

October 23, 2019

BSE Limited
Department of Corporate Services
1st Floor, New Trading Ring
Rotunda Building, P J Towers
Dalal Street, Fort,
Mumbai 400001

National Stock Exchange of India Limited
Exchange Plaza
Plot No.C-1, G Block
Bandra-Kurla Complex
Bandra (East)
Mumbai – 400 051

Security Code: **523405**

Symbol: **JMFINANCIL**

Dear Sirs,

Sub: Outcome of the Board Meeting

In continuation of our letter of even date enclosing therewith the Unaudited Standalone and Consolidated Financial Results of the Company for the second quarter and half year ended September 30, 2019, we are enclosing a copy of the Press Release being issued by the Company along with Corporate Presentation.

We request you to disseminate the above information on your website.

Thank you.

Yours faithfully,
for JM Financial Limited



P K Choksi
Group Head – Compliance, Legal
& Company Secretary

Encl: a/a

PRESS RELEASE
For Immediate Release

JM Financial's consolidated revenue decreased by 12.7% and consolidated net profit decreased by 20.7% for Q2 FY20.

Mumbai, October 23, 2019: The Board of Directors of JM Financial Limited, at its meeting held today, approved the unaudited financial results for the second quarter and half year ended September 30, 2019.

Summary of Consolidated results FY 20 – Q2 compared to FY 19 – Q2

(Rs. in Cr)

Particulars	Quarter ended September 30, 2019	Quarter ended September 30, 2018	% Increase / (Decrease)
Total income	851.39	975.70	(12.7%)
Profit before tax	271.45	379.55	(28.5%)
Net profit after tax and before non-controlling interest	197.14	240.27	(18.0%)
Net profit after tax, non-controlling interest and share of associates	129.59	163.36	(20.7%)
Adjusted Net Profit after tax, non- controlling interest and share of associates ^{1,3}	133.75	176.82	(24.4%)

Summary of Consolidated results FY 20 – H1 compared to FY 19 – H1

(Rs. in Cr)

Particulars	Half year ended September 30, 2019	Half year ended September 30, 2018	% Increase / (Decrease)
Total income	1,707.52	1,828.17	(6.6%)
Profit before tax	573.82	695.94	(17.5%)
Net profit after tax and before non-controlling interest	392.17	439.50	(10.8%)

Particulars	Half year ended September 30, 2019	Half year ended September 30, 2018	% Increase / (Decrease)
Net profit after tax, non-controlling interest and share of associates	256.88	306.08	(16.1%)
Adjusted Net Profit after tax, non-controlling interest and share of associates ^{2,3}	278.03	340.21	(18.3%)

1. Includes diminution (net of tax and non-controlling interest) in fair value of investments (excluding security receipts held by ARC) amounting to- Rs. 4.16 Cr for Quarter ended September 30, 2019 and ~Rs. 13.46 Cr for quarter ended September 30, 2018.
2. Includes diminution (net of tax and non-controlling interest) in fair value of investments (excluding security receipts held by ARC) amounting to- Rs. 21.15 Cr for half year ended September 30, 2019 and ~Rs. 34.13 Cr for half year ended September 30, 2018.
3. Adjusted for diminution / (gain) in fair value of investments (excluding security receipts held by ARC) and is based on management estimates & have not been subjected to audit or review.

The Earnings per share for the half year ended September 30, 2019 is **Rs. 3.06**. The consolidated net worth* as at September 30, 2019 stands at **Rs.5,298 Cr** and the gross debt equity (equity + non-controlling interest of **Rs.2,299 Cr**) ratio** is **1.78** times* and net debt equity of **1.51** times* (post reducing cash and cash equivalents of **Rs.2,035 Cr**). The book value per share is **Rs. 62.99**. Our total loan book stood at **Rs. 13,810 crore** as of September 30, 2019 compared to **Rs. 17,108** crore** as of September 30, 2018. Gross NPA and Net NPA stood at **1.27%** and **1.11%** respectively as of September 30, 2019 compared to **0.54%** and **0.44%** respectively as of September 30, 2018.

* Computed after reducing goodwill of Rs.52.44 Cr from shareholder's funds

**Loan book does not include IPO Financing book and Borrowings do not include borrowings for IPO Financing

Commenting on the results and financial performance, Mr. Vishal Kampani, Managing Director, JM Financial Group, said,

“We continue to remain resilient in a challenging environment for NBFCs and capital markets. We have strong liquidity buffers and are extremely prudent on our leverage ratios. We have been able to raise long term funds and expect to benefit in the long term as we expect a more benign competitive environment.

The corporate tax rate cut will not only boost corporate earnings but also lead to the stabilisation of the corporate sentiment. Going forward, as the reforms wheel shows sustained signs of building speed, we hope the markets will return to higher participation levels and activities. We remain focused and believe our diverse set of businesses will help us perform and deliver value for our clients.”

Business Update

➤ Investment banking, Wealth Management and Securities business (IWS)

The IWS segment gained traction during the quarter. Our recruitment in this segment gained momentum especially in the wealth management business. The pipeline for our investment banking transactions continues to remain healthy. The loan book in this segment remained steady during the quarter.

During the quarter, some of our completed investment banking transactions were as follows:

- Global Coordinator and Book Running Lead Manager to the Initial Public Offer of Spandana Sphoorty Financial Limited (~Rs. 1,200 Cr) and Qualified Institutions Placement of Yes Bank Limited (~Rs. 1,930 Cr).
- Manager to the buy back of equity shares of Wipro Limited (~Rs. 10,500 Cr).
- Manager and Selling Broker to the Offer for Sale of equity shares of Reliance Nippon Life Asset Management Company Limited (~Rs. 1,011 Cr).
- Lead Manager to the public issue of Non-Convertible Debentures of Shriram Transport Finance Company Limited (~Rs. 340 Cr) and JM Financial Products Limited (~Rs. 128 Cr).
- Exclusive Financial Advisor to Sona BLW Precision Forgings and JM Financial Private Equity on controlling stake sale to Blackstone.
- Exclusive Financial Advisor to Jaypore and its shareholders for sale of 100% equity shares of Jaypore to Aditya Birla Fashion and Retail Limited.
- Exclusive Financial Advisor and Exclusive Manager for the Open Offer by Baring Private Equity Asia to the shareholders of NIIT Technologies Limited
- Exclusive Manager to the Open Offer made by Epsilon Bidco Pte. Ltd. (part of the Blackstone group) to the public shareholders of Essel Propack Limited.

The AUM/AUA of our wealth management business stood at **Rs. 46,818 Cr** (excluding custody assets) as on September 30, 2019 as compared to **Rs. 43,941 Cr** as on September 30, 2018 and **Rs. 43,038 Cr** as on June 30, 2019.

During the quarter, the average daily trading volume stood at **Rs. 10,748 Cr**.

During the quarter, in IPO financing business, we funded **3 public issues (including 1 NCD issue)** wherein the aggregate amount of funding was around **Rs. 3,370 Cr**.

➤ Mortgage Lending

The total mortgage lending book (comprising of loan book of JM Financial Credit Solutions Limited and JM Financial Home Loans Limited) stood at **Rs. 8,302 Cr** as on September 30, 2019. Our wholesale mortgage lending focuses on Tier - 1 cities, viz., Mumbai, Thane, Pune, Bangalore, Chennai, Hyderabad, Kolkata and NCR. We are at the initial stages of our retail mortgage lending and are currently focused on acquiring the right talent, employing technology and processes before we ramp up our presence in terms of products and geography.

The real estate sector is majorly affected due to the liquidity crunch being faced by the sector. This has been due to various factors starting from the introduction of RERA to demonization to GST. The final blow came in the form of the liquidity issues being faced by NBFCs and HFCs. This has also impacted the pace of the ongoing projects as most NBFCs have slowed down disbursements to committed sanctions and almost stopped any new sanctions. Moreover, some of the HFCs have also slowed down home loan disbursements leading to difficulties in new sales and collections. There is also a major crisis of confidence with regards to the end user towards under construction projects. However, a silver lining is that affordable and low to mid segments in select geographies are still performing well and sales continue to be healthy.

We have always guided that there will be a rapid consolidation in the real estate space and believe that the market share of the larger developers will increase substantially. With almost negligible amount of price appreciation in residential real estate over the last 6-7 years, investors are completely out of the market. The margins of developers have reduced and they are forced to look at business differently. We also believe that the liquidity crunch in the sector will continue for another one year and the developers with lower leverage and ability to sell will be the ones who will be better placed to tide through this time.

In the backdrop of the above mentioned scenario the impact on our portfolio can be summarised as under:

- Since majority of the portfolio is cashflow backed even since September 2018, we have continued to witness healthy weekly collections in our escrow accounts. This demonstrates that sales and collections are still happening at the right price point at good locations and in projects being developed by reputed builders. However, in few of the cases the pace of collections has gone down substantially. In these cases we have actively been involved with the developers and will use in-house expertise to push sales.
- Low concentration risk and geographic diversification has enabled us not to be impacted significantly due to slowdown in a particular market or a particular developer. We have always focused on keeping the average exposure to each project below Rs. 100 Cr and have avoided concentration to any one geography. 23% of the portfolio are loans given against ready inventory which witnesses robust sales and collection.
- Smaller developers are finding it difficult to record good sales when the project is under construction. In such cases we are working proactively to get in another reputed developer to buy the project or enter into Joint Developer Agreements or Development Management Agreements to ensure timely execution and sales of the project.
- In some cases due to the various reasons mentioned above additional construction funding is required for the projects to take them to completion. We are strategically focusing on ensuring that all our projects have full financial closure to ensure we get the project to Occupation Certificate stage. In most cases we have witnessed very rapid and robust sales once OC is received.

