

CESC Ventures raises kitty for start-ups

AVISHEK RAKSHIT
Kolkata, 19 July

After investing in two start-ups, CESC Ventures, part of the RP-Sanjiv Goenka Group (RPSG), is planning to invest in more start-ups — primarily in the FMCG space — as a venture capitalist (VC).

"We are looking at investing in 10-20 start-ups, primarily from the FMCG vertical, to help them grow. At present, we want to remain a VC and don't intend to take over companies in which we are investing," Shashwat Goenka, director at CESC Ventures, said on the sidelines of the first annual general meeting.



Sanjiv Goenka, chairman of RP-Sanjiv Goenka Group, at the 41st annual general meeting of CESC, in Kolkata on Friday

PHOTO: PTI

After establishing a ₹100-crore fund to invest in such up-starts, the firm has raised it to ₹300 crore.

Goenka said that while profitability is not the sole parameter for making such investments, he looks at the business model and the potential to succeed in the market as the main criteria.

The company, in November last year, had invested in The Souled Store, a pop culture merchandise brand, which designs and prints artwork on various products such as apparels and phone covers.

Apart from financing start-ups, the company has also been on an acquisition mode and is leading futuristic businesses, such as FMCG, for the group.

The FMCG vertical, led by Guiltfree Industries, posted revenue of ₹358.44 crore in the last fiscal year. Goenka is targeting ₹10,000 crore in seven years.

JM FINANCIAL LIMITED

Corporate Identity Number: L67120MH1986PLC038784

Registered Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025.

Tel. No.: +91 22 6630 3030 • Fax: +91 22 6630 3223 • Website: www.jmfl.com

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2019

Sr. No.	Particulars	Rupees in Crore			
		Quarter Ended		Year Ended	
		30.06.2019 Unaudited	31.03.2019 Audited	30.06.2018 Unaudited	31.03.2019 Audited
1	Income				
(a)	Revenue from Operations:				
	(i) Interest Income	635.01	573.15	541.29	2,364.94
	(ii) Fees and Commission Income	126.74	138.26	153.57	576.83
	(iii) Brokerage Income	45.76	45.77	47.36	190.21
	(iv) Net gain on fair value changes	-	-	72.08	223.25
	(v) Net gain on derecognition of financial instruments carried at amortised cost	15.99	1.79	-	1.79
	(vi) Other Operating Income	27.00	24.96	34.92	122.13
	Total Revenue	850.50	783.93	849.22	3,479.15
(b)	Other Income	6.07	8.18	3.25	20.34
	Total Income	856.57	792.11	852.47	3,499.49
2	Expenses				
(a)	Finance costs	349.57	351.53	334.77	1,446.21
(b)	Net loss on fair value changes	0.44	21.52	-	-
(c)	Impairment on financial instruments	23.65	(13.56)	19.46	35.12
(d)	Employee benefits expense	105.21	102.62	106.73	421.61
(e)	Depreciation and amortization expense	9.97	6.99	6.43	27.11
(f)	Other Expenses	65.36	78.17	68.69	286.65
	Total expenses	554.20	547.27	536.08	2,216.70
3	Profit before tax (1-2)	302.37	244.84	316.39	1,282.79
4	Tax expenses				
(a)	Current tax	115.73	138.31	103.97	489.23
(b)	Deferred tax	(8.02)	(69.32)	13.36	(42.49)
(c)	Tax adjustment of earlier years (net)	-	(0.43)	-	(0.43)
	Total tax expenses	107.71	68.56	117.33	446.31
5	Net Profit for the period (3-4)	194.66	176.28	199.06	836.48
6	Add :- Share in Profit of associate	0.37	0.17	0.17	0.57
7	Net Profit after tax and Share in Profit of Associate (5+6)	195.03	176.45	199.23	837.05
8	Other Comprehensive Income (OCI)				
(i)	Items that will be reclassified to profit or loss				
-	Exchange differences on translation of foreign operations	(0.51)	(1.31)	-	8.37
(ii)	Items that will not be reclassified to profit or loss				
-	Remeasurement of defined benefit obligations	(0.19)	(0.96)	0.06	(0.79)
-	Share in Other Comprehensive Income of Associate	-	0.83	(0.21)	#
-	Income tax on the above	0.06	0.29	(0.04)	0.24
	Total Other Comprehensive Income	(0.64)	(1.15)	(0.19)	7.82
9	Total Comprehensive Income (7+8)	194.39	175.30	199.04	844.87
10	Net Profit attributable to (7):				
	Owners of the company	127.29	128.64	142.72	572.18
	Non-controlling interests	67.74	47.81	56.51	264.87
11	Other Comprehensive Income attributable to (8):				
	Owners of the company	(0.62)	(1.08)	(0.17)	7.93
	Non-controlling interests	(0.02)	(0.07)	(0.02)	(0.11)
12	Total Comprehensive Income attributable to (9):				
	Owners of the company	126.67	127.56	142.55	580.11
	Non-controlling interests	67.72	47.74	56.49	264.76
13	Paid up equity share capital (Face value Re. 1/- per share)	84.09	83.99	83.94	83.99
14	Other Equity (excluding revaluation reserves)				4,995.26
15	Earning Per Share (EPS)				
	Basic EPS (in Rs.) (Not annualised)	1.51	1.53	1.70	6.82
	Diluted EPS (in Rs.) (Not annualised)	1.51	1.53	1.69	6.79

