, 2025	245	-	-	245	11,178	-	-	11,178

For the year ended March 31, 2024

Particulars	ECL				Gross carrying amount			
	Stage 1 12-Month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total	Stage 1	Stage 2	Stage 3	Total
New debt securities originated or purchased	-	-	-	-	-	-	-	-
Debt securities derecognised or repaid	283	-	-	283	14,304	-	-	14,304
Debt securities at the beginning of the year	404	-	-	404	19,785	-	-	19,785
Transfer to stage 1	-	-	-	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-	-	-	-
As at March 31, 2024	121	-	-	121	5,481	-	-	5,481

Non-traditional credit products

Non-Traditional Credit Products ("non-TCPs") include all other instruments measured at amortised cost and subject to the impairment provisions under IND AS. No ECL has been recognised on non-TCPs as explained in "Measurement of ECLs in the Company's Non-TCP Portfolios" apart from TREPs as guided by RBI.



J.P. Morgan Securities India Private Limited**Notes to the financial statements for the year ended March 31, 2025**

(All amounts are in Rs. Lakhs, unless otherwise stated)

Credit risk exposures

The following table provides an analysis of the credit risk exposure for TCP, Non TCP and Debt Securities measured at amortised cost for which an ECL allowance is recognised or not. The gross balance sheet exposure of financial assets below also represents the Company's maximum exposure to credit risk on these assets.

Particulars	Gross balance sheet exposure	Exposures captured by market risk	Risk Mitigants	Net credit exposure	Net balance sheet exposure held with	
			Cash & security collateral		JPMorgan Chase undertakings	External counter parties
As at March 31, 2025						
Cash and cash equivalents	4,093	-	-	4,093	3,178	915
Loans and advances	87,205	63,912	23,293	-	-	23,293
Investment securities	358,349	347,416	-	10,933	-	10,933
Receivables - other receivables	269	-	-	269	269	-
Other financial assets	2,561	-	-	2,561	-	2,561
As at March 31, 2024						
Cash and cash equivalents	10,296	-	-	10,296	5,168	5,128
Loans and advances	12,456	12,456	-	-	-	-
Investment securities	400,157	3,94,797	-	5,360	-	5,360
Receivables - other receivables	164	-	-	164	164	-
Other financial assets	2,563	-	-	2,563	-	2,563

Maturity profile

Maturity ^	As at March 31, 2025	As at March 31, 2024
5 years or more	-	-
5 years or less but over 1 year	-	1,693
1 year or less but over 3 months	10,933	3,667
3 months or less	23,293	-
Total	34,226	5,360

^ Represents principal amount of TREPs including accrued interest thereon and debt securities measured at amortised cost.

Ratings profile as at March 31, 2025

Particulars	Stages			Purchased credit-impaired	As at March 31, 2025
	Stage 1	Stage 2	Stage 3		
Held at amortised cost (Rating grades - AAA/Aaa to BBB-Baa3)	12-month ECL	Lifetime ECL	Lifetime ECL		Total
Gross carrying amount	34,474	-	-	-	34,474
Impairment loss allowance	(248)	-	-	-	(248)
Net carrying amount	34,226	-	-	-	34,226



J.P. Morgan Securities India Private Limited**Notes to the financial statements for the year ended March 31, 2025**

(All amounts are in Rs. Lakhs, unless otherwise stated)

Ratings profile as at March 31, 2024

Particulars	Stages			Purchased credit-impaired	As at March 31, 2024
	Stage 1	Stage 2	Stage 3		
Held at amortised cost (Rating grades - AAA/Aaa to BBB-Baa3)	12-month ECL	Lifetime ECL	Lifetime ECL		Total
Gross carrying amount	5,481	-	-	-	5,481
Impairment Loss allowance	(121)	-	-	-	(121)
Net carrying amount	5,360	-	-	-	5,360

Analysis of concentration credit risk

Concentrations of credit risk arise when a number of customers are engaged in similar business activities or activities in the same geographic region, or when they have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic conditions.

