



# **JM Financial Limited**

Q4 FY17 Results Update

*May 02, 2017*

# 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.*

# Table of Contents

**Q4 FY17 Result Update – Group Performance**

**Q4 FY17 Result Update – Business Performance**

**Group Structure and Shareholding Pattern**

**Group Overview**

**Annexures**

# Key Highlights – Consolidated Performance

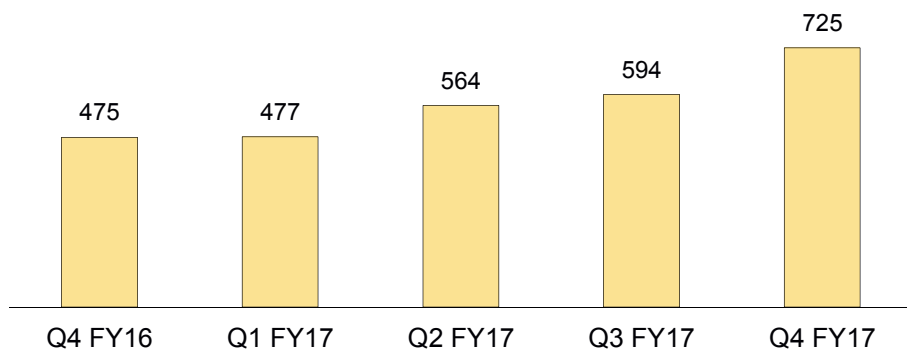
	Revenues	PBT	Net Profit	EPS*	ROA*	ROE*
<b>Q4 FY17</b>	725 Cr	326 Cr	151 Cr	1.90	1.4%	4.7%
	↑ 53%	↑ 62%	↑ 33%	↑	=	↑
<b>Q4 FY16</b>	475 Cr	201 Cr	114 Cr	1.44	1.4%	4.0%
	Revenues	PBT	Net Profit	EPS	ROA	ROE
<b>FY17</b>	2,359 Cr	972 Cr	470 Cr	5.93	4.7%	15.6%
	↑ 40%	↑ 40%	↑ 17%	↑	↓	↑
<b>FY16</b>	1,685 Cr	693 Cr	400 Cr	5.08	5.4%	15.3%

\* Not annualized

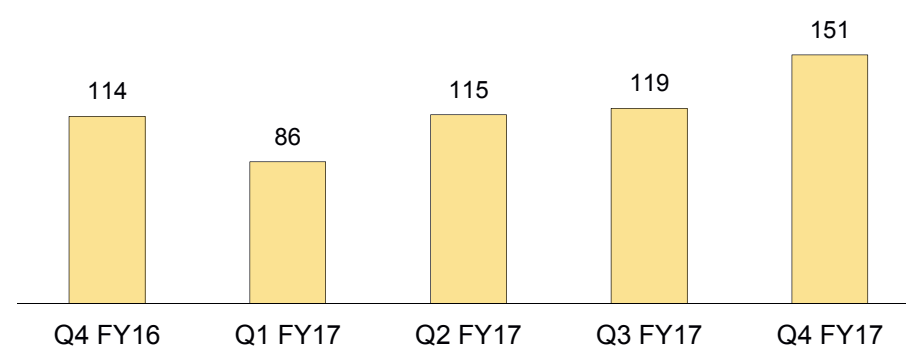
ARC figures in the statement of profit and loss are consolidated on line by line basis from October 1, 2016. The ARC was an "Associate" of JM Financial Limited till September 30, 2016.

# Key Highlights – Quarterly Trend

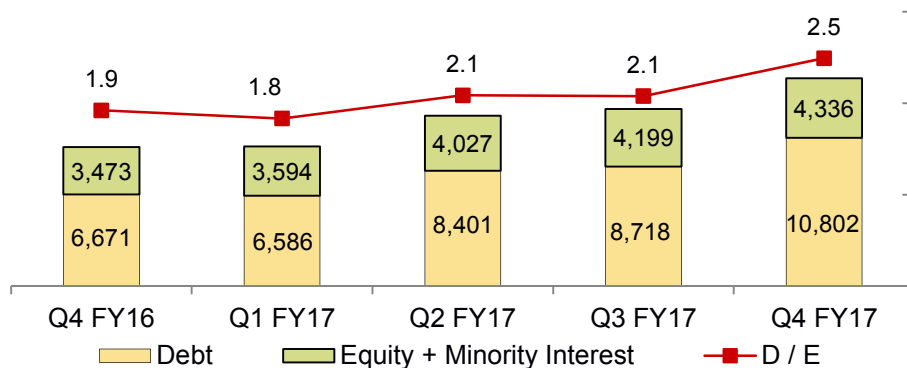
Gross Revenues (Rs Cr)



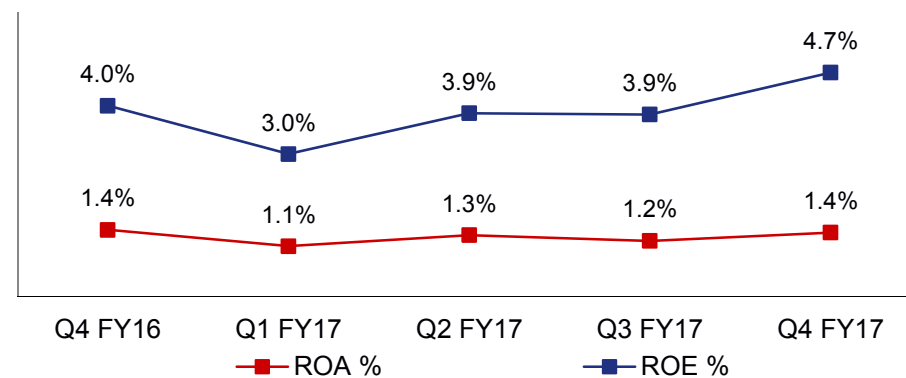
Net Profit (Rs Cr)



Leverage Analysis (Rs Cr)



Return Ratios (%)\*



ARC figures in the statement of profit and loss are consolidated on line by line basis from October 1, 2016. The ARC was an "Associate" of JM Financial Limited till September 30, 2016.

\* Not annualized

# Consolidated Profit & Loss Statement

Particulars (Rs Cr)	Q4 FY17	Q4 FY16	YoY %	Q3 FY17	QoQ %
<b>Gross Revenue</b>	<b>725</b>	<b>475</b>	<b>53%</b>	<b>594</b>	<b>22%</b>
Sub-brokerage	22	18	19%	21	3%
Employee cost	80	71	12%	81	-1%
Operating cost	77	39	97%	41	86%
Finance cost	214	139	54%	199	7%
Depreciation	6	5	22%	6	4%
<b>PBT</b>	<b>326</b>	<b>201</b>	<b>62%</b>	<b>245</b>	<b>33%</b>
Tax Expense	116	58	100%	82	42%
<b>PAT</b>	<b>210</b>	<b>143</b>	<b>47%</b>	<b>164</b>	<b>28%</b>
Share in profit of Associates	0	5	-96%	0	-25%
<b>PAT before Minority Interest</b>	<b>210</b>	<b>148</b>	<b>42%</b>	<b>164</b>	<b>28%</b>
Minority Interest	-59	-35	73%	-45	31%
<b>PAT after Minority Interest</b>	<b>151</b>	<b>114</b>	<b>33%</b>	<b>119</b>	<b>27%</b>

# Consolidated Profit & Loss Statement

Particulars (Rs Cr)	FY17	FY16	YoY %
<b>Gross Revenue</b>	<b>2,359</b>	<b>1,685</b>	<b>40%</b>
Sub-brokerage	92	77	20%
Employee cost	306	264	16%
Operating cost	184	118	55%
Finance cost	782	512	53%
Depreciation	23	20	15%
<b>PBT</b>	<b>972</b>	<b>693</b>	<b>40%</b>
Tax Expense	335	222	50%
<b>PAT</b>	<b>637</b>	<b>470</b>	<b>35%</b>
Share in profit of Associates	12	55	-78%
<b>PAT before Minority Interest</b>	<b>649</b>	<b>526</b>	<b>23%</b>
Minority Interest	-179	-125	43%
<b>PAT after Minority Interest</b>	<b>470</b>	<b>400</b>	<b>17%</b>

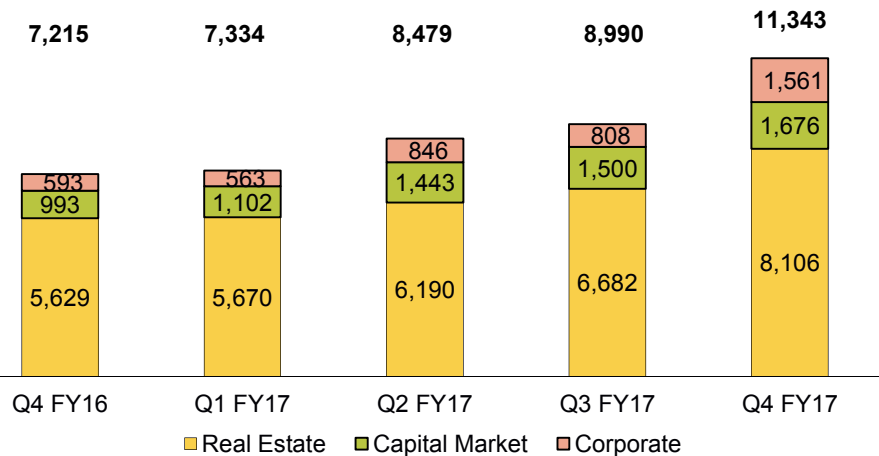
# Consolidated Balance Sheet

Particulars (Rs Cr)	As at March 31, 2017	As at March 31, 2016
<b>Equity and Liabilities</b>		
Shareholders' funds	3,227	2,804
Minority interest	1,109	669
Borrowings	10,802	6,671
Other liabilities and provisions	1,315	812
<b>TOTAL</b>	<b>16,453</b>	<b>10,956</b>
<b>Assets</b>		
Loan book (Including Investment in NCD's)	11,343	7,214
Security receipts	1,641	7
Investment in associates	7	269
Treasury fund	1,377	1,962
Arbitrage and trading book	130	316
Fixed assets	383	340
Other assets	1,571	848
<b>TOTAL</b>	<b>16,453</b>	<b>10,956</b>