We have carried out stress tests under multiple scenarios on our loan book and have realized that though developers might face liquidity mismatch, the portfolio has healthy security / cashflow covers to enable us to recover our entire loan.

We will carry out these stress tests at regular intervals to reassess the situation, especially as there is some probability that current situation could worsen before it gets better.

➤ **Distressed Credit**

We chose not to participate in any fresh acquisitions during the quarter. The complete focus of the business was on recoveries and resolutions. The recoveries during the quarter stood at **Rs. 483 Cr**. We have also been experiencing resolution delays in some of our key accounts further impacting our focus to look at fresh acquisitions. Further, the global investors in distressed assets have virtually stopped their fresh investments pending clarity and final judgement on certain cases.

The outstanding Security Receipts (SRs) stood at **Rs. 14,037 Cr** as on September 30, 2019 as compared to **Rs. 14,191 Cr** as on June 30, 2019. The contribution of JM Financial Asset Reconstruction Company Limited stood at **Rs. 3,107 Cr** as on September 30, 2019 and **Rs. 3,140 Cr** as on June 30, 2019.

➤ **Asset Management**

The average AUM of our Mutual Fund schemes during the quarter ended September 30, 2019 stood at **Rs. 6,488 Cr**; comprising of **Rs. 4,509 Cr** in equity schemes (including hybrid schemes) and **Rs. 1,979 Cr** in debt schemes (including liquid scheme). The average AUM of our Mutual Fund schemes during the quarter ended June 30, 2019 stood at **Rs. 7,710 Cr**; comprising of **Rs. 4,642 Cr** in equity schemes (including hybrid schemes) and **Rs. 3,068 Cr** in debt schemes (including liquid scheme).

Borrowing Profile

We continued our efforts of diversifying our sources and maturities for our borrowing profile. Our long term borrowing as a proportion of total borrowing stood at **approximately 82%** as on September 30, 2019.

Awards & Recognitions

- JM Financial Asset Management Limited ranked amongst India's Top 30 Great Mid-Size Workplaces, 2019 by The Great Place to Work Institute.

-ends-

The unaudited financial results are attached. The press release and unaudited financial results are available on our website www.jmfl.com

About JM Financial

JM Financial is an integrated and diversified financial services group. The Group's primary businesses include (a) Investment banking, wealth management and securities (IWS) which includes fee and fund based activities for its clients (b) Mortgage Lending which includes both wholesale mortgage lending and retail mortgage lending (home loans, education institutions lending and LAP) (c) Distressed credit which includes the Asset Reconstruction business (d) Asset Management includes the mutual fund business.

As of September 30, 2019, the consolidated loan book stood at **~Rs. 138.1 BN**, distressed credit business AUM at **~Rs. 140.4 BN**, wealth management AUM at **~Rs. 468.2 BN**, mutual fund AAUM at **~Rs. 64.9 BN**.

The Group is headquartered in Mumbai and has a presence across **356** locations spread across **123** cities in India. The equity shares of JM Financial Limited are listed in India on the BSE and NSE.

For more information, log on to www.jmfl.com or **contact:**

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Forward - Looking statements

This press release ('document') containing JM Financial Group's activities, projections and expectations for the future, may contain certain forward-looking statements based upon the information currently available with the Company or any of its subsidiaries and associate companies. The financial results in future may vary from the forward-looking statements contained in this document due to uncertainties and unforeseen events that may impact the businesses of the JM Financial Group. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.

This document is for information purposes only and any action taken by any person on the basis of the information contained herein is that person's responsibility alone and neither JM Financial Group nor any of their directors or employees will be liable in any manner for the consequences of such actions.



JM Financial Limited

Quarter ended September 30, 2019 – Results update

October 23, 2019

Safe Harbour

This presentation and the following discussion may contain “forward looking statements” by JM Financial Limited (“JM Financial” or “JMFL” or the “Company”) that are not historical in nature. These forward looking statements, which may include statements relating to future results of operations, financial condition, business prospects, plans and objectives are based on the current beliefs, assumptions, expectations, estimates and projections of the management of JMFL about the business, industry and markets in which JMFL operates.

These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond JMFL’s control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements.

Such statements are not and should not be construed as a representation of future performance or achievements of JMFL. In particular, such statements should not be regarded as a projection of future performance of JMFL. It should be noted that the actual performance or achievements of JMFL may vary significantly from such statements.

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Key Highlights – Consolidated Performance

	Revenues	PBT	Net Profit	EPS	BVPS	Gross Debt/ Equity [#]
Q2 FY20	851 Cr	271 Cr	130 Cr	1.54	62.99	1.78x
	-12.7%	-28.5%	-20.7%			
Q2 FY19	976 Cr	380 Cr	163 Cr	1.95	58.63	2.61x
	Revenues	PBT	Net Profit	EPS	ROA*	ROE*
H1FY20	1,708 Cr	574 Cr	257 Cr	3.06	3.5%	9.9%
	-6.6%	-17.5%	-16.1%			
H1FY19	1,828 Cr	696 Cr	306 Cr	3.65	3.6%	13.1%

[#] Computed after including minority and reducing goodwill of Rs. 52.44 cr.

* Annualised

Consolidated Profit & Loss Statement

Particulars (Rs Cr)	Q2FY20	Q2FY19	YoY %	Q1FY20	QoQ %
Gross Revenue	851	976	-13%	857	-1%
Finance cost	349	381	-8%	350	0%
Impairment of Financial Instruments*	50	23	121%	24	111%
Employee cost	106	113	-6%	105	1%
Depreciation	10	7	44%	10	-1%
Other expenses	65	72	-10%	65	1%
PBT	271	380	-28%	302	-10%
Tax Expense	74	140	-46%	108	-31%
PAT	197	240	-18%	195	1%
Share in profit of Associates	#	#	N/M	#	#
Net profit before Minority Interest	197	240	-18%	195	1%
Minority Interest	(67)	(77)	-12%	(68)	-0%
Net profit	130	163	-21%	127	2%
Adjusted net profit**	134	177	-24%	144	-7%

denotes amount less than Rs. 1 crore

*includes provision on account of Expected Credit Loss(ECL)

**Adjusted for diminution / (gain) in fair value of investments (excluding security receipts of ARC) & is based on management estimates & have not been subjected to review or audit

Consolidated Profit & Loss Statement

Particulars (Rs Cr)	H1FY20	H1FY19	YoY %
Gross Revenue	1,708	1,828	-7%
Finance cost	699	716	-2%
Impairment of Financial Instruments*	73	42	75%
Employee cost	211	220	-4%
Depreciation	20	13	50%
Other expenses	130	141	-8%
PBT	574	696	-18%
Tax Expense	182	257	-29%
PAT	391	439	-11%
Share in profit of Associates	1	#	#
Net profit before Minority Interest	392	439	-11%
Minority Interest	(135)	(133)	1%
Net profit	257	306	-16%
Adjusted net profit**	278	340	-18%

denotes amount less than Rs. 1 crore

*includes provision on account of Expected Credit Loss(ECL)

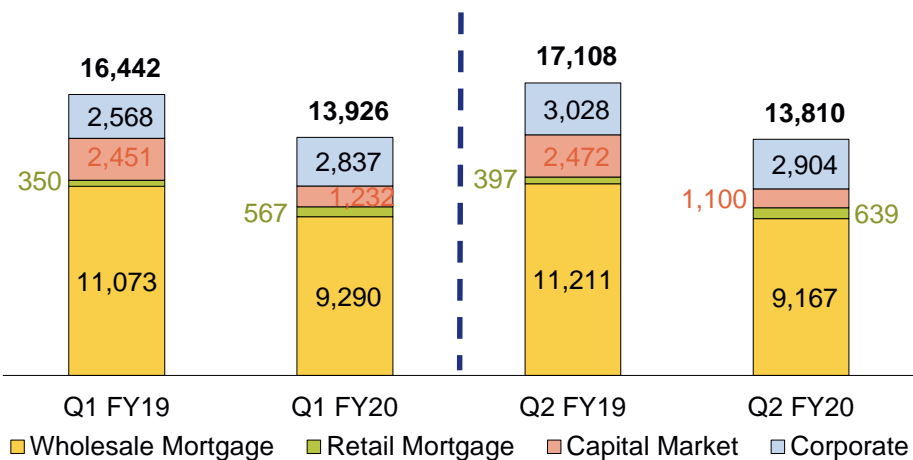
**Adjusted for diminution / (gain) in fair value of investments (excluding security receipts of ARC) & is based on management estimates & have not been subjected to review or audit