Industry concentration	As at March 31, 2025	As at March 31, 2024
Tourism, Hotel and Restaurants	-	-
Commercial Real Estate	-	-
Non-Banking Financial Institutions	-	-
Infrastructure Finance	-	-
Others	34,226	5,360
Total	34,226	5,360



J.P. Morgan Securities India Private Limited
Notes to the financial statements for the year ended March 31, 2025

(All amounts are in Rs. Lakhs, unless otherwise stated)

36 FINANCIAL INSTRUMENTS

A Financial instruments by category

Particulars	March 31, 2025		March 31, 2024	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
FINANCIAL ASSETS				
Cash and cash equivalents	-	4,093	-	10,296
Receivables - other receivables	-	269	-	164
Loans and advances	63,912	23,293	12,456	-
Investment securities	347,416	10,933	394,797	5,360
Other financial assets	-	2,561	-	2,563
Total financial assets	411,328	41,149	407,253	18,383
FINANCIAL LIABILITIES				
Trade payables				
(i) total outstanding dues of micro and small enterprises	-	29	-	27
(ii) total outstanding dues of creditors other than micro and small enterprises	-	63	-	36
Other financial liabilities	-	1,355	-	1,162
Total financial liabilities	-	1,447	-	1,225

B Fair value hierarchy

The fair value of financial instruments as referred to in note (A) above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

- Level 1: inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets;
- Level 2: inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument; and
- Level 3: one or more inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

	Level 1	Level 2	Level 3	Total
As at March 31, 2025				
Financial assets measured at FVTPL				
Investment securities	-	347,416	-	347,416
Loans and advances	-	63,912	-	63,912
Total financial assets	-	411,328	-	411,328
As at March 31, 2024				
Financial assets measured at FVTPL				
Investment securities	322,210	72,587	-	394,797
Loans and advances	-	12,456	-	12,456
Total financial assets	322,210	85,043	-	407,253

C Valuation techniques

Investments in debt securities

Whilst most of these instruments are standard fixed rate securities. The company is valuing these instruments based on quotes available in the active market i.e. lower of price computed based on FIMMDA guidelines, trader marked rates and quotes available from the third party intermediaries (brokers). Debt securities issued by Government are generally Level 1 while bonds issued by Corporates are generally Level 2 unless there is sufficient third party trading data to justify level 1 classification. Level 3 instruments are those where significant inputs cannot be referenced to observable data.

Loans and advances (measured at FVTPL)

The fair value of the loan is derived by discounting of future interest flows and the repayment of notional. The loan is classified under Level 2 since direct prices are not available in active market.

Calculation of fair values

The fair values of the financial assets and liabilities are defined as 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.

Financial assets and liabilities measured at fair value as at balance sheet date:

Investments are measured at fair value as at the balance sheet date except Pass Through Certificates (PTC) which is measured at amortized cost.

All the other financial assets & liabilities are measured at amortised cost and fair value disclosed in Note 36 part D are for disclosure purposes only.



J.P. Morgan Securities India Private Limited
Notes to the financial statements for the year ended March 31, 2025
(All amounts are in Rs. Lakhs, unless otherwise stated)

D Accounting classifications and fair values

The carrying amounts and fair value of financial assets and liabilities, measured at amortised cost are as follows:

	Carrying value	Fair value			Total
		Level 1	Level 2	Level 3	
As at March 31, 2025					
Financial assets measured at amortised cost					
Cash and cash equivalents	4,093	4,093	-	-	4,093
Investment securities	10,933	-	11,293	-	11,293
Receivables - other receivables	269	269	-	-	269
Loans and advances	23,293	23,293	-	-	23,293
Other financial assets	2,561	2,561	-	-	2,561
Total financial assets	41,149	30,216	11,293	-	41,509
Financial liabilities measured at amortised cost					
Trade payables	92	92	-	-	92
Other financial liabilities	1,355	1,355	-	-	1,355
Total financial liabilities	1,447	1,447	-	-	1,447
As at March 31, 2024					
Financial assets measured at amortised cost					
Cash and cash equivalents	10,296	10,296	-	-	10,296
Investment securities	5,360	-	5,490	-	5,490
Receivables - other receivables	164	164	-	-	164
Other financial assets	2,563	2,563	-	-	2,563
Total financial assets	18,383	13,023	5,490	-	18,513
Financial liabilities measured at amortised cost					
Trade payables	63	63	-	-	63
Other financial liabilities	1,162	1,162	-	-	1,162
Total financial liabilities	1,225	1,225	-	-	1,225

Valuation methodologies of financial instruments not measured at fair value:

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the entity's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables and, as such, may differ from the techniques and assumptions explained in note 36 part C.