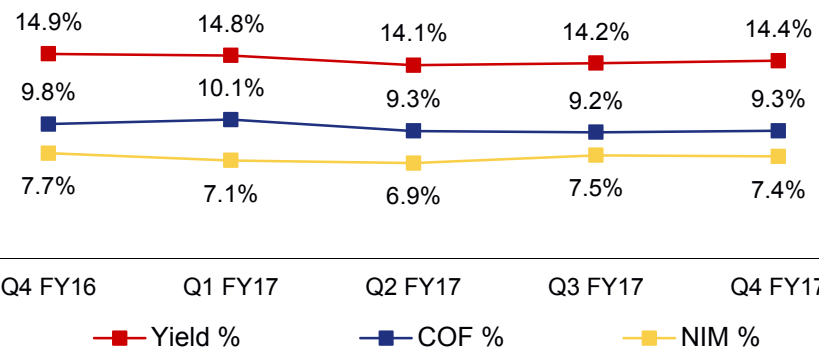


# Lending book Profile

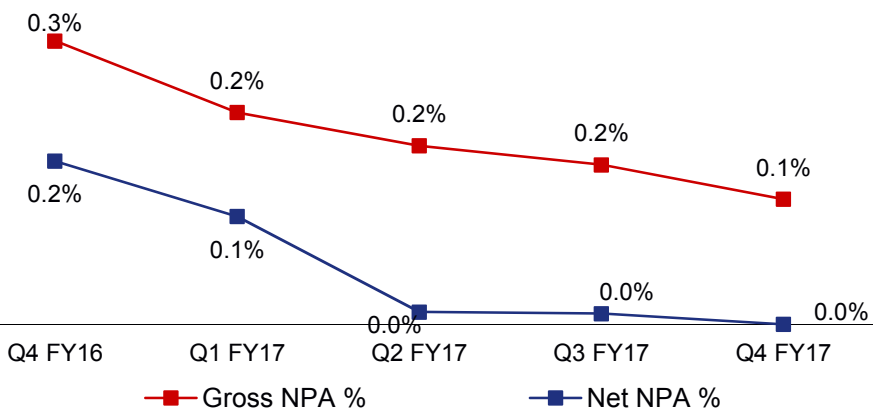
**Loan Book (Rs Cr)**



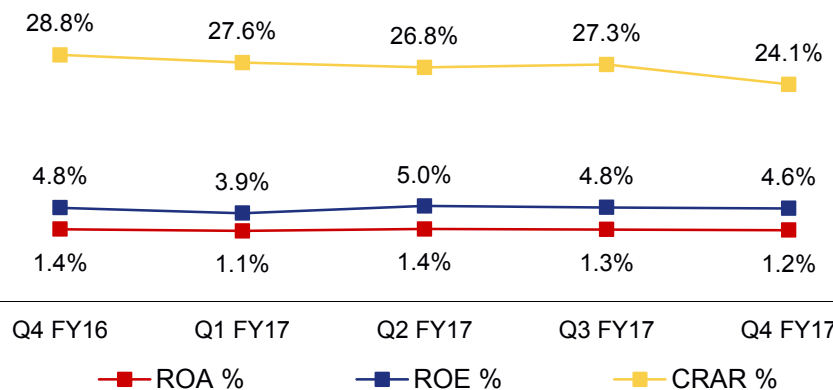
**NIM Analysis (%)**



**Gross & Net NPA (%)**



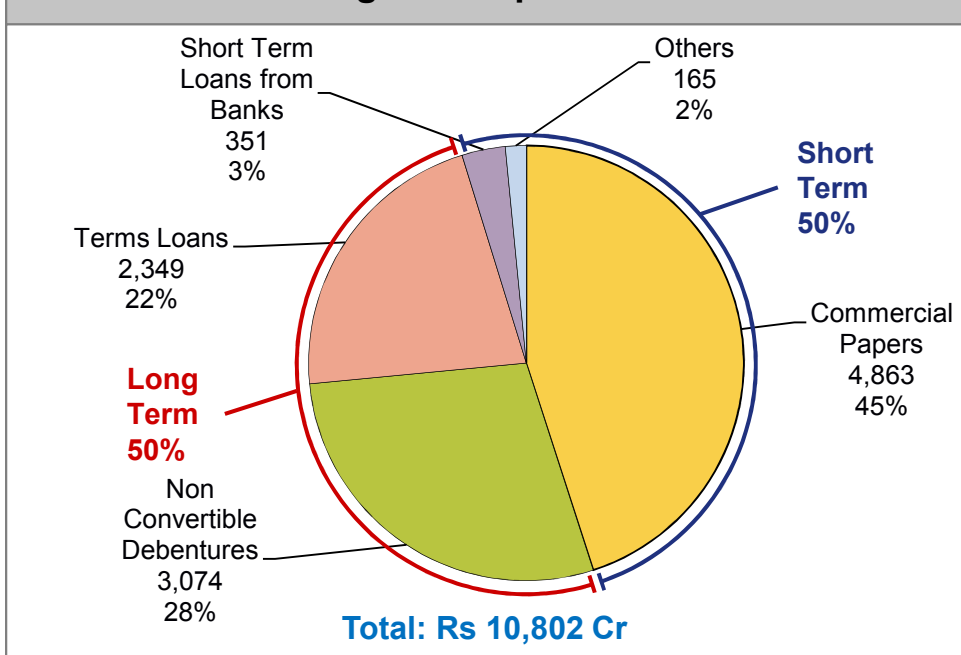
**Return Ratios\* & Capital Adequacy (%)**



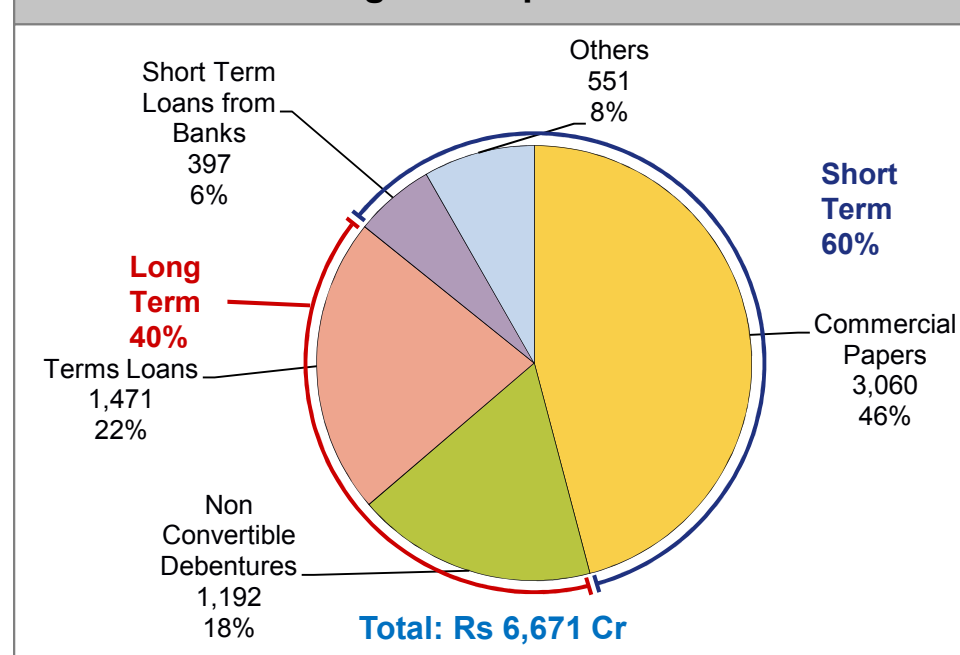
\* ROA and ROE Not annualized

# Borrowing Profile

## Borrowing Breakup – March 2017



## Borrowing Breakup – March 2016



### Strong Credit Rating:

- Long term debt rating:
  - CRISIL AA STABLE
  - ICRA AA STABLE
  - India Ratings AA STABLE

- Short term debt rating:
  - CRISIL A1+
  - ICRA A1+

**Near term focus on diversifying sources of funds and lenders' profiles**

# Table of Contents

**Q4 FY17 Result Update – Group Performance**

**Q4FY17 Result Update – Business Performance**

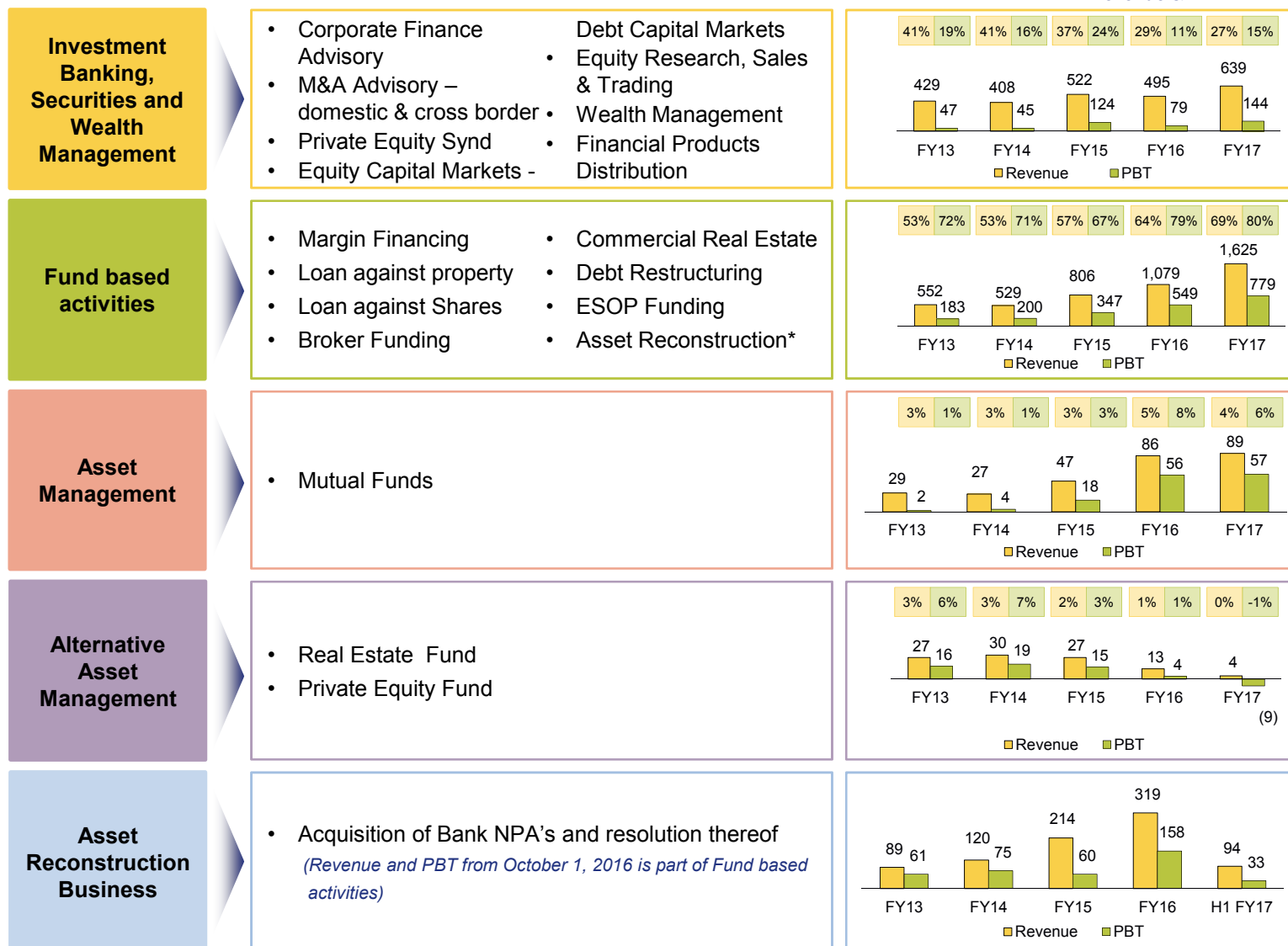
**Group Structure and Shareholding Pattern**

**Group Overview**

**Annexures**

# Sustainable growth – Oriented portfolio

- JM Financial is a four decade old institution founded by Mr. Nimesh Kampani
- Servicing clients across the financial services spectrum
- PAN India Presence
- Firm four-decade footprints - proven track record of growth & sustainability
- Pioneered innovative products in the financial services space
- Trusted & preferred partner – client centric business model



\* ARC forming part of Fund based activity post it became subsidiary with effect from September 30, 2016.