Consolidated Balance Sheet

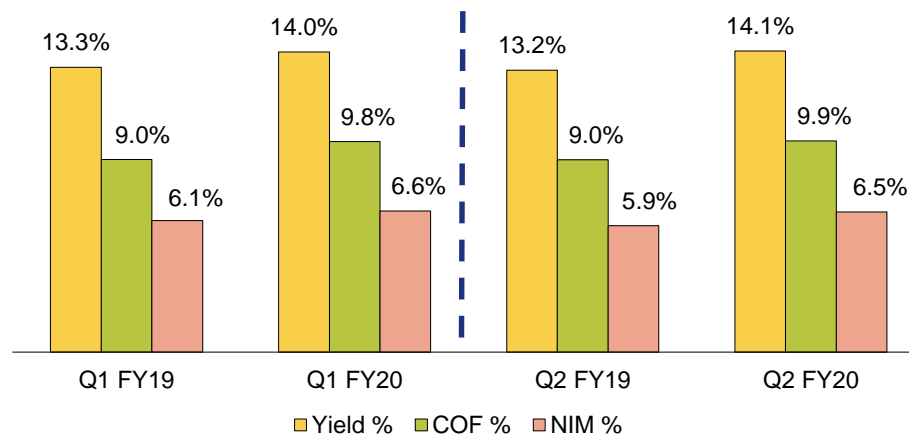
Particulars (Rs Cr)	As at Sept 30, 2019	As at March 31, 2019
Assets		
Loan book* (Gross loan book: Sep'19 – Rs. 13,810 Cr; Mar'19 – Rs. 14,107 Cr)	13,710	13,999
Distressed asset book (Investment in SRs / Loan)	4,164	4,194
Cash and cash equivalents**	2,035	1,737
Other Investments (including lien-marked FDs)	883	842
Arbitrage and trading book	316	312
Property, Plant and Equipment	407	372
Trade Receivables	598	685
Other assets	581	442
TOTAL	22,694	22,583
Equity and Liabilities		
Shareholders' Funds	5,298	5,079
Non Controlling Interest	2,299	2,150
Share of security receipt holders	487	484
Borrowings	13,544	13,991
Trade Payables	460	417
Other Liabilities and Provisions	606	462
TOTAL	22,694	22,583

Lending book Profile

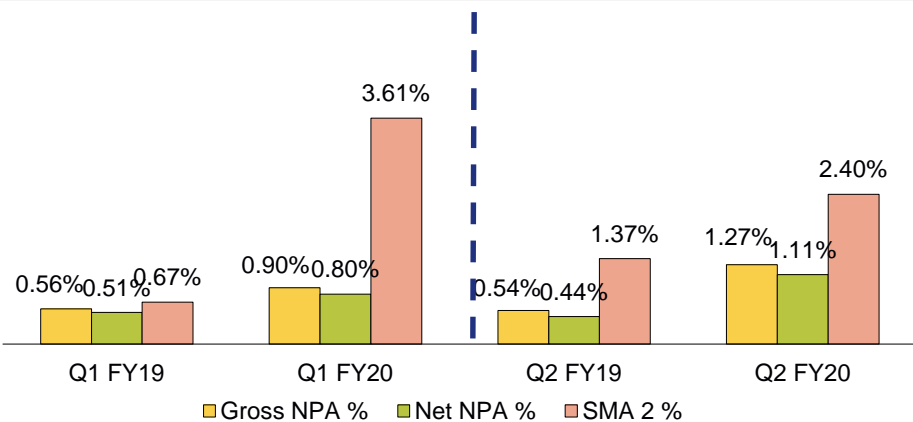
Gross Loan Book (Rs Cr)#



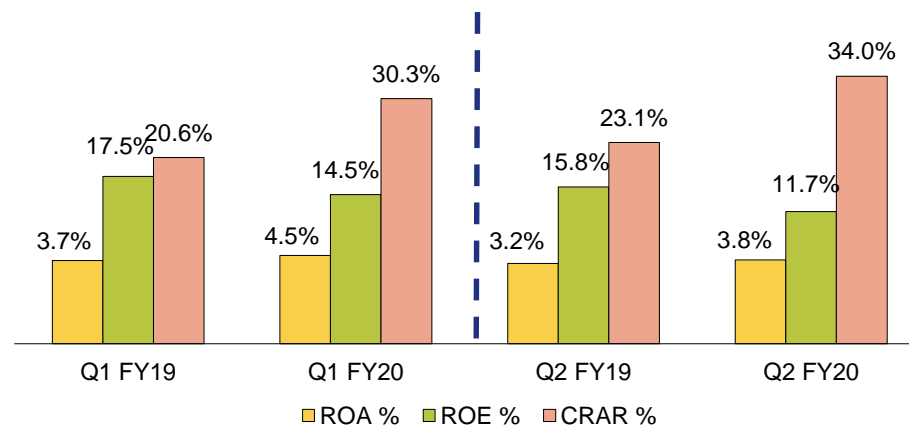
NIM Analysis (%)



Gross, Net NPA & SMA 2* (%)



Return Ratios^ & Capital Adequacy** (%)



* On lending book ^ROA and ROE annualized

ROE and ROA are based on weighted average on account of equity funds raised in JM Financial Credit Solutions Limited.

excludes IPO financing, NCD financing book calculated without impact of EIR, Interest accrued and ECL

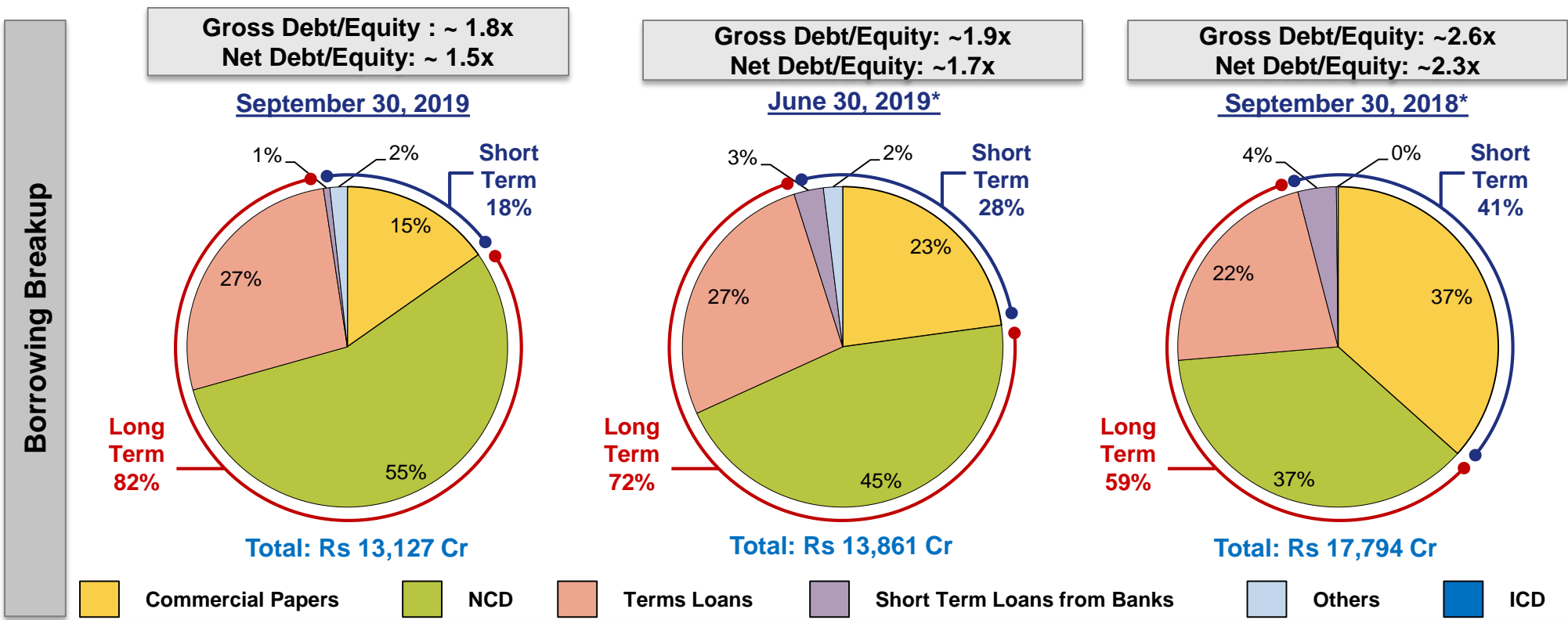
** IPO book included in calculation of Capital Adequacy.

