SBI Trustee

PRESS RELEASE

Ref. No. 1011 /STCL/DT/2024-25 **17th May, 2024**

To,

Securities and Exchange Board of India	**BSE Limited**	**National Stock Exchange of India Limited**
Plot No.C 4-A, G Block,NearBank of India, Bandra Kurla Complex, Bandra East Mumbai 400051	Phiroze Jeejeebhoy Towers Dalal Street, Mumbai-400001	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051

Sub: Breach of Financial Covenant by the JM Financial Asset Reconstruction Company Limited (Issuer).

We, SBICAP Trustee Company Limited (STCL) acting as Debenture Trustee for the Secured, Redeemable, Taxable, Non-Convertible Debentures (NCDs) issued by the JM Financial Asset Reconstruction Company Limited through various executed Debenture Trust Deeds (DTDs) for the ISINs mentioned below:

ISINs	**Private Placement/ Public Issue**	**Secured/ Unsecured**	**Issue Size (Rs.)**
INE265J07415	Private Placement	Secured	25 Crore
INE265J07423	Private Placement	Secured	70 Crore
INE265J07431	Private Placement	Secured	100 Crore
INE265J07449	Private Placement	Secured	150 Crore
INE265J07449	Private Placement	Secured	30 Crore
INE265J07456	Private Placement	Secured	125 Crore
INE265J07464	Private Placement	Secured	75 Crore
INE265J07472	Private Placement	Secured	50 Crore
INE265J07480	Private Placement	Secured	75 Crore
INE265J07498	Private Placement	Secured	50 Crore
INE265J07506	Private Placement	Secured	400 Crore
INE265J07522	Private Placement	Secured	175 Crore
INE265J07514	Private Placement	Secured	175 Crore
INE265J07530	Private Placement	Secured	30 Crore
INE265J07548	Private Placement	Secured	50 Crore
INE265J07555	Private Placement	Secured	50 Crore

We have received the audited standalone and consolidated financial results from the Issuer for the financial year ended March 31, 2024.

As per the terms of NCD issue, the Issuer shall maintain the following financial covenant during the entire tenor of the NCDs as mentioned below:

- The ratio of Debt to Equity of the Issuer should be below 2.25 (Two Decimal Twenty-Five Point) times.

We have observed the breach in covenant as per the audited financial results for the year ended March 31, 2024 that the ratio of Debt Equity of the Issuer is 4.76, which is higher than maximum requirement as DTDs executed for the above-mentioned ISINs.

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With reference to the SEBI Master circular SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16, 2024 & DTD executed by the Issuer, this is to inform you that there is breach of financial covenant by the Issuer.

Moreover, any material non-compliance with any covenant, condition or agreement on the part of the Company under any Transaction Documents for NCD issue is construed to be Event of Default as per the executed DTDs.

You are requested to note that we will be following the procedure of breach of covenants as per the SEBI Master Circular dated May 16, 2024.

This is for your information and records.

For SBICAP Trustee Company Limited

Authorised Signatory

CC:
1) Credit Rating Agencies.
2) National Securities Depository Limited.
2) Bond/Debenture Holders