% contribution of consolidated revenue

% contribution of consolidated PBT

# JM Financial Limited

In Rs Cr

## Fund based activities – Subsidiaries

### JM Financial Credit Solutions Ltd

	Q4 FY17	Q4 FY16
Revenue	223	161
Net Profit	79	58
Net worth	1,413	1,136
Loan book	5,658	4,074
Net Interest Margin	8.7%	9.6%
Total Assets	5,691	4,207
ROE(not annualized)	5.7%	5.3%
ROA(not annualized)	1.5%	1.6%
Debt / Equity Ratio	2.93	2.61
<b>Ownership</b>	<b>50.01%</b>	<b>50.01%</b>

### JM Financial Products Ltd

	Q4 FY17	Q4 FY16
Revenue	172	136
Net Profit	51	52
Net worth	1,343	1,206
Loan book	5,499	3,143
Net Interest Margin	6.1%	5.6%
Total assets	5,957	4,309
ROE(not annualized)	3.8%	4.3%
ROA(not annualized)	1.0%	1.2%
Debt / Equity Ratio	3.36	2.46
<b>Ownership</b>	<b>99.27%</b>	<b>98.49%</b>

### JM Financial Asset Recons. Co. Ltd

	Q4 FY17	Q4 FY16
Revenue	83	41
Net Profit	25	9
Net worth	580	525
AUM	11,874	9,820
Total assets	1,810	1,340
ROE(not annualized)	4.5%	1.8%
ROA(not annualized)	1.5%	0.8%
Debt / Equity Ratio	2.01	1.46
<b>Ownership</b>	<b>50.01%</b>	<b>50.00%</b>

## Fee Based activities – Subsidiaries

### IWS Business<sup>(2)</sup>

	Q4 FY17	Q4 FY16
Revenue	223	143
Net Profit	43	18
Loan book	164	-
Wealth AUM	23,664	26,958
Research Coverage	169	179
Capital Employed	639	560
ROE(not annualized)	6.9%	3.2%
<b>Ownership</b>	<b>100%</b>	<b>100%</b>

### Asset management

	Q4 FY17	Q4 FY16
Revenue	26	23
Net Profit	14	10
Quarterly Avg AUM	13,668	16,161
Capital Employed	229	183
ROE(not annualized)	6.7%	5.6%
<b>Ownership</b>	<b>53.47%</b>	<b>53.47%</b>

### Alternative asset management

	Q4 FY17	Q4 FY16
Revenue	1	4
Net Profit	-2	1
AUM	655	773
Capital Employed	81	83
ROE(not annualized)	-	1.7%
<b>Ownership</b>	<b>100%</b>	<b>100%</b>

#### Note

- Figures mentioned above are based on standalone financials
- IWS Business - Investment Banking, Wealth Management and Securities Business

# JM Financial Limited

In Rs Cr

## Fund based activities – Subsidiaries

### JM Financial Credit Solutions Ltd

	FY17	FY16
Revenue	788	519
Net Profit	277	198
Net worth	1,413	1,136
Loan book	5,658	4,074
Net Interest Margin	8.8%	10.4%
Total Assets	5,691	4,207
ROE (annualised)	21.8%	19.0%
ROA (annualised)	5.6%	6.5%
Debt / Equity Ratio	2.93	2.61
<b>Ownership</b>	<b>50.01%</b>	<b>50.01%</b>

### JM Financial Products Ltd

	FY17	FY16
Revenue	706	559
Net Profit	197	167
Net worth	1,343	1,206
Loan book	5,499	3,143
Net Interest Margin	5.8%	6.0%
Total assets	5,957	4,309
ROE(annualised)	15.5%	14.5%
ROA(annualised)	3.8%	3.8%
Debt / Equity Ratio	3.36	2.46
<b>Ownership</b>	<b>99.27%</b>	<b>98.49%</b>

### JM Financial Asset Recons. Co. Ltd

	FY17	FY16
Revenue	224	319
Net Profit	55	108
Net worth	580	525
AUM	11,874	9,820
Total assets	1,810	1,340
ROE(annualised)	9.9%	23.0%
ROA(annualised)	3.5%	7.4%
Debt / Equity Ratio	2.01	1.46
<b>Ownership</b>	<b>50.01%</b>	<b>50.00%</b>

## Fee Based activities – Subsidiaries

### IWS Business<sup>(2)</sup>

	FY17	FY16
Revenue	639	495
Net Profit	95	54
Loan book	164	-
Wealth AUM	23,664	26,958
Research Coverage	169	179
Capital Employed	639	560
ROE(annualised)	15.9%	9.3%
<b>Ownership</b>	<b>100%</b>	<b>100%</b>

### Asset management

	FY17	FY16
Revenue	89	86
Net Profit	44	44
Quarterly Avg AUM	13,668	16,161
Capital Employed	229	183
ROE(annualised)	22.2%	28.7%
<b>Ownership</b>	<b>53.47%</b>	<b>53.47%</b>

### Alternative asset management

	FY17	FY16
Revenue	4	13
Net Profit	-9	4
AUM	655	773
Capital Employed	81	83
ROE(annualised)	-	4.5%
<b>Ownership</b>	<b>100%</b>	<b>100%</b>

#### Note

- Figures mentioned above are based on standalone financials
- IWS Business - Investment Banking, Wealth Management and Securities Business

# Segment performance

Segment revenue (Rs Cr)	Q4FY17	Q3 FY17	QoQ	Q4 FY16	YoY
Investment Banking, Wealth Management and Securities Business	223	148	50%	143	55%
Fund Based Activities	478	425	13%	297	61%
Alternative Asset Management	1	1	N/M	4	N/M
Asset Management	26	22	20%	23	14%
Others	74	32	134%	51	46%
<b>Total Segment Revenue</b>	<b>802</b>	<b>627</b>	<b>28%</b>	<b>518</b>	<b>55%</b>
Less: Inter - segmental revenue	77	33	137%	43	78%
<b>Total Revenue</b>	<b>725</b>	<b>594</b>	<b>22%</b>	<b>475</b>	<b>53%</b>
Segment PAT (Rs Cr)	Q4 FY17	Q3 FY17	QoQ	Q4 FY16	YoY
Investment Banking, Wealth Management and Securities Business	43	20	111%	18	135%
Fund Based Activities	103	93	11%	85	21%
Alternative Asset Management	-2	-2	N/M	1	N/M
Asset Management	8	6	31%	5	45%
Others	-1	2	N/M	4	N/M
<b>Total</b>	<b>151</b>	<b>119</b>	<b>27%</b>	<b>114</b>	<b>33%</b>

# Segment performance

Segment revenue (Rs Cr)	FY17	FY16	YoY
Investment Banking, Wealth Management and Securities Business	639	495	29%
Fund Based Activities	1,625	1,079	51%
Alternative Asset Management	4	13	N/M
Asset Management	89	86	4%
Others	213	194	10%
<b>Total Segment Revenue</b>	<b>2,570</b>	<b>1,866</b>	<b>38%</b>
Less: Inter - segmental revenue	211	181	16%
<b>Total Revenue</b>	<b>2,359</b>	<b>1,685</b>	<b>40%</b>
Segment PAT (Rs Cr)	FY17	FY16	YoY
Investment Banking, Wealth Management and Securities Business	95	54	77%
Fund Based Activities	360	315	14%
Alternative Asset Management	-9	4	N/M
Asset Management	25	25	-
Others	-2	3	N/M
<b>Total</b>	<b>470</b>	<b>400</b>	<b>17%</b>



# Investment Banking, Wealth Management & Securities business

## Investment Banking

- ✓ Over 4 decades of leadership -
  - ECM / DCM / Corp. Fin. / M&A Advisory
  - Private Equity Syndication
- ✓ Innovative structuring and execution of complex, challenging deals and restructuring of corporate groups & businesses
- ✓ Strong long-term Indian Corporate relationships
- ✓ Strong track record of landmark M&A transactions
- ✓ Best-in-Class Execution Team with focus on client satisfaction
- ✓ Ranked No 1 in M&A & Capital Markets as per Merger market and Prime Database for FY 2017

## Wealth Management

- ✓ Wealth AUM of **Rs 23,664** Cr with strong team of **67** wealth advisors
- ✓ Presence - Mumbai, Delhi, Bangalore, Ahmedabad, Pune, Kolkata & Hyderabad
- ✓ Client-oriented approach, customised long-term asset allocation strategy, unbiased investment solutions
- ✓ Client service across all segments - Investment Banking, Corporate Finance etc.
- ✓ Focus on growing discretionary assets
- ✓ Over **8,200** active IFDs  
Coverage of broking segment - **116** cities

## Securities business

- ✓ Worldwide institutional reach - dominant global & local institutional franchise
- ✓ Institutional distribution strength - We cover 151 funds across regions
- ✓ Institutional Equities offices at Singapore and New York
- ✓ Extensive research coverage of 169 companies
- ✓ Lending book stood at Rs.164 Cr
- ✓ Avg. daily turnover in Q4 FY17 – Rs.3,464cr, (incl. cash segment of Rs.1,000 cr)

Particulars (Rs Cr)	Q4 FY17	Q4 FY16	YoY %	Q3 FY17	QoQ %	FY17	FY16	YoY %
Capital Employed	639	560	14%	599	7%	639	560	14%
Revenue	223	143	55%	148	50%	639	495	29%
Employee Cost	58	60	-4%	50	16%	203	186	9%
Finance Cost	16	11	53%	16	2%	55	54	1%
Other Expenses	80	47	65%	54	45%	237	176	35%
PBT	69	25	180%	27	154%	144	79	81%
PAT	43	18	135%	20	111%	95	54	77%
ROE (%)	6.9%	3.2%		3.4%		15.9%	9.3%	