Entity-wise Lending Book Profile

Rs. in crore

Particulars	Q1 FY19	Q1 FY20	Q2 FY19	Q2 FY20
Wholesale Mortgage				
JMF Credit Solutions	8,475	7,656	8,738	7,642
JMF Products	2,111	1,389	2,028	1,309
JMF Capital	100	52	100	46
Other Companies	387	193	345	170
Total	11,073	9,290	11,211	9,167
Retail Mortgage				
JMF Products	270	255	292	325
JMF Capital	51	53	51	53
JMF Home Loans	29	259	54	260
Total	350	567	397	639
Capital Market				
JMF Products	1,866	891	1,910	807
JMF Capital	585	341	562	293
Total	2,451	1,232	2,472	1,100
Corporate/Promoter Financing				
JMF Credit Solutions	-	540	-	400
JMF Products	2,538	2,282	2,970	2,489
JMF Capital	30	15	58	15
Total	2,568	2,837	3,028	2,904
Total	16,442	13,926	17,108	13,810

Borrowing Profile



CP borrowings stood at 15% in September 2019

Strong Credit Rating:

- Long term debt rating:
 - CRISIL AA STABLE
 - ICRA AA STABLE
 - CARE AA STABLE
 - India Ratings AA STABLE
- Short term debt rating:
 - CRISIL A1+
 - ICRA A1+
 - CARE A1+

Liability Profile over the last one year

Amount in Rs crore, unless stated otherwise	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	
Consolidated gross borrowing	17,794	15,436	13,563	13,861	13,127	↓
Gross Debt / Equity	2.61	2.15	1.94	1.92	1.78	↓
Net Debt / Equity	2.27	1.87	1.69	1.65	1.51	↓
Cash and Cash Equivalents	2,027	1,995	1,737	1,993	2,035	↔
Undrawn Bank lines	220	240	620	764	821	↑
Cash and Cash Equivalents (incl. undrawn bank lines)	2,247	2,235	2,357	2,757	2,856	↑
Commercial Paper Borrowing (Rs crore)	6,506	6,224	3,111	3,167	2,003	↓
Commercial Paper Borrowing (% of total borrowing)	36.6%	27.4%	22.9%	22.9%	15.3%	↓
Other Short term borrowing (% of total borrowing)	4.1%	4.6%	4.2%	4.9%	2.4%	↓
Long Term Borrowing (% of total borrowing)	59.3%	68.0%	72.9%	72.2%	82.3%	↑

- Reduced leverage across lending segments
- Diversified sources of borrowing
- CP borrowing has reduced substantially to 15% of the total borrowing
- Cash and Cash equivalents are higher than CP outstanding as of September 30, 2019
- Significantly increased our long term borrowing
- Raised Rs. 14,766 Cr during the last 12 months

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Group Performance

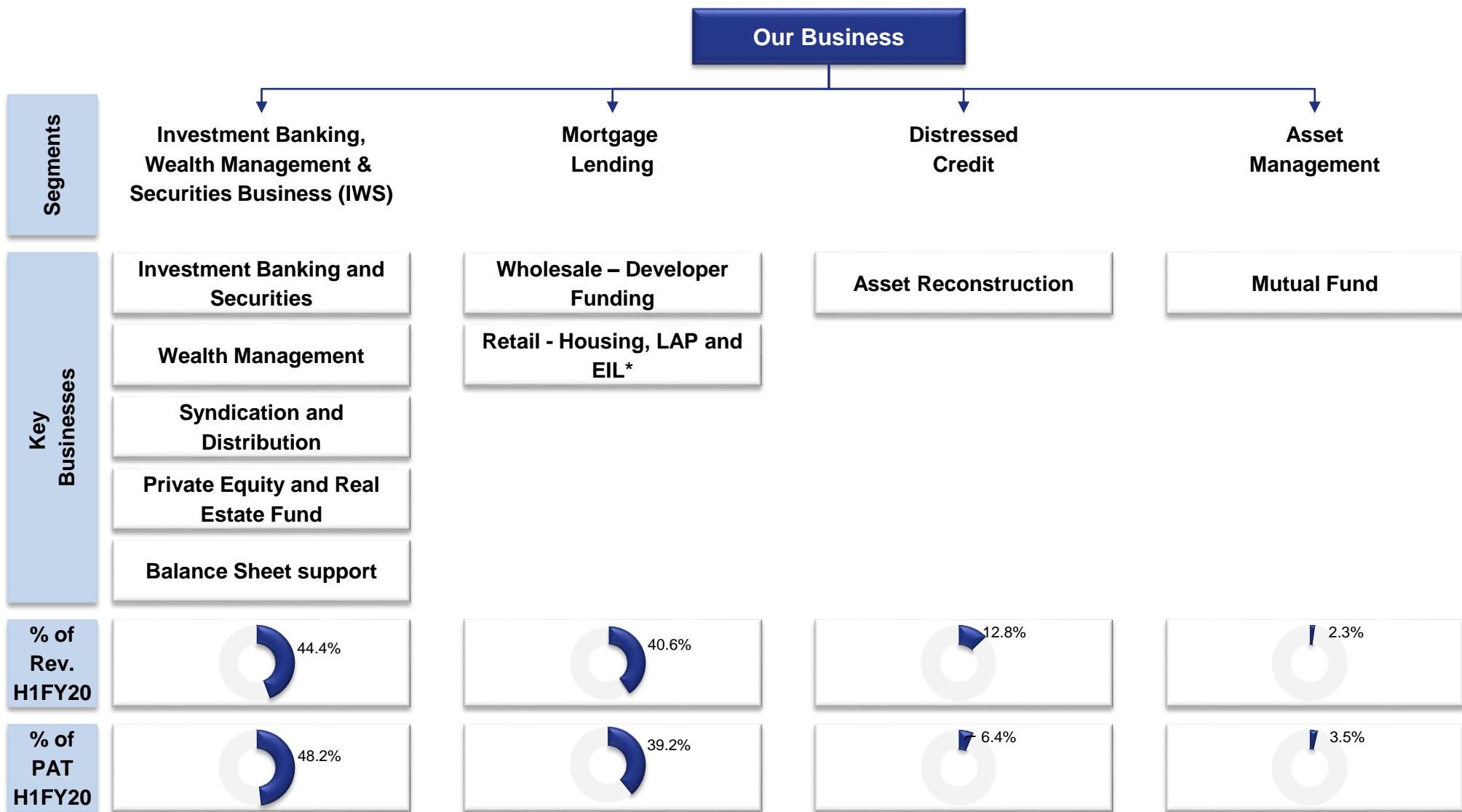
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Our Business



Segment Performance

Segment revenue (Rs Cr)	Ind AS				
	Q2 FY20	Q1 FY20	QoQ	Q2 FY19	YoY
IWS*	382	368	3.9%	443	-13.6%
Mortgage Lending	345	340	1.3%	321	7.4%
Distressed Credit	106	133	-20.4%	180	-41.5%
Asset Management	20	18	15.3%	25	-18.9%
Others	14	15	-8.1%	24	-42.8%
Total Segment Revenue	867	874	-0.8%	993	-12.7%
Less: Inter - segmental revenue	(16)	(17)	-9.5%	(17)	-11.8%
Total Revenue	851	857	-0.6%	976	-12.7%

Segment PAT (Rs Cr)	Q2 FY20	Q1 FY20	QoQ	Q2 FY19	YoY
IWS	65	59	10.2%	68	-4.8%
Mortgage Lending	51	49	3.3%	42	22.0%
Distressed Credit	5	11	-51.9%	38	-86.0%
Asset Management	5	4	31.8%	7	-26.0%
Others	3	4	-20.6%	8	-62.1%
Total	130	127	1.8%	163	-20.7%

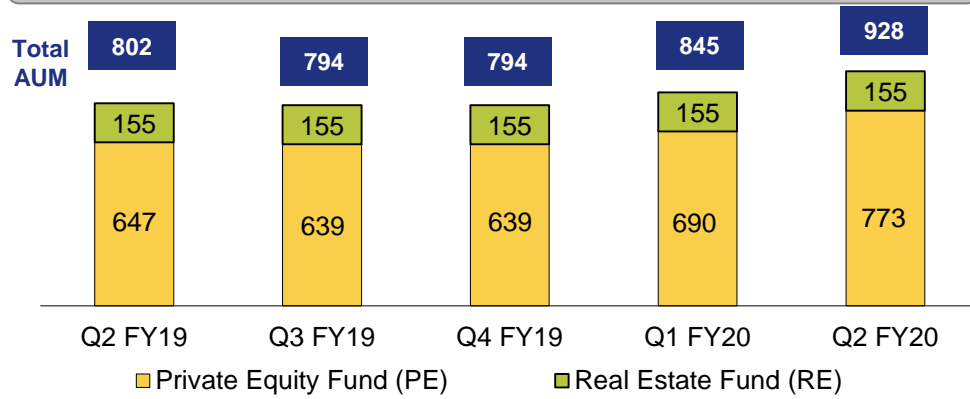
Segment Performance – Ind AS

Segment revenue (Rs Cr)	Ind AS		
	H1 FY20	H1 FY19	YoY
IWS*	758	867	-12.5%
Mortgage Lending	693	613	13.1%
Distressed Credit	219	283	-22.7%
Asset Management	38	51	-24.7%
Others	31	44	-29.8%
Total Segment Revenue	1,740	1,858	-6.4%
Less: Inter - segmental revenue	(32)	(30)	7.5%
Total Revenue	1,708	1,828	-6.6%

Segment PAT (Rs Cr)	H1 FY20	H1 FY19	YoY
IWS	124	145	-14.3%
Mortgage Lending	101	82	23.0%
Distressed Credit	17	52	-67.9%
Asset Management	9	14	-36.9%
Others	7	14	-51.5%
Total	257	306	-16.1%

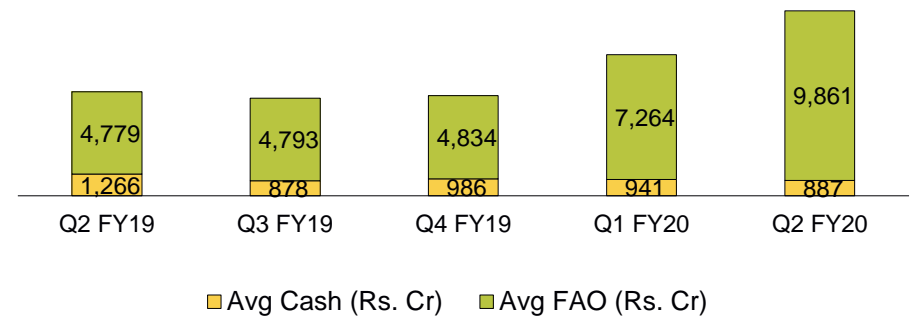
IWS – Key Non Financial Information

PE and RE AUM (Rs Cr)