For financial assets and financial liabilities that have a short-term maturity (less than twelve months) and for other financial assets and other financial liabilities that are insignificant in value, the carrying amounts, net of impairment, if any, are a reasonable approximation of their fair value. Such instruments includes cash and cash equivalents, receivables - other receivables, TREPs, other financial assets, trade payables and other financial liabilities. Such instruments have been classified as Level 1 on the basis that no adjustments have been made to the balances in the balance sheet.

The fair value of investment securities is estimated using valuation techniques mentioned in note 36 part C.

E INCOME & EXPENSES ON FINANCIAL INSTRUMENTS

Income and expenses recognised on financial assets and liabilities in the Statement of Profit and Loss are as follows:

	Year ended March 31, 2025	Year ended March 31, 2024
Financial assets measured at amortised cost		
Interest income	2,949	3,505
Finance cost	-	986
Impairment / (Reversal of impairment) on financial instruments	127	(290)
Financial assets measured at FVTPL		
Interest income	27,435	24,845
Net gains on fair value changes on investment securities	5,298	7,206
Net gains on fair value changes on loans and advances	439	153



J.P. Morgan Securities India Private Limited
Notes to the financial statements for the year ended March 31, 2025

(All amounts are in Rs. Lakhs, unless otherwise stated)

37 CAPITAL

The Company maintains an actively managed capital base to cover risks inherent in its business and is meeting the capital adequacy requirements of Reserve Bank of India (RBI). The adequacy of the Company's capital is monitored under the regulations issued by the RBI.

CAPITAL MANAGEMENT

The Board of Directors (BOD) of the Company have assigned the responsibility for oversight and comprehensive management of capital requirements on the Assets Liability Committee (ALCO). BOD ensures that the Company complies with local regulatory capital requirements and maintains healthy capital ratios in order to support its business and to maximise revenue with optimal capital mix.

The Company manages its capital structure and the risk characteristics of its activities. ALCO periodically reviews the capital requirements as per the business needs in conjunction with RBI regulations.

Regulatory capital

Particulars	As at March 31, 2025	As at March 31, 2024
Tier 1 Capital	453,684	427,346
Tier 2 Capital	248	121
Total Capital	453,932	427,467
Risk weighted assets	348,841	348,710
Tier 1 Capital ratio %	130.05	122.55
Total Capital Ratio %	130.13	122.59

Tier 1 capital mainly consists of equity share capital including share premium thereof, free reserves less unrealised gain on financial instruments, prepaid expenses and deferred tax assets (net).

38 SHARE-BASED PAYMENTS

(a) Restricted Stock Units (RSUs):

J.P. Morgan Chase & Co. grants the company's employees restricted stock units (RSUs) out of J.P. Morgan Chase & Co. shares, from time to time, on a discretionary basis. These RSUs are awarded at no cost to the recipient upon their grant. Generally, RSUs are granted annually and vest at a rate of 50% after two years and 50% after three years and are converted into shares of common stock of J.P. Morgan Chase & Co. as on the vesting date. In addition, RSUs typically include full career eligibility provisions, which allow employees to continue to vest upon voluntary termination, subject to post employment and other restrictions based on age or service related requirements. All RSU awards are subject to forfeiture until vested and contain claw back provisions that may result in cancellation under certain specified circumstances. RSUs entitle the recipient to receive cash payments equivalent to any dividends paid on the underlying common stock during the period the RSUs are outstanding.

The company separately recognizes compensation expense for each tranche of each award, net of estimated forfeitures, as if it were a separate award with its own vesting date. Generally, for each tranche granted, compensation expense is recognized on a straight line basis from the grant date until the vesting date of the respective tranche, provided that the employees will not become full career eligible during the vesting period. For awards with full career eligibility provisions and awards granted with no future substantive service requirement, the Company accrues the estimated value of awards expected to be awarded to employees as on the grant date without giving consideration to the impact of post employment restrictions. For each tranche granted to employees who will become full career eligible during the vesting period, compensation expense is recognized on a straight line basis from the grant date until the earlier of the employee's full career eligibility date or the vesting date of the respective tranche.