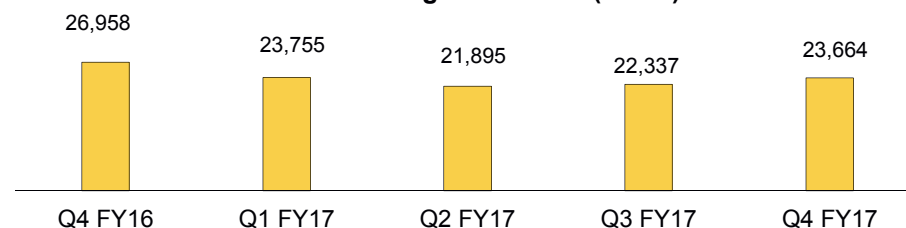
# Investment Banking, Wealth Management & Securities business

## Investment Banking

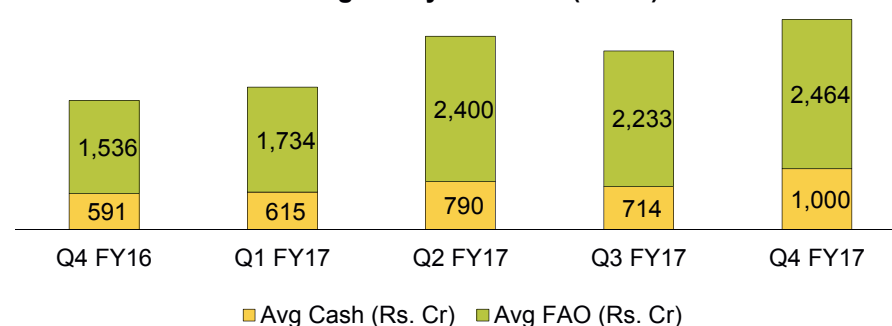
- Sole financial advisor to Geometric Limited on composite scheme of arrangement involving demerger of its business excluding its 58% stake in 3DPLM Software Solutions Limited (3DPLM) to HCL Technologies Limited and eventual merger of Geometric into 3DPLM.
- Slump of hospitals business of Fortis Malar Hospitals Limited (FMHL) into Fortis Healthcare Limited (FHL); demerger of diagnostics business of FHL into FMHL
- Financial advisor on sale of Titawi Sugar Complex to Indian Potash Limited
- Financial advisor to TransUnion for increasing its stake in TransUnion CIBIL Limited
- Fairness Opinion and Financial Advisor to Adani Ports on Scheme of Arrangement on transfer of marine services business of Adani Ports and Special Economic Zone (APSEZ)
- Fairness Opinion to the board of directors of Mukand Limited on the scheme of arrangement between Mukand Limited, Mukand Vijayanagar Steel Limited and Mukand Alloy Steels Private Limited and their respective shareholders and creditors.
- Financial advisor to Fino Paytech Limited on stake sale
- Financial advisor for minority stake sale of commercial assets portfolio of the K Raheja Group to Blackstone
- Financial advisor to Goldman Sachs and KKR for exit in TVS Logistics Services to CDPQ, TVS family members and management for Rs 1,235 crore
- Financial advisor to Canara Bank for stake sale in Can Fin Homes to GIC for Rs 754 crore
- Financial advisor to BSCPL Infrastructure for sale of its road asset BSCPL Godhra Tollways to India Infrastructure Fund II for Rs 306 crore
- Financial advisor to Wisemore Advisory (Mr. Sumant Sinha) for structured finance of Rs 280 crore from Piramal Finance
- Book Running Lead Manager to the IPO of Avenue Supermarts Ltd – Rs 1870 crore
- Book Running Lead Managers to the QIP by Hindalco Industries Limited-Rs. 3,350 crore

## Wealth Management & Securities business

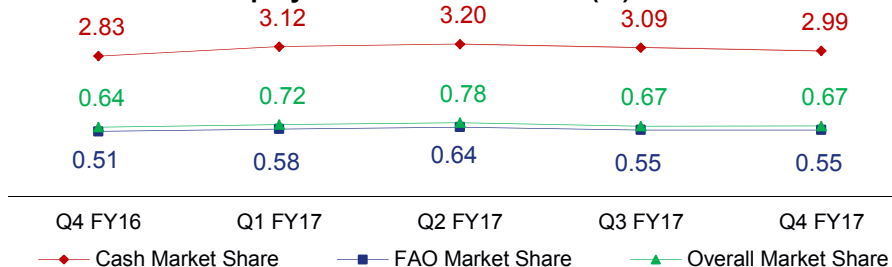
### Wealth Management AUM (Rs Cr)



### Average Daily Turnover (Rs Cr)



### Equity Market Share on NSE (%)



# Fund Based Activities – JM Financial Products

## Corporate / Wholesale lending & Loan against Shares

- This business is undertaken by JM Financial Products Ltd. – 99.3% owned NBFC of the JM Financial Group.
- It enjoys the highest short-term credit rating of A1+ from CRISIL as well its “CRISIL AA/ Stable” rating for long term NCD issuances and bank loans.

### Lending to clients of traditional businesses

**Corporate clients**  
Loan book  
Rs.1,476  
Cr

- Corporate loans
- Structured loans
- Bridge loans
- Acquisition financing
- Promoter loans

**Wealth Clients**  
Loan book  
Rs.1,512  
Cr

- Loan against Property
- Loan against Security
- ESOP Funding
- IPO Financing
- Broker Funding
- Margin Trade Funding

**RE Clients**  
Loan book  
Rs.2,511  
Cr

- Overflow of loans from RE lending arm

### Lending to new clients using Technology as enabler

**Investments**  
Rs.7 Cr

- Partner with new age Fin tech platforms with 3-5 year view

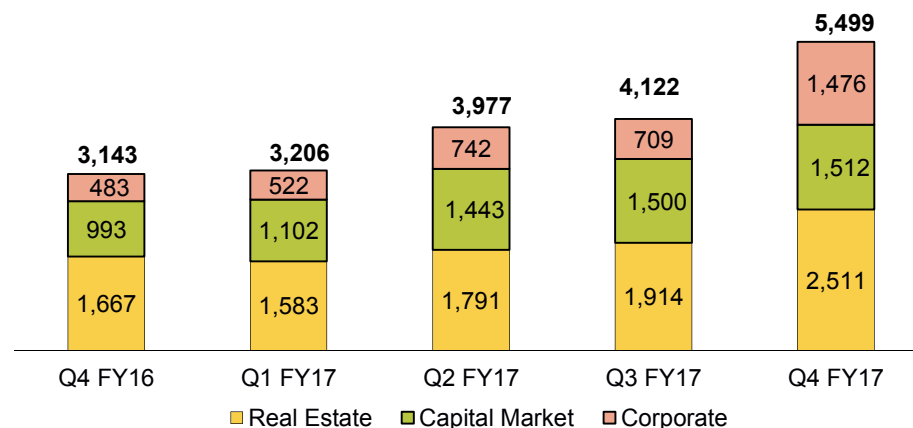
**SME Lending\***

- Loans to SME with robust credit analysis & recovery mechanism

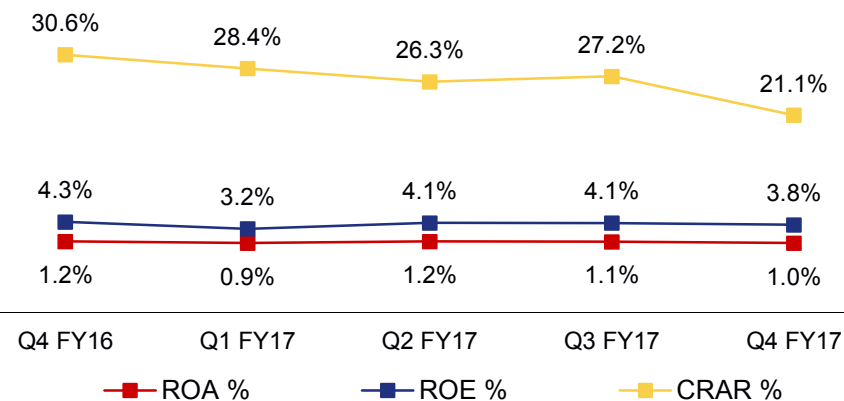
**Housing Finance\***

- Provide home loans to retail customer with a focus on affordable segment (Filed application with NHB)

## Loan Book (Rs Cr)



## Return Ratios & Capital Adequacy (%)



# Fund Based Activities – JM Financial Credit Solutions

## Real Estate Lending

- This business is undertaken by JM Financial Credit Solutions Ltd. – 50.01% owned NBFC of the JM Financial Group.
- Vikram Pandit & Associates own 49.99% stake in form of a long-term strategic partnership.



Provides an integrated financial solution to real estate developers with major focus on real estate project financing.



Lending book has grown from Rs 1,844 cr in the beginning of FY16 to Rs 5,658 cr as on 31<sup>st</sup> March 2017 which includes Rs.5,595 cr real estate.

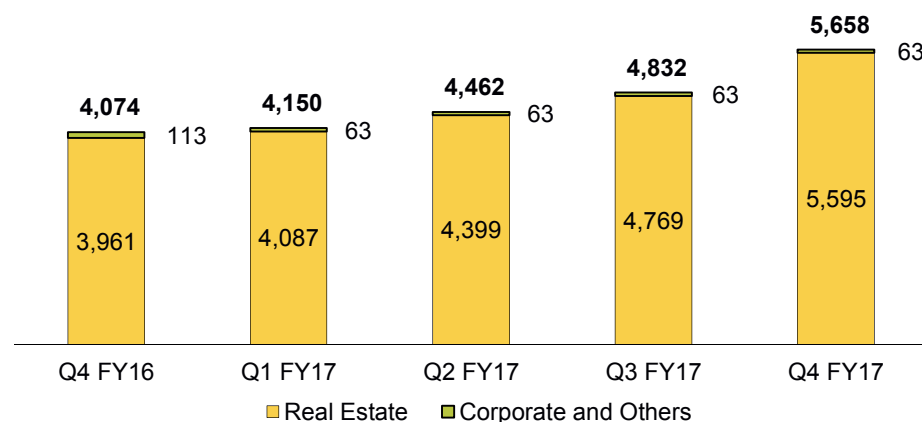


- 60 groups – significant focus on repeat business
- Most of the clients with over 25 years of experience in the industry
- Focus on Tier I markets – Mumbai, Bengaluru, Pune and Chennai
  - Loan disbursements of 49% in Mumbai, 22% Bengaluru, 13% Pune, 16% Chennai and others
- 88% of the book is cashflow backed lending
- 80% of the book is against residential projects

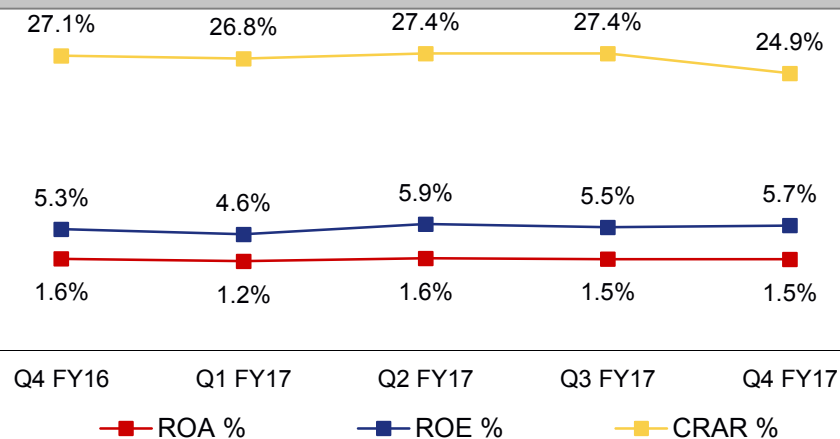


Prominent Relationships – Kalpataru, RMZ, Embassy, Kanakia, Peninsula, Adarsh, Goel Ganga, Rajesh Lifespaces and Lodha amongst others.