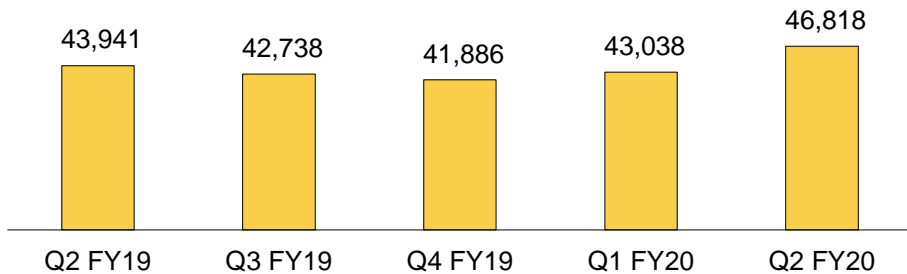


Securities Business (Rs Cr)

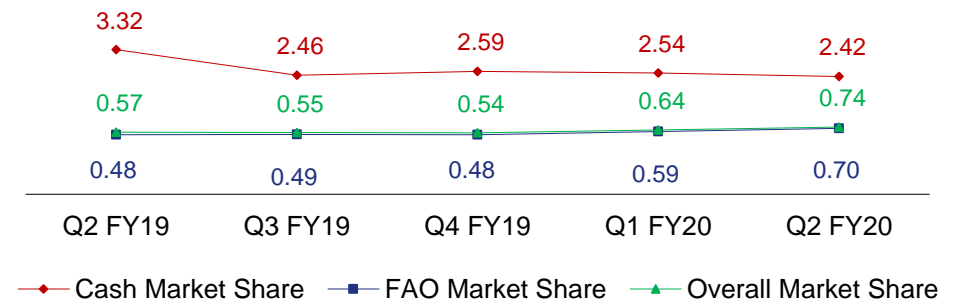
Average Daily Turnover (Rs Cr)



Wealth Management AUM (Rs Cr)



Equity Market Share on NSE (%)



of wealth advisors as of Q2 FY20: 65

IWS – Key Financial Information

Particulars (Rs Cr)	Q2 FY20	Q1 FY20	QoQ %	Q2 FY19	YoY %	H1FY20	H1FY19	YoY %	FY19
Net worth + MI	2,494	2,595	-3.9%	2,646	-5.7%	2,494	2,646	-5.7%	2,533
Loan Book	5,374	5,320	1.0%	8,176	-34.3%	5,374	8,176	-34.3%	5,627
Gross Revenue	382	368	3.9%	443	-13.6%	758	867	-12.5%	1,602
Finance cost	137	144	-5.1%	172	-20.3%	281	324	-13.2%	643
Net Loss / (Gain) on Fair value changes	-	(7)	-	-	-	-	-	-	-
Impairment of Financial Instruments	21	5	N/M	10	104.8%	26	14	92.6%	(5)
Employee cost	75	72	3.4%	79	-5.7%	147	162	-9.3%	313
Depreciation	12	12	-0.6%	4	N/M	25	7	N/M	15
Other expenses	50	53	-4.7%	71	-29.7%	103	133	-22.8%	259
Inter segmental adjustment	(4)	(3)	18.0%	-	-	(8)	-	-	-
PBT	91	93	-2.1%	106	-14.3%	184	228	-19.0%	378
Tax	26	34	-23.0%	39	-31.2%	60	83	-27.3%	137
PAT before Minority Interest	65	59	9.8%	68	-4.9%	124	145	-14.3%	241
Minority Interest	#	#	-49.8%	#	-34.3%	#	#	-15.4%	1
PAT after Minority Interest	65	59	10.2%	68	-4.8%	124	145	-14.3%	240
ROE* (%)						9.7%	11.3%		9.3%

Mortgage Lending

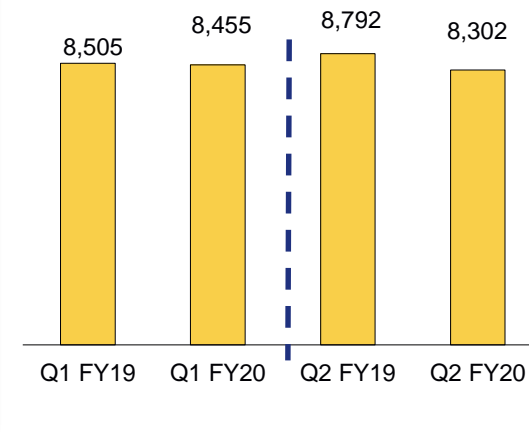
Wholesale

- Provides an integrated financial solution to real estate developers with major focus on real estate project financing
- 81 groups – significant focus on repeat business
- Most of the clients with over 25 years of experience in the industry
- Focus on Tier I markets – Mumbai, Thane, Pune, Bangalore, Chennai, Hyderabad, Kolkata and NCR
 - Geographical split of loan book : 41.6% in Mumbai, 18.8% Bengaluru, 11.7% Chennai , 8.7% Pune ,9.6% NCR and 9.6% others
- 89.1% of the book is cashflow backed lending
- 68.0% of the book is against residential projects

Retail

- Home loans business loan book at Rs.260 crore
- Expanded branch presence to 24 locations
- Maintained good credit quality.
- Employee strength increased to 287

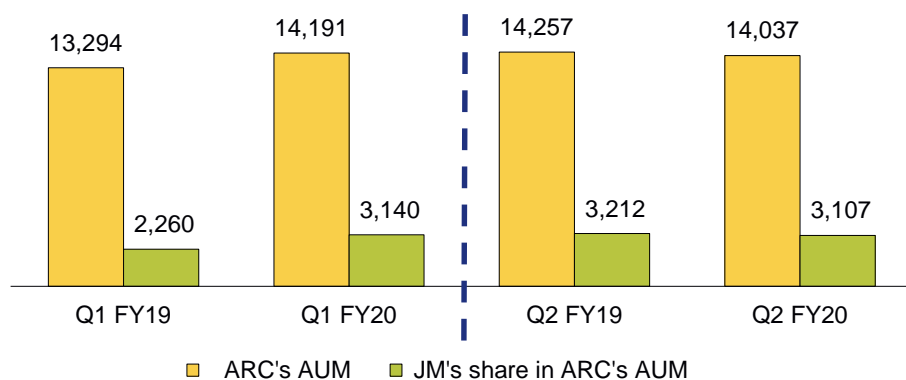
Loan Book (Rs Cr)



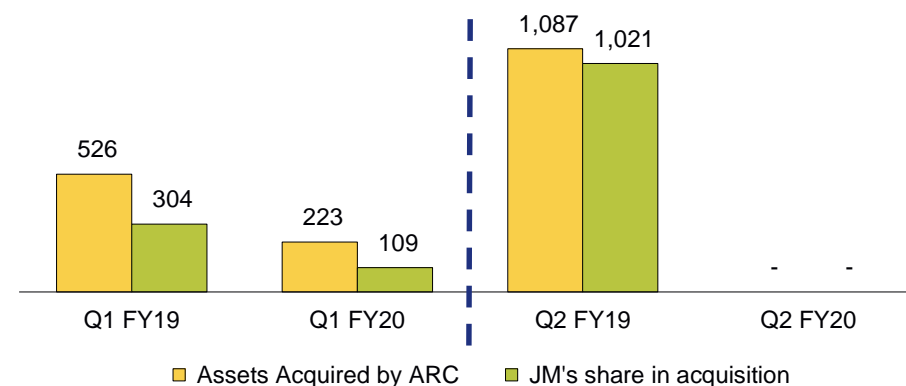
Particulars (Rs Cr)	Q2 FY20	Q1 FY20	QoQ %	Q2 FY19	YoY %	H1FY20	H1FY19	YoY %	FY19
Net worth + MI	3,267	3,128	4.4%	2,693	21.3%	3,267	2,693	21.3%	3,021
Revenue	345	340	1.3%	321	7.4%	693	613	13.1%	1,291
Finance cost	149	143	4.0%	154	-3.3%	292	294	-0.8%	582
Net Loss / (Gain) on Fair value changes	-	(9)	-	-	-	-	-	-	-
Impairment of Financial Instruments	26	16	63.9%	17	52.9%	41	26	60.9%	17
Employee cost	15	14	1.1%	9	58.0%	29	19	55.0%	39
Depreciation	1	1	1.1%	#	N/M	2	#	N/M	1
Operating expenses	8	8	-7.6%	7	6.3%	16	15	6.8%	31
PBT	147	166	-11.7%	133	10.3%	313	259	21.0%	620
PAT before Minority Interest	109	107	2.2%	86	27.3%	216	167	29.4%	400
Minority Interest	58	58	1.2%	44	33.2%	116	85	36.0%	210
PAT after Minority Interest	51	49	3.3%	42	22.0%	101	82	23.0%	190
ROA* (%)						4.9%	4.2%		4.6%
ROE* (%)						13.8%	18.7%		17.2%

Distressed Credit – Asset Reconstruction

AUM (Rs Cr)