RSUs Activity

Compensation expense for RSUs is measured based on the number of units granted multiplied by the stock price at the grant date. Compensation expense for these awards is recognized in employee benefits expenses. The following table summarizes RSUs activity.

Particulars	RSUs			
	Year ended March 31, 2025		Year ended March 31, 2024	
	Weighted Average Grant Date Fair Value per share (Rs.)	Number of Shares	Weighted Average Grant Date Fair Value per share (Rs.)	Number of Shares
Outstanding at the beginning of the year	12,282	1,528	11,861	3,207
Granted during the year	22,106	709	13,759	546
Exercised during the year*	11,838	(622)	11,231	(1,830)
Cancelled during the year	-	-	12,097	(430)
Transferred during the year	-	-	12,191	35
Outstanding at the end of the year	17,112	1,615	12,282	1,528

*The weighted average share price of RSUs exercised during the year ended March 31, 2025 was Rs. 18,830 per share (March 31, 2024 was Rs. 12,809 per share)

The total fair value of RSUs that vested during the year ended March 31, 2025 was Rs. 74 (March 31, 2024 Rs. 206)

The maximum term of RSUs existed at any time during the year ended March 31, 2025 was 4 years (March 31, 2024 4 years). Fair value of RSUs was determined basis the market value of J.P. Morgan Chase's common stock on the grant date.

(b) Expenses arising from share based payment transactions

Total expenses arising from share based payment transactions recognised in statement of profit or loss as part of employee benefit expenses were as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Restricted stock units	59	95
Total employee share based payment expense	59	95



J.P. Morgan Securities India Private Limited**Notes to the financial statements for the year ended March 31, 2025**

(All amounts are in Rs. Lakhs, unless otherwise stated)

39 Disclosures in terms of the RBI master directions RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 (as amended from time to time)**i Capital to Risk Assets Ratio (CRAR)**

Items	As at March 31, 2025	As at March 31, 2024
CRAR (%)	130.13	122.59
CRAR – Tier I capital (%)	130.05	122.55
CRAR – Tier II capital (%)	0.08	0.04

- ii There were no securitisation, reconstruction, derivative and assignment transactions undertaken by the company during the current year as well as the previous year.

iii Exposure to Real Estate Sector

Category	As at March 31, 2025	As at March 31, 2024
A) DIRECT EXPOSURE		
Commercial real estate Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits	84,000	84,000
B) INDIRECT EXPOSURE		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	55,238	61,851

iv Exposure to capital market

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/ convertible bonds/convertible debentures/units of equity oriented mutual funds does not fully cover the advances	15,000	-



v Sectoral Exposure

Category	As at March 31, 2025		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Industry	45,112	-	0.00%
1.1 Airports	-	-	0.00%
1.2 Others	45,112	-	0.00%
2. Service industry	390,314	-	0.00%
2.1 Housing Finance Companies (HFCs)	30,098	-	0.00%
2.2 Public Financial Institutions (PFIs)	57,683	-	0.00%
2.3 Other Non-Banking Financial Companies	57,235	-	0.00%
2.4 Commercial Real Estate	84,000	-	0.00%
2.5 Others	161,298	-	0.00%
3. Others	-	-	0.00%
Total	435,426	-	0.00%

Category	As at March 31, 2024		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Industry	72,296	-	0.00%
1.1 Airports	52,342	-	0.00%
1.2 Others	19,954	-	0.00%
2. Service industry	401,342	-	0.00%
2.1 Housing Finance Companies (HFCs)	37,425	-	0.00%
2.2 Public Financial Institutions (PFIs)	109,793	-	0.00%
2.3 Commercial Real Estate	84,000	-	0.00%
2.4 Others	170,124	-	0.00%
3. Others	-	-	0.00%
Total	473,638	-	0.00%

vi Investment securities

Category	As at March 31, 2025	As at March 31, 2024
1) Value of investment securities		
(i) Gross value of investment securities *		
(a) In India	358,920	400,281
(b) Outside India	-	-
(ii) Provisions for depreciation (net of appreciation)^		
(a) In India	(326)	(3)
(b) Outside India	-	-
(iii) Net value of investment securities *		
(a) In India	358,594	400,278
(b) Outside India	-	-
2) Movement of provisions held towards depreciation on investment securities (net of appreciation)		
(i) Opening balance	3	4,357
(ii) Add : Provisions made during the year	326	3
(iii) Less : Write off / write-back of excess provisions during the year	(3)	(4,357)
(iv) Closing balance	326	3

* Represents principal amount of Investment securities including accrued interest thereon and unamortised fee.