## Loan Book (Rs Cr)



## Return Ratios & Capital Adequacy (%)



# Fund Based Activities – Asset Reconstruction

## Business Overview

- ☑ Long Term Credit Rating of AA- and Short Term Credit Rating of A1+ by CRISIL and ICRA. Comfortable gearing of 2x with ~47% medium / long term debt
- ☑ This business has multiple income streams like Management Fees, Interest income and Upside / Yield
- ☑ Current AUM of ~Rs 11,874 Cr comprising Corporate Accounts and Corporate/SME/ Retail Portfolios
- ☑ Business related activities such as Financial & Legal due diligence for acquisitions, resolutions and document storage etc are conducted by only in-house resources and not outsourced
- ☑ Focus on Restructuring and Revival of Corporate Accounts.

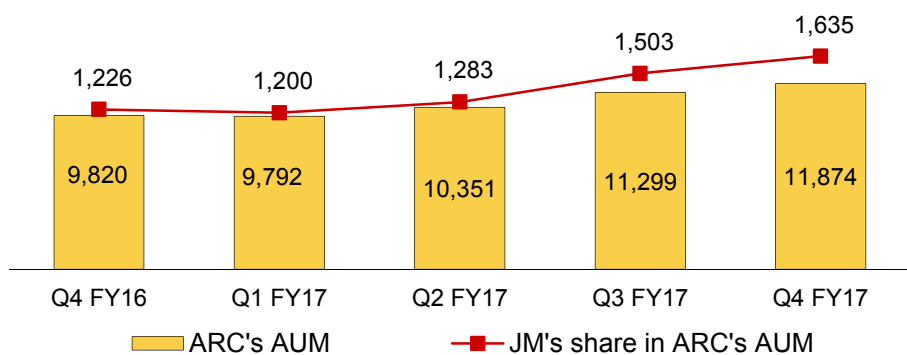
## Long Term Positive Drivers

- ☑ RBI's supervisory and corrective actions over bank NPA's are positive steps aimed at faster resolution of bad debts of the Banking system and are also expected to keep pushing Bank's to sell-down stressed assets to ARCs
- ☑
  - Recent guideline on disclosure requirements on any major divergence in reporting of NPAs by Banks further emphasizes the resolve of RBI to improve the stretched NPA problem
  - Insolvency and Bankruptcy Code - provides for a specialized forum to oversee all insolvency and liquidation proceedings
  - Capital commitments by global players adding stimulus to the sector's capital requirement
  - With the various regulatory measures, the outlook for the business remains promising

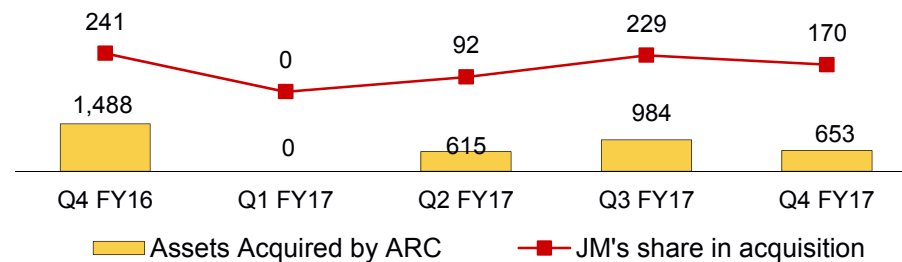
Particulars (Rs Cr)	Q4 FY17	Q4 FY16	YoY %	Q3 FY17	QoQ %	FY17	FY16	YoY %
Capital Employed	580	525	10%	554	5%	580	525	10%
Revenue	83	41	102%	47	77%	224	319	-30%
PBT	39	12	225%	12	225%	84	158	-47%
PAT	25	9	177%	8	212%	55	108	-49%
ROA (%)	1.5%	0.8%		0.5%		3.5%	7.4%	
ROE (%)	4.5%	1.8%		1.4%		9.9%	23.0%	

# Asset Reconstruction

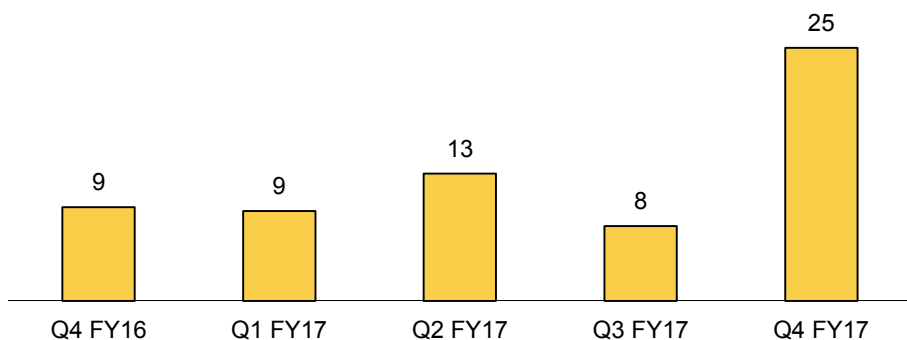
AUM (Rs Cr)



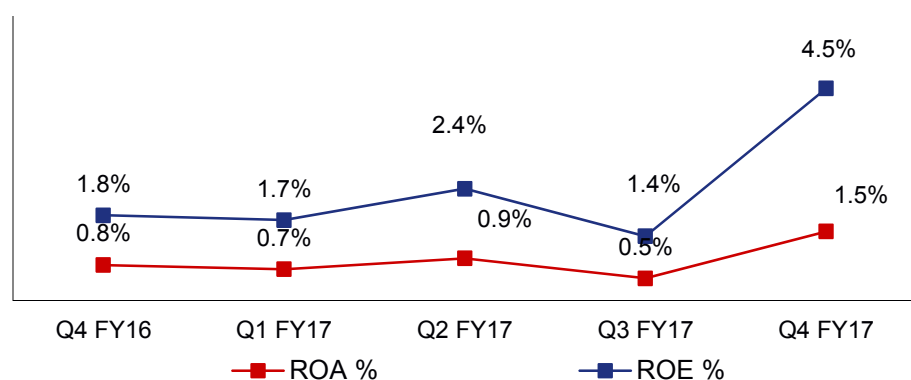
Asset Acquisitions (Rs Cr)



Net Profit (Rs Cr)



Return Ratios (%)\*



\* ROA and ROE Not annualized

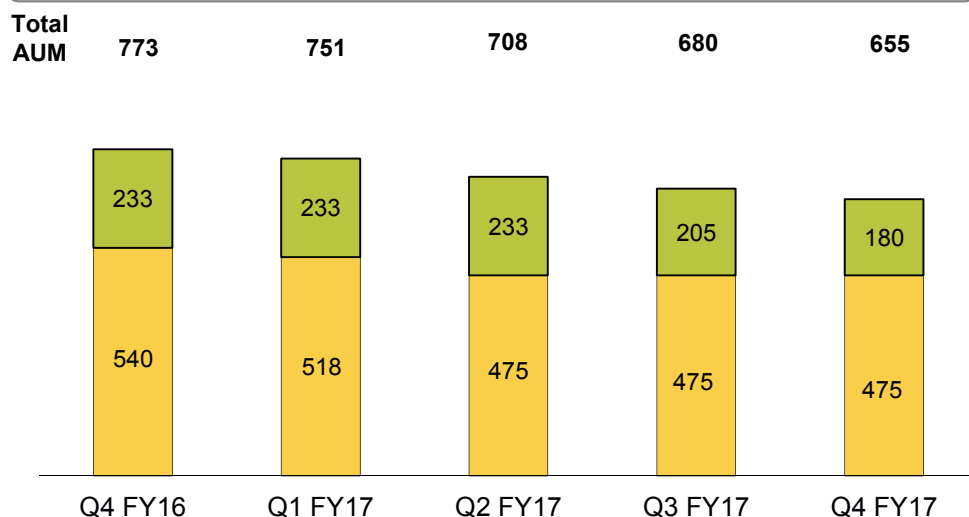
## Fund Based Activities (including ARC)\*

Particulars (Rs Cr)	Q4 FY17	Q4 FY16	YoY %	Q3 FY17	QoQ %	FY17	FY16	YoY %
<b>Capital Employed</b>	<b>3,241</b>	<b>2,558</b>	<b>27%</b>	<b>3,145</b>	<b>3%</b>	<b>3,241</b>	<b>2,558</b>	<b>27%</b>
<b>Loan Book</b>	<b>11,179</b>	<b>7,214</b>	<b>55%</b>	<b>8,990</b>	<b>24%</b>	<b>11,179</b>	<b>7,214</b>	<b>55%</b>
Gross revenue	478	297	61%	425	13%	1,625	1,079	51%
Interest Expense	193	126	53%	180	7%	707	450	57%
<b>Net Interest Income</b>	<b>285</b>	<b>171</b>	<b>66%</b>	<b>245</b>	<b>17%</b>	<b>918</b>	<b>629</b>	<b>46%</b>
Operating Expenses	35	10	266%	34	3%	120	73	65%
Provisions / Bad Debts	10	3	273%	6	84%	19	8	151%
<b>PBT</b>	<b>239</b>	<b>159</b>	<b>51%</b>	<b>205</b>	<b>17%</b>	<b>779</b>	<b>549</b>	<b>42%</b>
Tax	84	49	72%	71	18%	271	184	48%
<b>PAT before Minority Interest</b>	<b>156</b>	<b>110</b>	<b>41%</b>	<b>133</b>	<b>17%</b>	<b>508</b>	<b>365</b>	<b>39%</b>
Minority Interest	-53	-30.0	76%	-40	31%	-158	-104	52%
Share of Profit from Associates	0	5	-100%	0	0%	11	54	-80%
<b>PAT after Minority Interest</b>	<b>103</b>	<b>85</b>	<b>21%</b>	<b>93</b>	<b>11%</b>	<b>360</b>	<b>315</b>	<b>14%</b>

\*ARC figures in the statement of profit and loss are consolidated on line by line basis from October 1, 2016. The ARC was an "Associate" of JM Financial Limited till September 30, 2016.