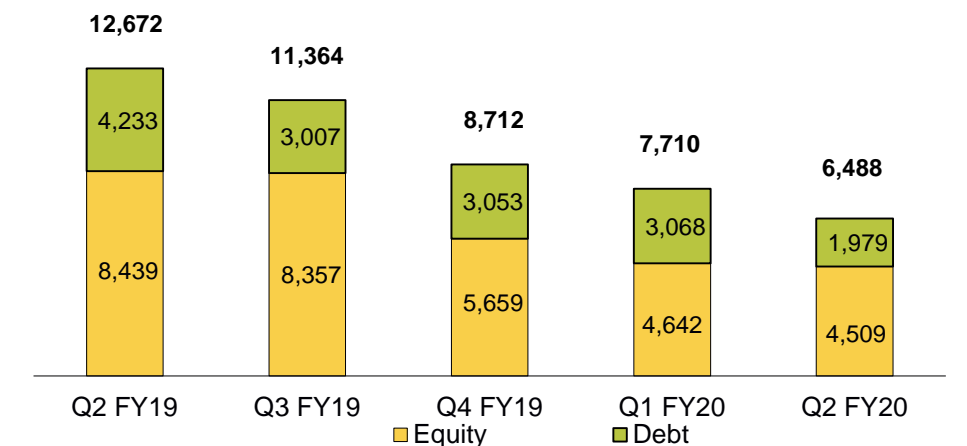
Asset Acquisitions (Rs Cr)



Particulars (Rs Cr)	Q2 FY20	Q1 FY20	QoQ	Q2 FY19	YoY %	H1FY20	H1FY19	YoY %	FY19
Net worth + MI of Company	1,493	1,284	16.3%	1,228	21.6%	1,493	1,228	21.6%	1,265
Gross Revenue	106	133	-20.4%	180	-41.5%	219	283	-22.7%	501
Net loss on fair value changes	-	19	-	-	-	-	-	-	-
Impairment of financial instruments	3	3	-19.0%	(5)	N/M	6	3	-17.9%	22
Other Operating expenses(net)	14	13	-1.0%	24	-26.9%	27	38	-19.5%	61
Finance Cost	70	67	4.6%	47	49.3%	137	81	67.8%	216
PBT	19	30	-35.1%	115	-83.2%	49	160	-69.5%	201
PAT before MI	11	18	-40.8%	67	-83.4%	30	90	-66.9%	131
Minority Interest (SR holders)	3	#	N/M	#	N/M	3	#	N/M	-34
PAT after MI of Company	8	18	-55.7%	67	-87.7%	27	90	-70.1%	166
Minority Interest	3	7	-56.5%	29	-88.8%	10	38	-72.4%	71
PAT after Minority Interest	5	11	-51.9%	38	-86.0%	17	52	-67.9%	95
ROE *(%)						4.0%	15.0%		14.0%

Asset Management – Mutual Fund

Asset Management AUM (Rs Cr)



Mutual Fund:

- Quarterly Average AUM (QAAUM) – Rs 6,488 cr.
- Rank (QAAUM) – 25 among 41 Mutual Funds.
- 14 Schemes categorized as Equity, Hybrid and Debt.
- Investor reach – 1,24,362 base, 13 branches & 81 service centres.

Particulars (Rs Cr)	Q2 FY20	Q1 FY20	QoQ	Q2 FY19	YoY %	H1FY20	H1FY19	YoY %	FY19
Net worth + MI	229	221	3.7%	196	16.9%	229	196	16.9%	215
Revenue	20	18	15.3%	25	-18.9%	38	51	-24.7%	95
Employee Cost	7	7	0.9%	6	12.5%	14	13	11.9%	26
Other Expenses	3	3	25.6%	3	-9.8%	6	6	-8.9%	10
PBT	10	8	21.8%	16	-37.8%	18	33	-44.3%	57
PAT	8	6	32.6%	11	-32.0%	14	23	-41.8%	41
Minority Interest	3	2	32.6%	5	-32.0%	5	9	-41.8%	17
Share of Profit from Associates	#	#	24.3%	#	N/M	#	#	N/M	1
PAT after Minority Interest	5	4	31.8%	7	-26.0%	9	14	-36.9%	25
ROE (%)*						13.0%	23.8%		20.4%

* ROE is annualised

denotes amount less than 1 crore.

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Group Performance

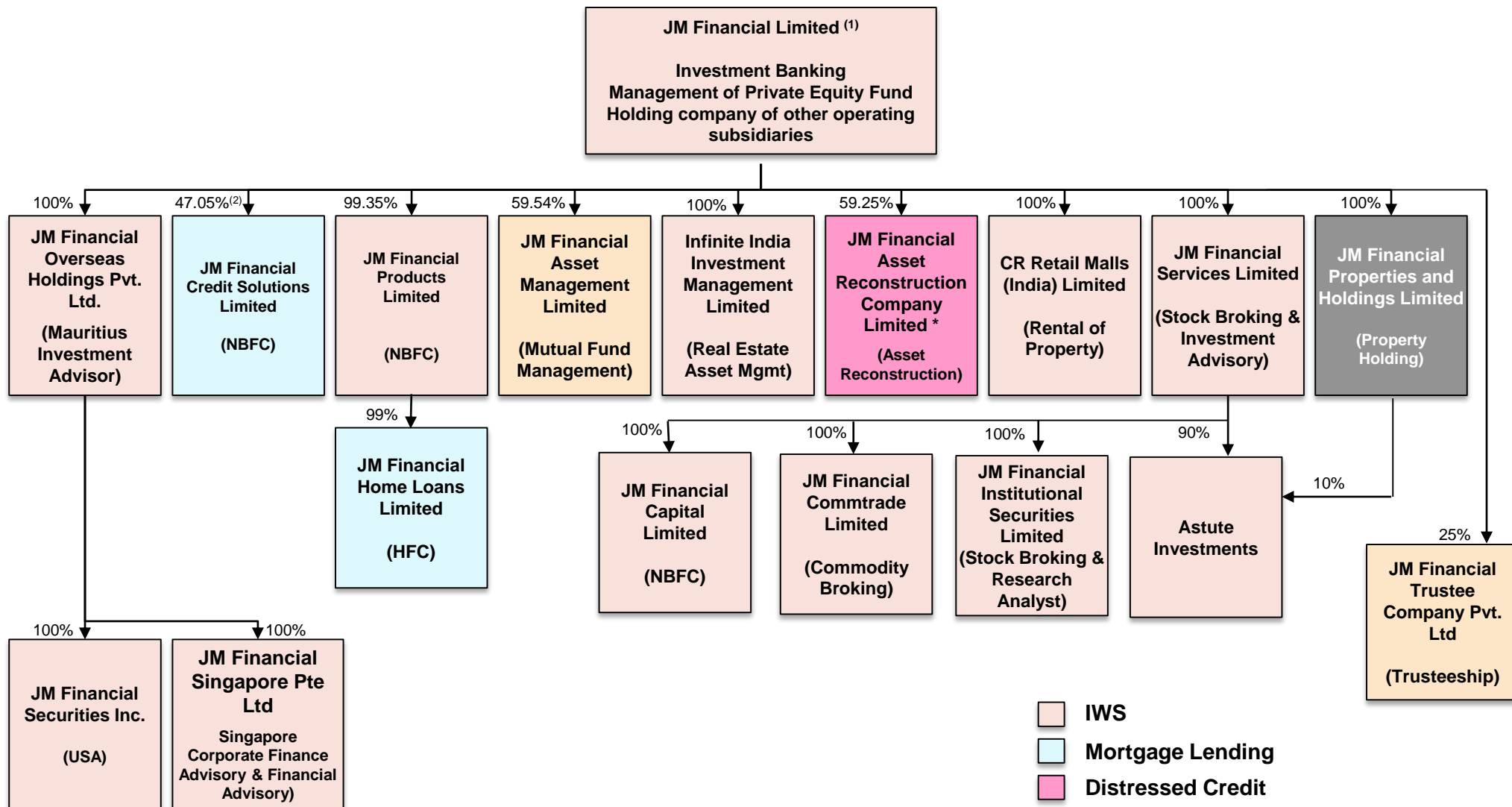
Business Performance

Group Structure and Shareholding Pattern

Group Overview

Annexures

Organisational Structure – September 2019



* Includes Trusts where there is a controlling interest

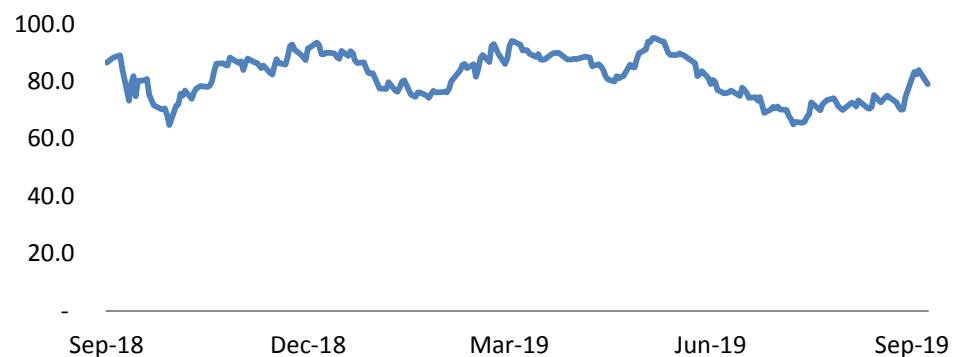
1. Largely IWS and balance others

2. JM Financial Limited controlled entity with effective ownership of 47.05%

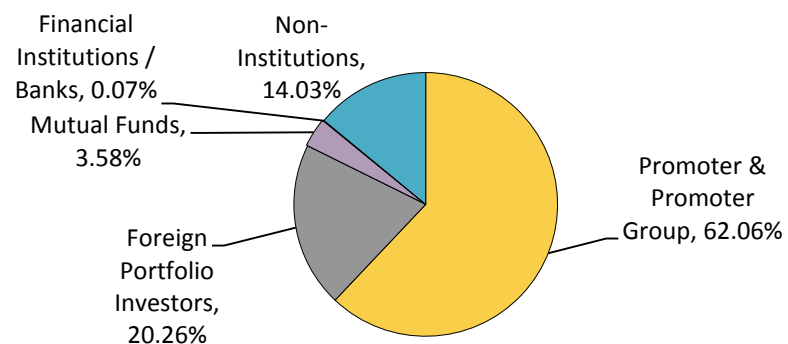
3. The percentage shareholding as mentioned in the organisational structure is calculated on the basis of the face value of shares