^ Provision for depreciation does not include ECL allowance.



J.P. MORGAN SECURITIES INDIA PRIVATE LIMITED
Notes to the financial statements for the year ended March 31, 2025

(All amounts are in Rs. Lakhs, unless otherwise stated)

vii Maturity pattern of certain items of assets and liabilities
Year ended March 31, 2025

Particulars	One Month			Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
	1 day to 7 days	8 days to 14 days	15 days to 30 days								
Loans and advances*	23,293	-	204	-	-	-	-	-	63,708	-	87,205
Investment securities*	13	635	584	2,334	2,241	8,151	79,637	146,575	45,372	72,807	358,349

Year ended March 31, 2024

Particulars	One month			Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
	1 day to 7 days	8 days to 14 days	15 days to 30 days								
Loans and advances*	-	-	44	-	-	-	-	-	12,412	-	12,456
Investment securities*	35,000	35,000	80,000	150,000	71,284	11,985	2,473	1,693	-	12,722	400,157

* Loans and advances represent principal amount (net of provisions) of term loan/ TREPs including accrued interest thereon; investment securities represent principal amount (net of ECL / unrealised gains (losses)) including accrued interest and unamortised fees thereon.

Classification of assets and liabilities under the different maturity buckets is based on the same estimates and assumptions as used by the Company for compiling the Asset Liability management return submitted to the Reserve Bank of India.

viii Provisions and Contingencies in statement of Profit and Loss

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Fair value (losses) / gains on investment securities (Refer note 24)	(323)	4,354
Provision for penalty on stamp duty (on merger cost) (Refer note 28)	385	-
Provision for tax expenses (Refer note 30)	9,360	8,227
Provision / (Reversal of provision) for compensated absences (Refer note 18)	2	(3)
Fair value gains on loans and advances (Refer note 24)	439	153
Impairment / (Reversal of impairment) on financial instruments (Refer note 26)	127	(290)

ix Concentration of loans and advances

Particulars	As at March 31, 2025	As at March 31, 2024
Total loans and advances to twenty largest borrowers*	87,205	12,456
Percentage of loans and advances to twenty largest borrowers to total advances of the NBFC	100%	100%

* Loans and advances represent principal amount (net of provisions) of term loan/ TREPs including accrued interest thereon.

x The Company had no non performing investment securities and loans and advances as of March 31, 2025 and March 31, 2024.

xi There were no non-performing financial assets purchased/sold during the current year as well as the previous year.

xii Movement of NPAs (non performing investment securities)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Net NPAs to Net investment securities (%)	-	-
(ii) Movement of NPAs (Gross) *		
(a) Opening balance	-	3,782
(b) Additions during the year	-	-
(c) Reductions during the year	-	(3,782)
(d) Closing balance	-	-
(iii) Movement of Net NPAs *		
(a) Opening balance	-	3,782
(b) Additions during the year	-	-
(c) Reductions during the year	-	(3,782)
(d) Closing balance	-	-

*As the Company measures the investment securities at fair value through profit and loss, no additional provision is required to be made on the non-performing investment securities and hence, GNPA and NNPA are same. Non-performing investment securities includes accrued interest thereon and liquidity reserves.

xiii Concentration of Exposures

Particulars	As at March 31, 2025	As at March 31, 2024
Total Exposure to twenty largest borrowers/ customers	429,996	472,768
Percentage of Exposures to twenty largest borrowers/ customers to Total Exposures of the NBFC on borrowers/ customers	98.75%	99.82%



J.P. MORGAN SECURITIES INDIA PRIVATE LIMITED**Notes to the financial statements for the year ended March 31, 2025**

(All amounts are in Rs. Lakhs, unless otherwise stated)

- xiv The Company is not registered with any other regulator other than the Reserve Bank of India.
- xv No penalties were imposed by the regulator during the current year as well as previous year.
- xvi A comparison between provisions required under income recognition, asset classification and provisioning (IRACP) and impairment allowances made under Ind AS 109 as on March 31, 2025 in accordance with "Implementation of Indian Accounting Standards" RBI/2019-20/170,DOR (NBFC).CC.PD.No.10 9/22.10.106/2019-20 dated March 13, 2020.