# Alternative Asset Management

## Alternative Asset Management AUM (Rs Cr)



### Private Equity:

- AUM on March 31, 2017 – Rs 475 Cr.
- No. of investments – 13.
- No. of Exits – 7 full
- Fully drawn down & invested
- Amount distributed till date – Rs 722 Cr.
- **PE fund II has received SEBI registration as Cat II – AIF, and in process of raising capital**

### Real Estate:

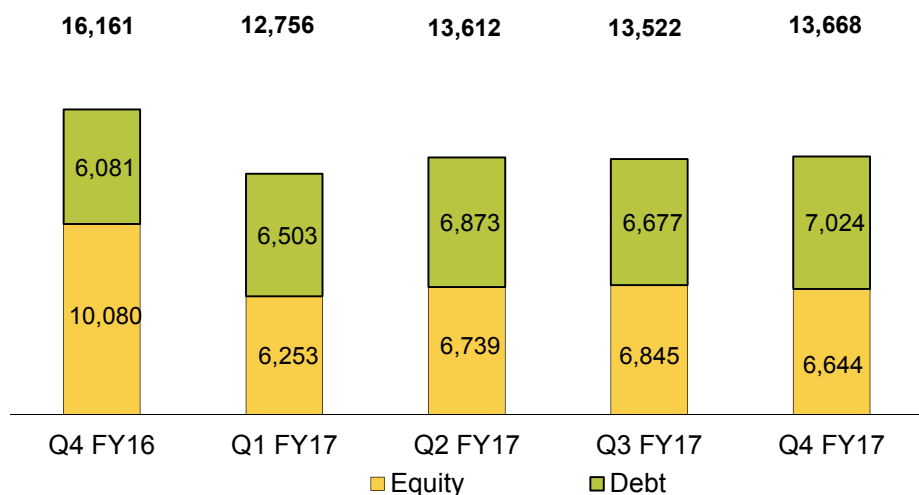
- AUM on March 31, 2017 – Rs 180 Cr.
- No. of investments – 16.
- No. of Exits – 6 full and 3 part.
- Fully drawn down & invested
- Amount distributed till date – Rs 264 Cr.

Particulars (Rs Cr)	Q4 FY17	Q4 FY16	YoY %	Q3 FY17	QoQ %	FY17	FY16	YoY %
Capital Employed	81	83	-3%	79	3%	81	83	-3%
Revenue	1	4	-75%	1	55%	4	13	-66%
Employee Cost	3	1	98%	2	54%	8	5	64%
Other Expenses	0	1	-90%	1	-91%	5	4	40%
PBT	-2	2	-	-2	-	-9	4	-
PAT	-2	1	-	-2	-	-9	4	-
ROE (%)	-	1.7%		-		-	4.5%	



# Asset Management

## Asset Management AUM (Rs Cr)



**Note:**  
Equity AUM for Q4 FY17 include arbitrage fund of Rs. 3,227 Cr

## Mutual Fund:

- Quarterly Average AUM (QAAUM) – Rs 13,668 cr.
- Rank (QAAUM) – 18 among 41 Mutual Funds.
- Market Share – 0.75%.
- 17 Schemes categorized as Long Term Debt, Short Term Debt, Balance, Equity Arbitrage and Equity.
- Investor reach – 1,35,025 base, 17 branches & 81 service centres.
- **The Board of Directors of JM Financial Asset Management Limited has approved the buy-back of up to 10% of the outstanding equity capital subject to the necessary approvals as may be required.**

Particulars (Rs Cr)	Q4 FY17	Q4 FY16	YoY %	Q3 FY17	QoQ %	FY17	FY16	YoY %
Capital Employed	229	183	25%	214	7%	229	183	25%
Revenue	26	23	14%	22	20%	89	86	4%
Employee Cost	4	8	-49%	5	-22%	22	22	0%
Other Expenses	3	2	45%	2	24%	10	7	34%
PBT	19	12	53%	14	36%	57	56	2%
PAT	14	10	48%	11	34%	44	44	0%
Minority Interest	-7	-5	48%	-5	34%	-21	-21	0%
Share of Profit from Associates	0	0	-16%	0	-25%	1	1	-10%
PAT after Minority Interest	8	5	46%	6	31%	25	25	-1%
ROE (%)	6.7%	5.6%		5.3%		22.2%	28.7%	

# Table of Contents

**Q4 FY17 Result Update – Group Performance**

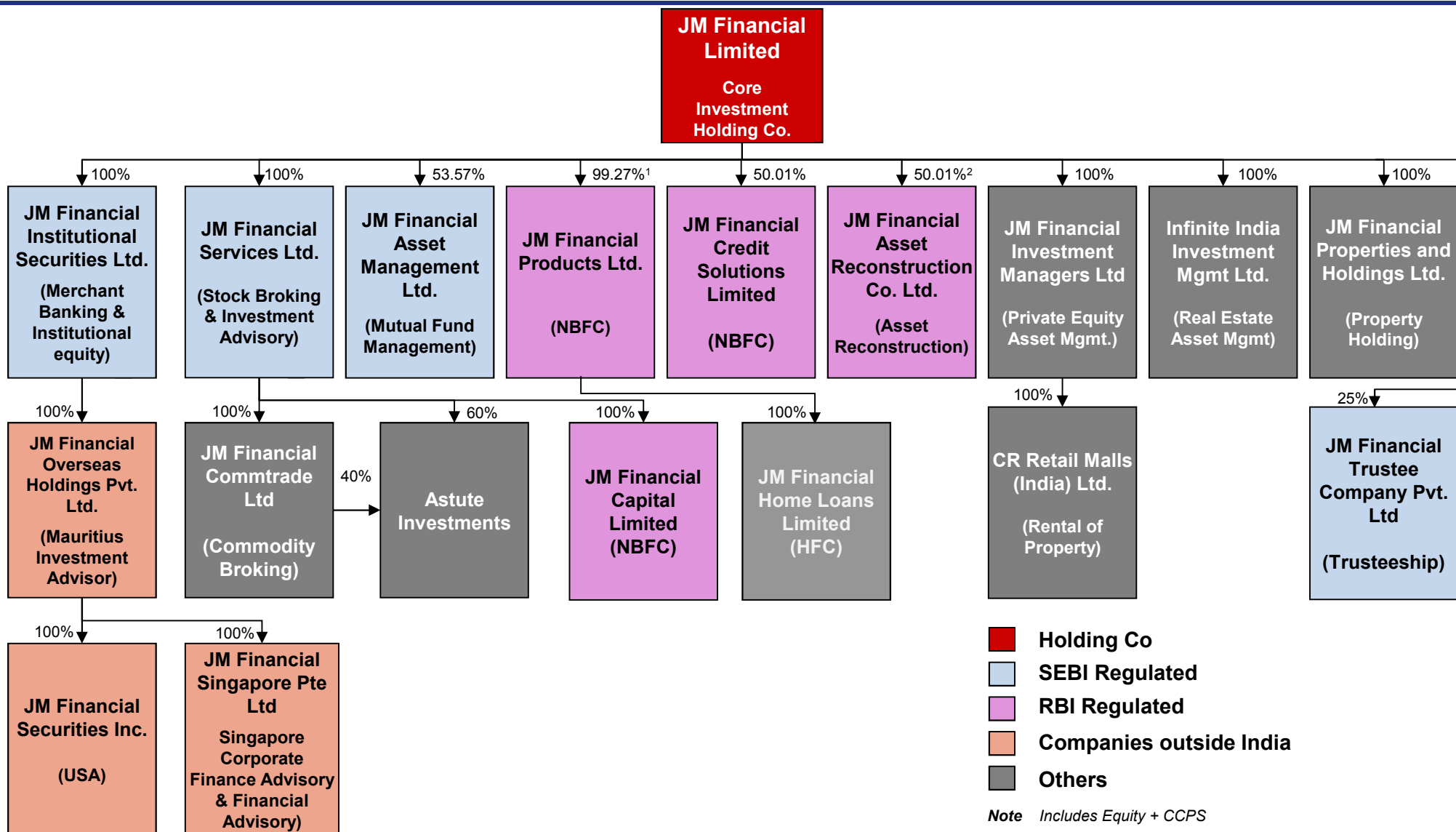
**Q4 FY17 Result Update – Business Performance**

**Group Structure and Shareholding Pattern**

**Group Overview**

**Annexures**

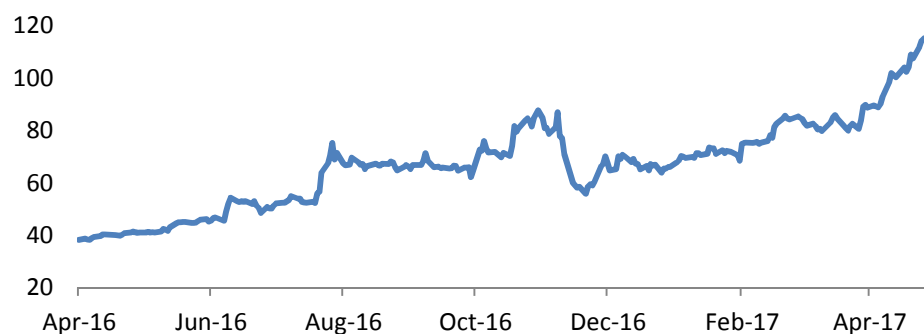
# Organisational Structure



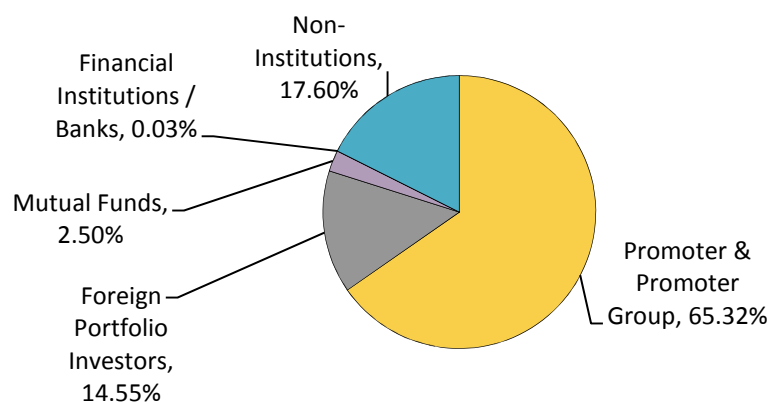
**Note** 1. JM Financial Institutional Securities Ltd holds 9.27% in JM Financial Products Limited.  
2. JM Financial Asset Reconstruction Company Ltd. became subsidiary of JM Financial Limited with effect from September 30, 2016.