Shareholding Summary

Share Price Information



% Shareholding – September 30, 2019



Market Information (BSE)

As on 30.09.2019

Market Capitalization (Rs Cr)	6,648.64
Price (Rs)	79.05
No. of Shares Outstanding (Cr)	84.11
52 Week High-Low (Rs)	98.70/61.45

Key Institutional Investors – As on September 30, 2019

% Holding

Valiant Mauritius Partners Offshore Limited	2.62
Baron Emerging Markets Fund	2.48
SAIF India VI FII Holdings Limited	1.80
TIMF Holdings	1.70
The Wellington Trust Company National Association	1.50
Valiant Mauritius Partners Limited	1.49
Fidelity Investment Trust	1.17

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Group Performance

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Performance of Select Subsidiaries – IND AS

In Rs Cr

JM Financial Credit Solutions Ltd

	Q2 FY 20	Q2 FY19
Revenue	334	320
Net Profit	110	87
Net worth	3,127	2,666
Loan book	8,042	8,738
Net Interest Margin	7.8%	7.0%
Total Assets	8,691	9,421
Cash and Cash Equivalent	796	764
Debt Mix - Long Short Ratio	91:9	75:25
Debt / Equity Ratio	1.8	2.5
CAR	36.6%	27.6%
Credit Rating	AA/stable	AA/stable
Ownership*	47.05%	47.10%

JM Financial Products Ltd

	Q2 FY 20	Q2 FY19
Revenue	199	246
Net Profit	31	47
Net worth	1,640	1,517
Loan book	4,931	7,826
Net Interest Margin	4.6%	4.9%
Total Assets	6,222	8,578
Cash and Cash Equivalent	1,049	635
Debt Mix - Long Short Ratio	77:23	57:43
Debt / Equity Ratio	2.7	4.5
CAR	27.1%	17.6%
Credit Rating	AA/stable	AA/stable
Ownership	99.35%	99.35%

JM Financial Asset Reconstruction Company Ltd**

	Q2 FY20	Q2 FY19
Revenue	106	180
Net Profit	8	67
Net worth + MI	1,434	1,228
AUM	14,037	14,257
Total assets	4,632	4,714
Cash and Cash Equivalent	561	161
Debt Mix - Long Short Ratio	97:3	52.48
Debt / Equity Ratio	1.7	2.2
CAR	33.6%	27.3%
Credit Rating	AA-/stable	AA-/stable
Ownership	59.25%	57.07%

*JM Financial Limited controlled entity with effective ownership of 47.05%

**Figures mentioned above are based on Consolidated financials

Performance of Select Subsidiaries – IND AS

In Rs Cr

JM Financial Credit Solutions Ltd

	H1 FY 20	H1 FY19
Revenue	674	611
Net Profit	218	170
Net worth	3,127	2,666
Loan book	8,042	8,738
Net Interest Margin	7.8%	6.9%
Total Assets	8,691	9,421
ROE (Annualised)	14.5%	19.3%
ROA (Annualised)	5.1%	4.3%
Debt / Equity Ratio	1.8	2.5
CAR	36.6%	27.6%
Credit Rating	AA/stable	AA/stable
Ownership*	47.05%	47.10%

JM Financial Products Ltd

	H1 FY 20	H1 FY19
Revenue	439	490
Net Profit	93	110
Net worth	1,640	1,517
Loan book	4,931	7,826
Net Interest Margin	4.6%	5.0%
Total Assets	6,222	8,578
ROE (Annualised)	11.7%	14.5%
ROA (Annualised)	3.0%	3.1%
Debt / Equity Ratio	2.7	4.5
CAR [#]	27.1%	17.6%
Credit Rating	AA/stable	AA/stable
Ownership	99.35%	99.35%

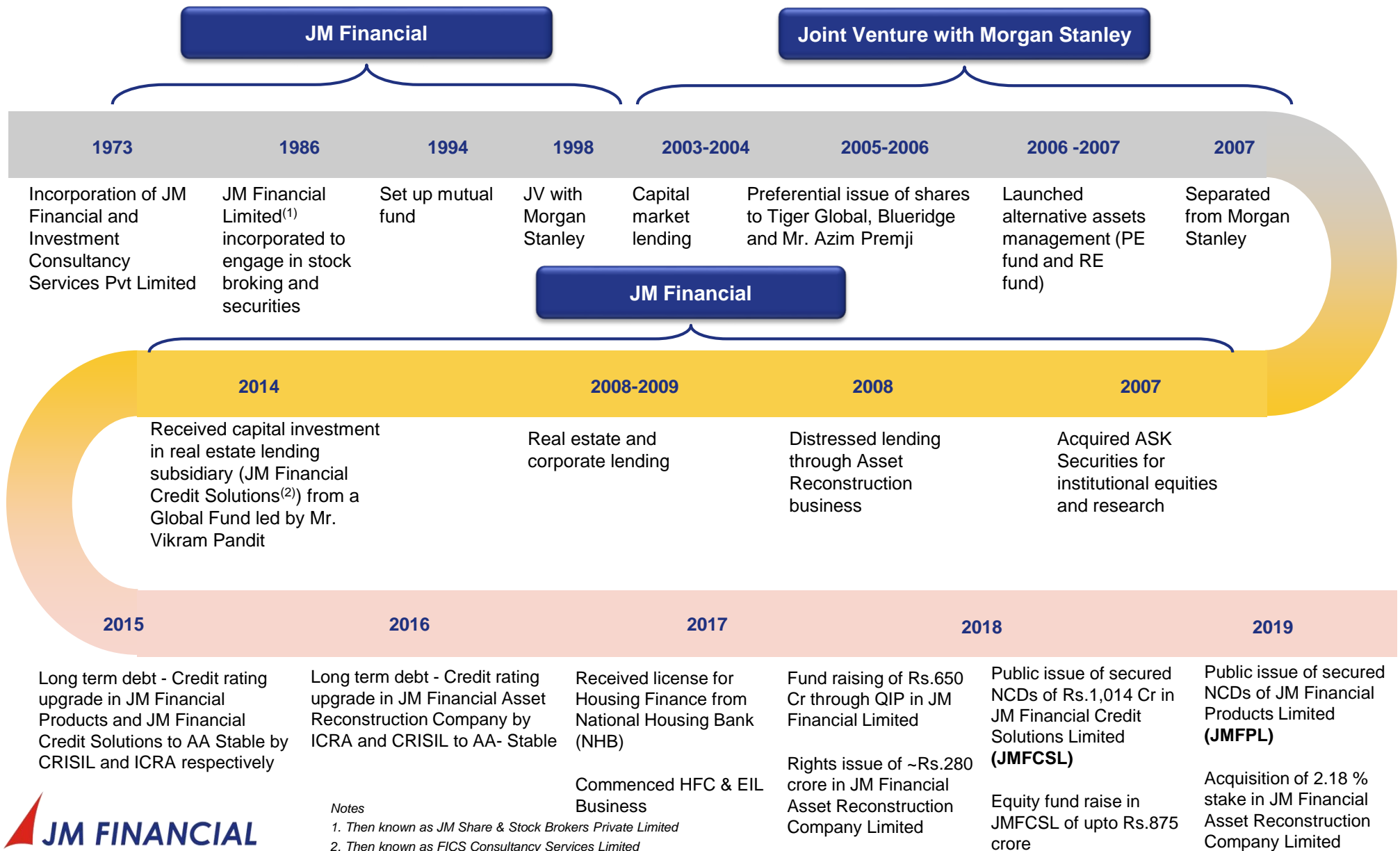
JM Financial Asset Reconstruction Company Ltd**

	H1 FY20	H1 FY19
Revenue	219	283
Net Profit	30	90
Net worth + MI	1,434	1,228
AUM	14,037	14,257
Total assets	4,632	4,714
ROE (Annualised)	3.9%	15.0%
ROA (Annualised)	1.3%	4.7%
Debt / Equity Ratio	1.7	2.2
CAR	33.58%	27.3%
Credit Rating	AA-/stable	AA-/stable
Ownership	59.25%	57.07%

*JM Financial Limited controlled entity with effective ownership of 47.05%

**Figures mentioned above are based on Consolidated financials

Journey of JM Financial Group



Notes

1. Then known as JM Share & Stock Brokers Private Limited
2. Then known as FICS Consultancy Services Limited

Corporate Governance – Strong Board of Directors



Mr. Nimesh Kampani, Chairman

B. Com, FCA

- Founder and Chairman of JM Financial Group, one of India's leading financial services groups.
- Made pioneering contributions to the Indian capital markets
- Served as a member on several important committees like MoF, GoI, RBI, SEBI, BSE, NSE, CII, FICCI and ICAI
- Serves as an Independent Director on the Board of listed entity.