As at March 31, 2025

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
Performing Assets						
Standard	Stage 1	97,794	(248)	97,546	(391)	143
	Stage 2	-	-	-	-	-
Subtotal		97,794	(248)	97,546	(391)	143
Non Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Sub-total for Doubtful		-	-	-	-	-
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 IRACP norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	97,794	(248)	97,546	(391)	143
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Total	97,794	(248)	97,546	(391)	143

As at March 31, 2024

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
Performing Assets						
Standard	Stage 1	17,784	(121)	17,663	(71)	(50)
	Stage 2	-	-	-	-	-
Subtotal		17,784	(121)	17,663	(71)	(50)
Non Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Sub-total for Doubtful		-	-	-	-	-
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 IRACP norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	17,784	(121)	17,663	(71)	(50)
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Total	17,784	(121)	17,663	(71)	(50)

During the year ended March 31, 2025, the Company has created provision of 0.40% amounting to Rs. 252 (March 31, 2024 - Rs 49) on outstanding term loan. Additionally, provision of 0.40% is created on unquoted investments amounting to Rs. 190 (March 31, 2024 - Rs 50)

Further, no incremental impairment reserve is required to be created during the current year (previous year) as there is sufficient balance of impairment reserve as on March 31, 2025 and March 31, 2024.



J.P. MORGAN SECURITIES INDIA PRIVATE LIMITED**Notes to the financial statements for the year ended March 31, 2025**

(All amounts are in Rs. Lakhs, unless otherwise stated)

xvii Disclosures in terms of the RBI master directions RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 (as amended from time to time)

(i) Funding Concentration based on significant counterparty (both deposits and borrowings) - Not Applicable (As at March 31, 2024 - Not Applicable)

(ii) Top 20 large deposits - Not Applicable (As at March 31, 2024 - Not Applicable)

(iii) Top 10 borrowings - Not Applicable (As at March 31, 2024 - Not Applicable)

(iv) Funding concentration based on significant instrument/product - Not Applicable (As at March 31, 2024 - Not Applicable)

(v) Stock Ratios:

(a) Commercial papers as a % of total public funds, total liabilities and total assets - Not Applicable (As at March 31, 2024 - Not Applicable)

(b) Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets - Not Applicable (As at March 31, 2024 - Not Applicable)

(c) Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets

	As at March 31, 2025	As at March 31, 2024
1) Other short-term liabilities as % total public Funds	Not Applicable	Not Applicable
2) Other short-term liabilities as % total liabilities *	47.52%	55.43%
3) Other short-term liabilities as % total Assets	0.34%	0.29%

*Total liabilities excludes equity

(vi) Institutional set-up for liquidity risk management

The Board of Directors of JPMorgan Securities India Private Limited (the "JPMSI") has delegated oversight of liquidity risk to JPMorgan Securities India Private Limited Risk Management Committee ("RMC"). As governed by the JPMSI RMC Terms of Reference, where required, matters will be escalated from the JPMSI RMC to JPMSI Board of Directors or Asia Pacific Risk Committee.

The Liquidity Risk Management (LRM) group is an Independent Risk Management function, reporting to the CTC Chief Risk Officer (CRO) who also serves as the Firmwide Risk

Executive of Liquidity Risk LRM is responsible for the independent assessment, measuring, monitoring, and control of liquidity risk across the firm. Their responsibilities include, but are not limited to:

- 1) Defining, monitoring, and reporting liquidity risk metrics
- 2) Independently establishing and monitoring limits and indicators, including liquidity Risk Appetite
- 3) Developing a process to classify, monitor and report limit breaches
- 4) Performing independent review of liquidity risk management processes
- 5) Monitoring and reporting internal firmwide and LE stress tests, and regulatory defined stress testing
- 6) Approving or escalating for review new or updated liquidity stress assumptions

xviii Concentration of credit/ investment norms does not apply to the company vide the RBI master directions RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 (as amended from time to time)

xix There were no customer complaints received during the current year as well as previous year.

xx There were no Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction during the current year as well as during the previous year.