# Shareholding Summary

## Share Price Performance



## % Shareholding – March 31, 2017



Source – Company

## Market Information (BSE)

As on 28.04.2017

Market Capitalization (Rs Cr)	9,172.79
Price (Rs)	115.45
No. of Shares Outstanding (Cr)	79.45
52 Week High-Low (Rs)	120.50-40.55

## Key Institutional Investors – As on March 31, 2017

% Holding

Morgan Stanley Asia (Singapore) Pte	4.26%
Valiant Mauritius Partners Offshore Limited & Associates	3.93%
Azim Premji Trust	2.75%
TIMF Holdings	2.56%
IDFC Premier Equity Fund	2.44%
Vikram Shankar Pandit	1.47%

# Table of Contents

**Q4 FY17 Result Update – Group Performance**

**Q4 FY17 Result Update – Business Performance**

**Group Structure and Shareholding Pattern**

**Group Overview**

**Annexures**

# Key Milestones

## We have taken many pioneering initiatives in the Indian financials market space

### 1973 – 1986

#### 1973:

- JM Financial & Investment Consultancy Services established in Mumbai.

#### 1979-1980 :

- Filed **First** offer document for listing securities of an Indian client with FSA, London.
- **First** to introduce fully convertible debentures in Indian capital markets.

#### 1986:

- JM Financial Limited (holding company) incorporated to engage in the business of Stock Broking and Securities.

### 1997 – 2006

#### 1999 :

- Formed a joint venture with Morgan Stanley in the areas of Investment Banking and Securities business.

#### 2002-2006 :

- Managed India's **first** IPO through Book Building.
- Recorded **3 firsts** in India - first Indian dual tranche FCCB issue, first billion dollar IPO, first conditional IPO.
- Launched Private Equity Fund.

## OUR JOURNEY – EVOLUTION INTO A FULL-FLEDGED DIVERSIFIED FINANCIAL SERVICES FIRM

### 1987-1996

#### 1987-1996 :

- **First** to introduce equity warrants in the Indian capital markets.
- **First** to introduce Deep Discount Bond in Indian capital markets.
- Managed four transactions of Securities Offerings in excess of Rs. 100 cr each, a size unmatched till then in Indian markets.
- JM Financial Asset Management, the **first** private sector Mutual Fund, commenced operations.

### 2007-2017

#### 2007:

- Separated from joint venture with Morgan Stanley
- Acquired ASK Securities - a Institutional Securities Firm
- Launched Real Estate Fund

#### 2008-17:

- Managed India's first IDR issue
- Expanded business in International Jurisdictions and operations in Fixed Income business
- Commenced Asset Reconstruction Business
- Established step down subsidiary in the USA to cater to and service overseas clients/investors
- Announced Real Estate NBFC in partnership with a fund managed Mr. Vikram Pandit & Associates
- Announced the appointment of Mr. Vishal Kampani as MD of JM Financial Ltd; and Mr. Nimesh Kampani continues to be the non-executive Chairman of the Group and a director on the Board of Directors of a few Group Companies at JM Financial
- Floated Housing Finance Company (HFC) and applied to NHB

# 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 several leading Indian companies.



**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 (India), 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 strategic advisory board of Atos India Pvt Ltd, and senior advisor to Sony group in India.
- 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
- 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**

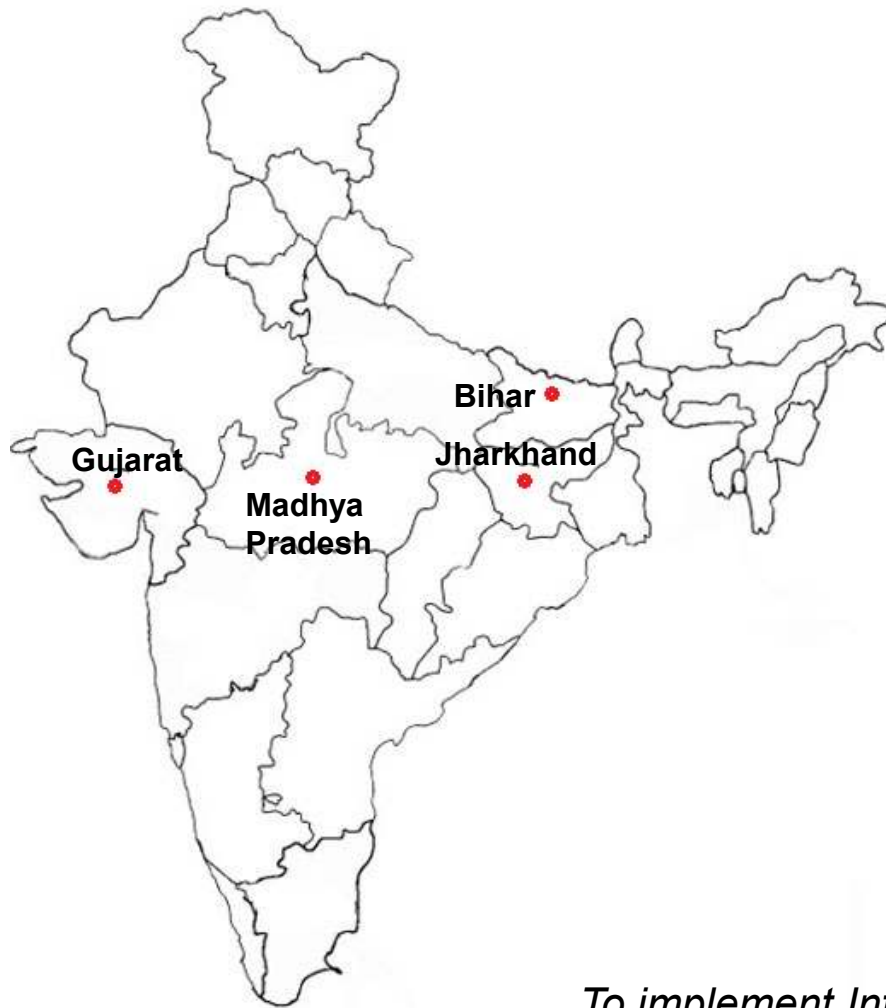


# Social Responsiveness at JM Financial Group

Education	Supported over 1500 students from weaker sections of society through education programs such as scholarships, material support and using Sports as a medium of development.
Healthcare services	Provided preventive and curative care to over 3000 people through partner organizations in Gujarat, Tamil Nadu and Maharashtra
Care for special children	Reached out and supported over 2000 children for holistic care and developmental support
Animal care	Supported an organization for conservation of snow leopards and prevention of human wildlife conflict with local communities, in Jammu & Kashmir region
Sports Initiatives	Encourage and train budding sports champions for national & International championships with special emphasis on Olympics
Employees volunteering	More than 400 employees participated in JM Financial Foundation annual Walkathon. The proceeds will go towards deserving and worthy social causes.



# CSR - The Road Ahead



GALVANIZE  
WOMEN  
COLLECTIVES



ENSURE  
FOOD  
SECURITY



BUILD  
SUSTAINABLE  
INCOMES



LINK TO  
CREDIT &  
MARKETS



FOCUSED  
INTERVENTION IN  
EMPOWERED ACTION  
GROUP DISTRICTS

**4 States**    **4 Districts**  
**7 Blocks**    **Over 600 Villages**

*To implement Integrated Rural Transformation Programmes over a period of 5 years reaching out to the most unreached*

# Table of Contents

**Q4 FY17 Result Update – Group Performance**

**Q4 FY17 Result Update – Business Performance**

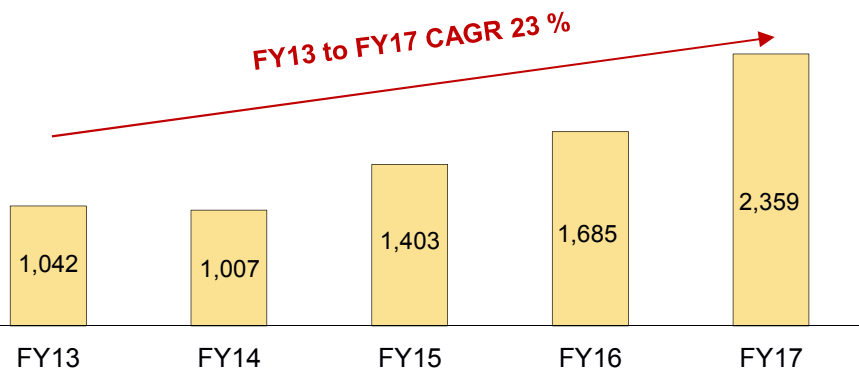
**Group Structure and Shareholding Pattern**

**Group Overview**

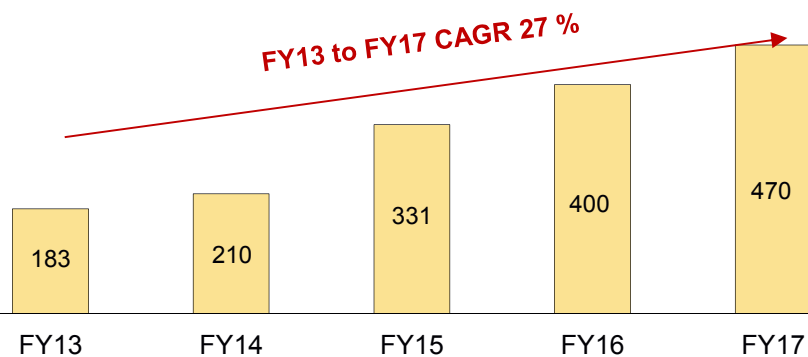
**Annexures**

# Financial Summary – Consolidated Financials

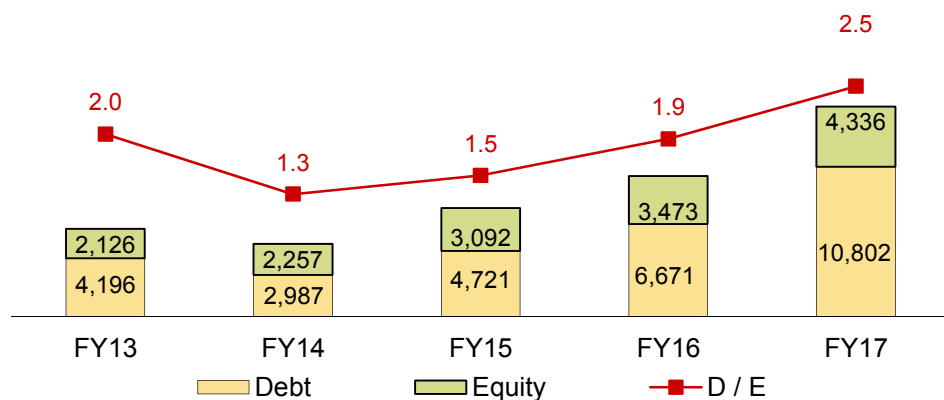
Gross Revenues (Rs Cr)