Mr. Vishal Kampani, Managing Director

M.com, M. S. (Finance) from London Business School

- Managing Director of JM Financial Ltd., the group's flagship listed company.
- Launched the Asset Reconstruction business in 2008 and the Real Estate Finance business in 2009.
- Expanded the International Operations and built a global profile
- Joined the JM Financial group in 1997 as an analyst in the Merchant Banking Division and has since moved up the rank



Mr. E. A. Kshirsagar, Independent Director

B.Sc, FCA (England & Wales)

- Specialist in corporate strategy and structure, disinvestments-central/state/private sector, feasibility studies for a variety of industries and the impact of legislations on business;
- Serves on the Board of several reputed public limited companies.
- BSC (Science), FCA (England & Wales).



Dr. Vijay Kelkar, Independent Director

B.Sc, M.S. from University of Minnesota, USA, Ph.D from University of California, Berkely, USA

- Former Finance Secretary to the Government of India. He has also held several senior level positions in Govt. of India as well as international organisations including International Monetary Fund.
- Awarded with Padma Vibhushan, the second highest civilian award
- Serves on the Board of several reputed public limited companies.



Mr. Darius E. Udawadia, Independent Director

B.A., M.A., LLB,

- Founder partner, M/s. Udawadia & Udeshi, Solicitors & Advocates
- Serves on the Board of several reputed public limited companies.
- Vast experience and expertise in the areas like corporate law, mergers, acquisitions and takeovers, corporate restructuring, foreign collaboration, joint ventures, project and infrastructure finance, telecommunication, international loan and finance related transactions and instruments, real estate and conveyancing



Mr. Keki Dadiseth, Independent Director

FCA (England & Wales)

- Worked with HUL for 27 years.
- Member of advisory board of various groups.
- Associated with various industry, educational, management and medical bodies.
- Serves on the Board of several reputed public limited companies.



Mr. Paul Zuckerman, Independent Director

M.A. in Economics, Ph.D in Agricultural Economics

- Has been associated with various international organisations, including World Bank and International Institute of Tropical Agriculture, Ibadan, Nigeria
- Was Chairman, SG Warburg & Co. and was closely associated with Indian companies in the early days of globalisation In India.



Ms. Jagi Mangat Panda, Independent Director

B.Sc (Biology & Chemistry), Management Development Programme, Indian Institute of Management, Ahmedabad

- Presently, Managing Director of Ortel Communications Limited & Odisha Television Limited.
- Has more than 19 years of experience in the media and broadcasting industry
- Recognized as the 'Young Global Leader' at the World Economic Forum in 2008.

Effective Risk Management Framework

1

Robust risk management architecture encompassing independent identification, measurement and management of risk across various businesses of the Group

2

Effective systems, processes and adequate review mechanism to actively monitor, manage and mitigate risks

3

Quarterly risk meetings of all businesses with Group Risk Committee

4

"Risk Events Update" briefly describing 'Risk Identification', 'Risk Classification', 'Risk Assessment & Impact' and 'Remedial Action/ Risk Mitigation' aspects of all the identified risks are placed periodically (every six monthly) before the Board of Directors

5

Independent Internal Audit firms appointed to review and report on the business processes and policies in all operating companies of the Group

6

Internal Financial Controls (IFC) framework (as per provisions of the Companies Act, 2013) is laid-down which briefly highlights the Risk Control Matrices (RCMs) across the Group with a focus on Entity Level Controls

Integrated Rural Transformation Programme – Bihar

JAMUI DISTRICT – SIKANDRA, CHAKAI AND JHAJHA BLOCKS

LIVELIHOODS

- **Shri Vardhmaan Gaudhaam (Dairy Project) initiated as intensification of existing ILDC Project** in Sikandra block
- Field feasibility study conducted to gauge milk supply & demand 10 Milk Collection Centers (MCCs) mapped with block-level 1,000 litres per day Bulk Milk Cooling (BMC) unit – to be inaugurated in Dec 2019, covering 68 villages
- Aiming at increasing income through sale of milk and milk products



Feasibility FGD – Village Bichhwe

- **Integrated Livestock Development Center (ILDC) Project** running 21 Centers across 3 blocks (240 villages)
- 1,071 calves born out of 9,679 Artificial Insemination treatments
- Provided 50,591 vaccinations, 42,216 deworming, 43,014 de-ticking, 12,111 first aid, and 2,759 infertility treatment services; 1,099 fodder plots demonstrated and developed.



Farmer Kedar Yadav – Fodder plot

PRE-SCHOOL LEARNING

- **Project Bachpan** – Five pre-school learning centers running across five villages of Dhanimatari, Dhawatanr, Korasi, Lachhuar and Sabal Bigha
- 120 children enrolled and attending regularly.
- Students equipped with conceptual understanding on self & surroundings, concept formation, environment, etc.



Learning sequencing with story cards – Bachpan Center, Korasi

WOMEN EMPOWERMENT

- **Shri Vardhmaan Mahila Griha Udyog** running in Sikandra block as a women-based *khakhra* production unit
- Till Sept 2019 -
 - Total production: 7,698.01 kg
 - Total sales: 5,975 kg
 - Revenue generated: INR 9.84 Lakhs



Periodic meetings at the Udyog – JMFF* CSR

INTEGRATED VILLAGE DEVELOPMENT

- **Adarsh Gram (Model Village) Development Project** implemented in 15 villages of Sikandra block.
- Training: 1,099 farmers (cumulative) trained in water conservation & Kharif crop, vermi-beds installation, farmer entitlements and nutrition garden development.
- Agri-inputs: 2,267 Brinjal saplings to 119 farmers, 3,000 kg paddy seeds to 138 farmers, 125 lemon & 88 guava saplings to 8 farmers for orchard devpt. & Systematic Rice Intensification (SRI) technique piloted with 26 farmers
- Yield from last inputs: 26,925 kg from 2,960 kg Foundation wheat seeds, 8,190 kg from 29.250 kg Foundation Mustard seeds
- Water conservation: Three farm ponds developed



Paddy cultivation with SRI technique



Farm pond developed – Village Nawadih

Integrated Rural Transformation – Jharkhand and Maharashtra

GIRIDIH DISTRICT – DUMRI AND PIRTAND BLOCKS

FIRST REFERRAL UNIT (FRU)

- **First Referral Unit (FRU) Project** in Dumri block
- 44 member-team manages the FRU
- **Milestones:** 22,931 pediatric & 13,260 gynecological OPDs, 1,827 deliveries (78 C-sections).
- 276 critical new born babies treated at the New Born Stabilization Unit (NBSU)

MOBILE HEALTH UNIT (MHU)

- **Mobile Health Unit (MHU) Project** in Dumri & Pirtand blocks
- Over 41,000 population served across 24 villages
- **Milestones;** 37,685 OPDs treated till date; 55 random blood sugar, 56 malaria, 217 hemoglobin and 15 pregnancy diagnostic tests conducted



Case of respiratory distress – FRU NBSU



Doctor's prescription & medications – MHU

INTEGRATED VILLAGE DEVELOPMENT PROJECT

PALGHAR DISTRICT – MOKHADA BLOCK

- **Integrated Village Development Project** implemented in 7 villages in a radius of 30 kms.
- **Agriculture & allied activities:** *Training* → 542 farmers trained with technical inputs on soil management, Systematic Rice Intensification (SRI) technique and Cluster farming approach & techniques. *Agri-inputs* → 506 farmers' soil samples tested and reports disseminated, 1,425 kg rice seeds given to 57 farmers, 500kg (additional) sown with SRI technique, 10,850 cashew saplings given to 129 farmers and planted on 60.63 acres, 1,400 cashew and mango saplings given to 19 farmers, 420 sickles given to 420 farmers for paddy cultivation, 90 kitchen garden kits provided to 90 farmers for vegetable cultivation.
Distributed kitchen garden kits, drumstick saplings and sickles for paddy cultivation to farmers through linkage with government schemes.
- **Enhancing irrigation practices-** 1,073 Continuous Contour Trenches (CCTs) dug in 12.05 acres land with 600-800 litres capacity per CCT
- **Increasing access to public entitlements** through two helpdesks at Ase and Beriste Panchayats to facilitate timely awareness of and access to govt. welfare schemes. Govt. schemes worth INR 1.40 Crores converged with, up till August 2019 (INR 75.29 Crores up till March 2019 and INR 64.29 Crores from Apr to Aug 2019). Convergence facilitated with Agriculture Department, Krishi Vigyaan Kendra (KVK) – Kosbad, Dahanu, Collector Office – Palghar, and Integrated Child Development Services – Women and Child Development department.



CCTs filled with rainwater – July 2019



650 meter road constructed – 30 households connected (Zilla Parishad Cess Fund)



Rice sowing with SRI technique

Philanthropic Giving and Support

Education

- JMFF has provided material support to students as under-
 - Uniforms at a school for 610 tribal students in Pali, Maharashtra
 - Uniforms and shoes for children attending Balwadis run by senior citizens in Powai, Mumbai

Promoting Music & Culture

- JMFF has supported a Trust that is dedicated to reviving India's rich heritage & culture by way of music programs

Photo Gallery



For Further Queries

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