xxi Since the Company does not have any subsidiary, Ind AS 110 - Consolidated Financial Statements (CFS) is not applicable.

xxii The disclosure pertaining to financing of parent company products is not applicable as the Company does not finance any parent company products.

xxiii During the current as well as previous year, the Company has not postponed revenue recognition on account of pending uncertainties.

xxiv During the current and previous year, the Company has not made any drawdown of reserves.

xxv The Company does not have any overseas joint venture / subsidiary.

xxvi Unhedged foreign currency exposure

Foreign exchange risk arises when future commercial transactions or recognized assets or liabilities are denominated in a currency that is not the Company's functional currency. The Company's foreign currency exposure results primarily from movements of the Indian Rupee (Rs.) against the US Dollar (USD). The Company does not have significant foreign exchange exposure and accordingly the impact of changes in foreign currency rate is considered insignificant given the nature and size of business.

However, company has unhedged foreign current exposure of Rs. 432 in current year and Rs. 565 in previous year.

40 Disclosure of ratios as per schedule III of companies Act, 2013:

Particulars	Reference
(a) Capital to risk-weighted assets ratio (CRAR) %	Refer note 37 of financial statement
(b) Tier 1 CRAR	Refer note 37 of financial statement
(c) Tier 2 CRAR	Refer note 37 of financial statement
(d) Liquidity Coverage Ratio (LCR)	As per RBI master directions RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 (as amended from time to time), the entity is not required to maintain LCR.



41 DUES TO MICRO AND SMALL ENTERPRISES

	<u>Year ended</u> <u>March 31, 2025</u>	<u>Year ended</u> <u>March 31, 2024</u>
i The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-
ii The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
iii The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006.	-	-
iv The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
v The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Act, 2006.	-	-

The above information regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

42 CONTINGENT LIABILITY

Income tax demands disputed by the Company as at March 31, 2025 Rs.818 (March 31, 2024 Rs. 818)

43 EVENTS AFTER THE REPORTING PERIOD

There were no material events subsequent to March 31, 2025 and up until the adoption of the financial statements by the Board of Directors, unless otherwise disclosed in these financial statements.

44 RELATIONSHIP WITH STRUCK OFF COMPANIES

The company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

45 Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023

Information in accordance with the requirements of paragraph 31 of RBI master directions RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 (as amended from time to time) is given in Annexure I.

46 Registration of charges or satisfaction with Registrar of Companies (ROC)

There are no charges or satisfaction yet to be registered with ROC beyond the statutory period for the company.

47 OTHER STATUTORY INFORMATION

No transactions to report against the following disclosure requirements as notified by MCA pursuant to Schedule III in current and previous year:

- Details of benami property held
- Wilful defaulter
- Utilisation of borrowed funds & share premium
- Undisclosed income
- Valuation of PPE, intangible asset and investment property
- Details of crypto currency or virtual currency

48 PREVIOUS YEAR COMPARATIVES

Previous year amounts have been reclassified, wherever necessary, to conform to current year's classification.

For C N K & Associates LLP

Chartered Accountants

Firm Registration No. 101961W/W100036

Suresh Agaskar
Partner

Membership No. 110321



For and on behalf of the Board of Directors

Vikram Ramani
CEO and Whole-time Director
DIN: 9722062
Place: Mumbai

Harsh Bansal
Whole-time Director
DIN: 8878571
Place: Mumbai

Ketki Bhogle
Company Secretary
ACS35033
Place: Mumbai

Place: Mumbai

Date : June 06, 2025

Date : June 06, 2025

**ANNEXURE I FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
MARCH 31, 2025**

Schedule to the Balance Sheet of a Non-Banking Financial Company

(as required in terms of Paragraph 31 of RBI master directions RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 (as amended from time to time))

(All amounts are in Rs. Lakhs, unless otherwise stated)