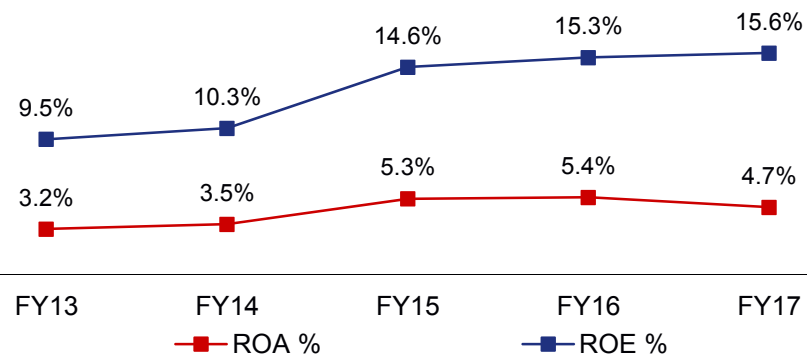
Net Profit (Rs Cr)



Leverage Analysis (Rs Cr)

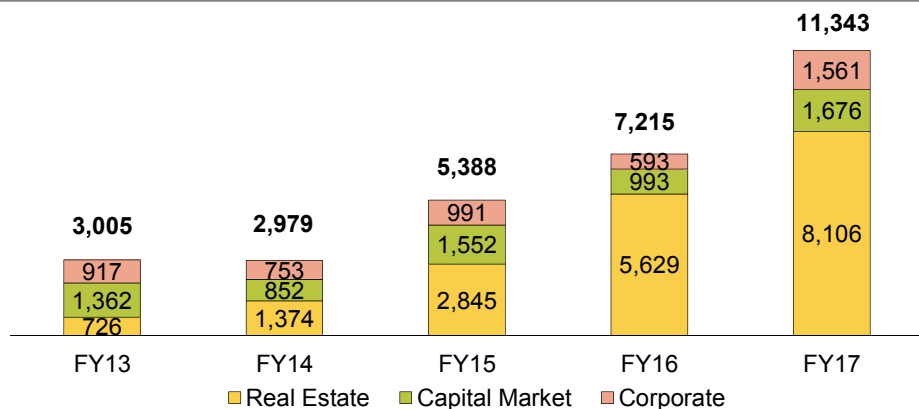


Return Ratios (%)

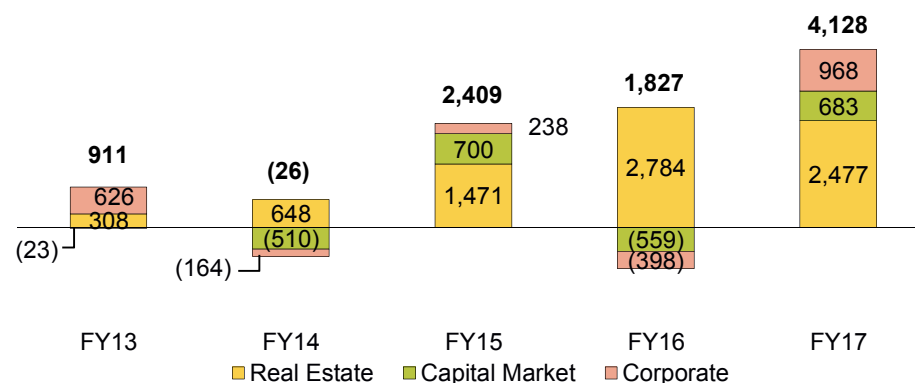


# Financial Summary – Fund Based Activities

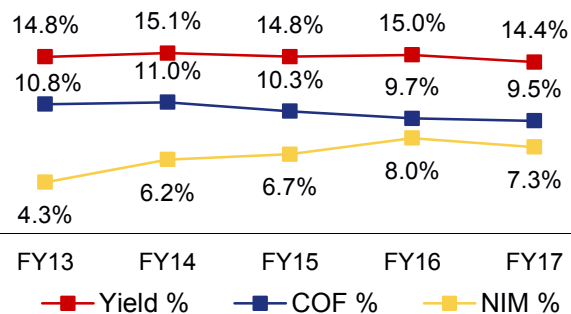
### Loan Book (Rs Cr)



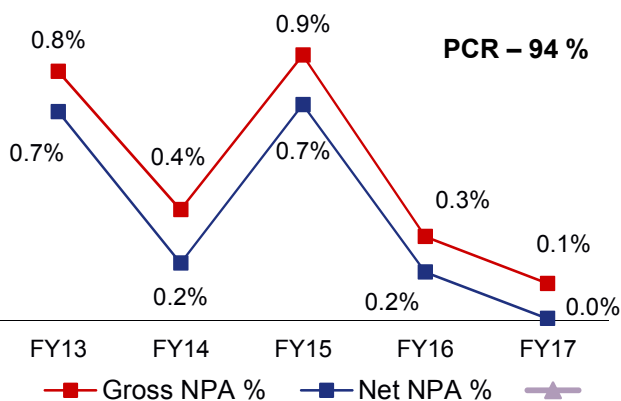
### Net Disbursements (Rs Cr)



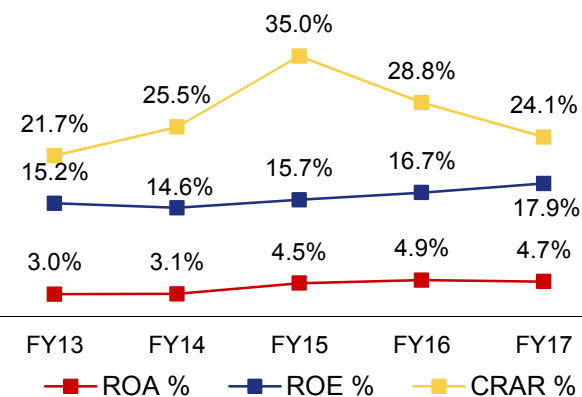
### Spread Analysis (%)



### Gross & Net NPA (%)

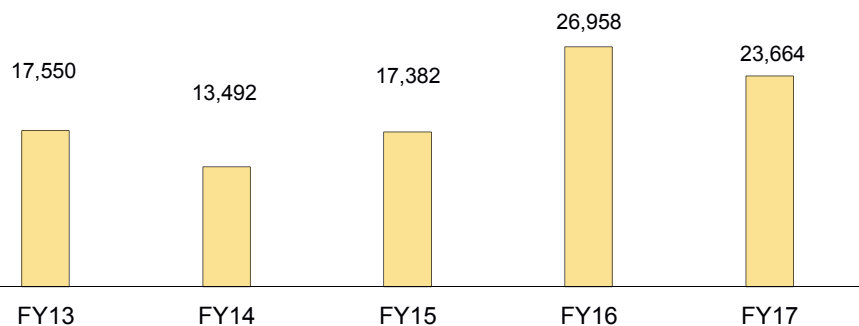


### Return Ratios & Capital Adequacy (%)

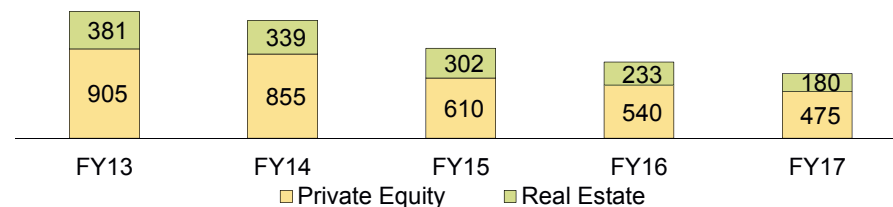


# Financial Summary – Wealth Management, Alternative Asset Management, Asset Management, Asset Reconstruction

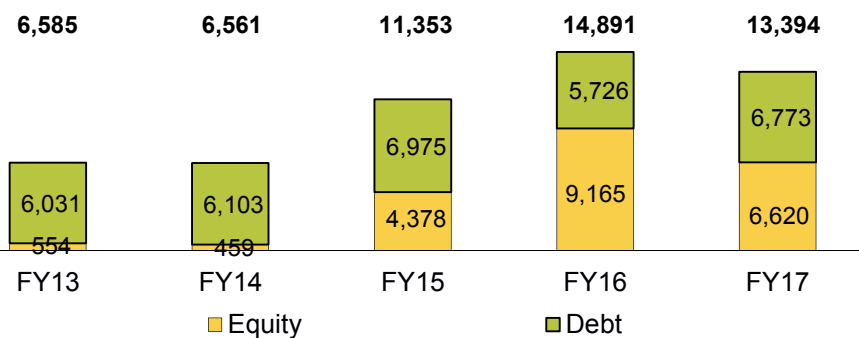
**Wealth Management AUM (RS Cr)**



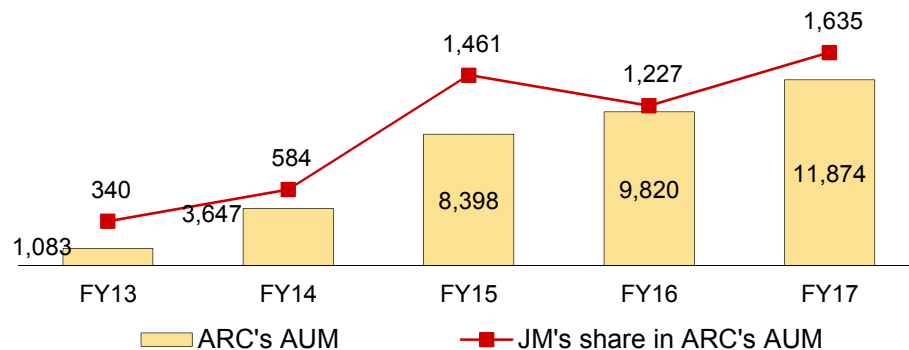
**Alternative Asset Management AUM (Rs Cr)**



**Asset Management AUM (Rs Cr)**



**ARC AUM (Rs Cr)**



## For Further Queries -



Mr. Manish Sheth

Group CFO

Email: [manish.sheth@jmfl.com](mailto:manish.sheth@jmfl.com)

Contact No: 022 66303461

Ms. Karishma Mehta

Investor Relations

Email: [karishma.mehta@jmfl.com](mailto:karishma.mehta@jmfl.com)

Contact No: 022 66303585

Mr. Nishit Shah

Business Strategy and Investor Relations

Email: [nishit.shah@jmfl.com](mailto:nishit.shah@jmfl.com)

Contact No: 022 66303522

Mr. Nilesh Dalvi

IR Consultant

Email: [nilesh.dalvi@jmfl.com](mailto:nilesh.dalvi@jmfl.com)

Contact No: 9819289131