Liabilities Side					
	Particulars	As at March 31, 2025		As at March 31, 2024	
		Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
(1)	Loans and advances availed by the NBFCs				
	(a) Debentures : Secured	-	-	-	-
	: Unsecured	-	-	-	-
	(other than falling within the meaning of public deposits)				
	(b) Deferred Credits	-	-	-	-
	(c) Term Loans	-	-	-	-
	(d) Intercompany loans and borrowing	-	-	-	-
	(e) Commercial Paper	-	-	-	-
	(f) Public Deposits	-	-	-	-
	(g) Other Loans - Liability component of compound financial instruments	-	-	-	-
(2)	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :				
	(a) In the form of Unsecured debentures	-	-	-	-
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
	(c) Other public deposits	-	-	-	-
Asset Side					
	Particulars	As at March 31, 2025	As at March 31, 2024		
		Amount Outstanding	Amount Outstanding		
(3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:				
	(a) Secured *	86,412	12,259		
	(b) Unsecured	-	-		
(4)	Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities				
	(i) Lease assets including lease rentals under sundry debtors:				
	(a) Financial lease	-	-		
	(b) Operating lease	-	-		
	(ii) Stock on hire including hire charges under sundry debtors:				
	(a) Assets on hire	-	-		
	(b) Repossessed Assets	-	-		
	(iii) Other loans counting towards AFC activities				
	(a) Loans where assets have been repossessed	-	-		
	(b) Loans other than (a) above	-	-		
(5)	Break-up of Investments :				
	Current investments:				
	1. Quoted				
	(i) Shares: (a) Equity	-	-		
	(b) Preference	-	-		
	(ii) Debentures and Bonds *	217,662	306,226		
	(iii) Units of Mutual funds	-	-		
	(iv) Government Securities *	-	-		
	(v) Others (certificate of deposits)	75,111	65,372		
	2. Unquoted				
	(i) Shares: (a) Equity	-	-		
	(b) Preference	-	-		
	(ii) Debentures and Bonds	47,410	12,410		
	(iii) Units of Mutual funds	-	-		
	(iv) Government Securities	-	-		
	(v) Others (Commercial Papers)	-	-		
	Long Term investments				
	1. Quoted				
	(i) Shares: (a) Equity	-	-		
	(b) Preference	-	-		
	(ii) Debentures and Bonds	-	-		
	(iii) Units of Mutual funds	-	-		
	(iv) Government Securities	-	-		
	(v) Others (please specify)	-	-		
	2. Unquoted				
	(i) Shares: (a) Equity	-	-		
	(b) Preference	-	-		
	(ii) Debentures and Bonds	-	-		
	(iii) Units of Mutual funds	-	-		
	(iv) Government Securities	-	-		
	(v) Others (Pass through certificates)	11,168	5,468		

* Represents principal value of term loan, TREPs & investments



**ANNEXURE I FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
MARCH 31, 2025**

Schedule to the Balance Sheet of a Non-Banking Financial Company

(as required in terms of Paragraph 31 of RBI master directions RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 (as amended from time to time))

(All amounts are in Rs. Lakhs, unless otherwise stated)

(6) Borrower group-wise classification of assets financed as in (3) and (4) above: (Refer note 1 below)							
Category	As at March 31, 2025			As at March 31, 2024			
	Amount net of provisions			Amount net of provisions			
	Secured	Unsecured	Total	Secured	Unsecured	Total	
1. Related Parties							
(a) Subsidiaries	-	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-	-
(c) Other related parties	-	-	-	-	-	-	-
2. Other than related parties	87,205	-	87,205	12,456	-	12,456	
Total	87,205	-	87,205	12,456	-	12,456	

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):					
Category	As at March 31, 2025		As at March 31, 2024		
	Market Value	Book Value (Net of Provisions)	Market Value	Book Value (Net of Provisions)	
1. Related Parties**					
(a) Subsidiaries	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-
(c) Other related parties	-	-	-	-	-
2. Other than related parties ^	350,780	351,106	389,352	389,355	
Total	350,780	351,106	389,352	389,355	

** As per Accounting Standard of ICAI (please see Note 2)

^ Excludes interest and unamortised fees on investments

(8) Other Information				
	Particulars	As at March 31, 2025	As at March 31, 2024	
		Amount	Amount	
(i)	Gross Non Performing Assets			
	(a) Related Parties	-	-	-
	(b) Other than related parties	-	-	-
(ii)	Net Non-Performing Assets			
	(a) Related Parties	-	-	-
	(b) Other than related parties	-	-	-
(iii)	Assets acquired in satisfaction of debt	-	-	-

Notes:

1. Provisioning norms shall be applicable as prescribed in RBI master directions RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 (as amended from time to time)

2. All notified Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investment securities and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