Denotes amount below ₹ 50,000/-

Notes:

- The above unaudited financial results for the first quarter ended June 30, 2019 have been reviewed by the Audit Committee and on its recommendation have been approved by the Board of Directors at its meeting held on July 19, 2019 in accordance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The aforesaid results have been subjected to limited review by the Statutory Auditors of the Company who have issued an unmodified report thereon.
- The aforesaid financial results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
- During the first quarter ended June 30, 2019, the Allotment Committee of the Board has allotted 9,37,321 equity shares of the face value of Re. 1/- each to the eligible employees upon exercise of stock options by them. Consequent upon the said allotment, the total paid up equity share capital of the Company has increased to Rs. 84,08,68,784/- (Rupees Eighty four crore eight lakh sixty eight thousand seven hundred and eighty four).

SEGMENTWISE DETAILS ON CONSOLIDATED BASIS FOR THE QUARTER ENDED JUNE 30, 2019

Particulars	Rupees in Crore			
	Quarter Ended		Year Ended	
	30.06.2019 Unaudited	31.03.2019 Audited	30.06.2018 Unaudited	31.03.2019 Audited
Segment Revenue				
A Investment Banking, Wealth Management & Securities Business (IWS)	368.22	356.91	424.14	1,601.76
B Mortgage Lending	340.02	330.83	292.22	1,290.91
C Distressed Credit	132.46	90.68	103.10	500.59
D Asset Management	17.76	18.98	25.83	94.61
E Others	15.01	12.22	19.79	72.60
Total Segment Revenue	873.47	809.62	865.08	3,560.47
Less: Inter-segmental revenue	(16.90)	(17.51)	(12.61)	(60.98)
Total Revenue	856.57	792.11	852.47	3,499.49
Segment Results (Profit before tax)				
A Investment Banking, Wealth Management & Securities Business (IWS)	93.19	69.37	121.24	377.74
B Mortgage Lending	166.21	189.91	125.62	619.79
C Distressed Credit	29.73	(28.79)	45.56	201.46
D Asset Management	8.18	9.72	16.54	57.01
E Others	5.06	4.63	7.43	26.79
Total Results	302.37	244.84	316.39	1,282.79
Segment Assets				
A Investment Banking, Wealth Management & Securities Business (IWS)	9,639.85	8,816.07	11,576.56	8,816.07
B Mortgage Lending	8,755.05	8,707.01	8,451.39	8,707.01
C Distressed Credit	4,481.41	4,477.51	3,602.63	4,477.51
D Asset Management	232.73	228.86	217.83	228.86
E Others	406.98	353.25	639.53	353.25
Total Segment Assets	23,516.02	22,582.70	24,487.94	22,582.70
Segment Liabilities				
A Investment Banking, Wealth Management & Securities Business (IWS)	7,045.17	6,282.85	9,013.57	6,282.85
B Mortgage Lending	5,626.92	5,685.90	6,666.56	5,685.90
C Distressed Credit	2,713.51	2,728.23	1,944.49	2,728.23
D Asset Management	11.96	14.28	10.18	14.28
E Others	207.43	157.74	177.62	157.74
Total Segment Liabilities	15,604.99	14,869.00	17,812.42	14,869.00
Segment Capital Employed				
A Investment Banking, Wealth Management & Securities Business (IWS)	2,594.68	2,533.22	2,562.99	2,533.22
B Mortgage Lending	3,128.13	3,021.11	1,784.83	3,021.11
C Distressed Credit	1,767.90	1,749.28	1,658.14	1,749.28
D Asset Management	220.77	214.58	207.65	214.58
E Others	199.55	195.51	461.91	195.51
Total Capital Employed	7,911.03	7,713.70	6,675.52	7,713.70

4. On a consolidated basis, the Group has identified four reportable segments, namely, (i) Investment Banking, Wealth Management & Securities Business (IWS), (ii) Mortgage Lending, (iii) Distressed Credit and (iv) Asset Management. Others include property rental income.

5. On a stand-alone basis, other income for the previous quarter ended March 31, 2019 includes the dividend income from the investments made by the Company in its group companies making the results for the current quarter non-comparable.

6. The Consolidated and Standalone unaudited financial results for the first quarter ended June 30, 2019 are being uploaded on the Company's website viz., www.jmfl.com and the websites of BSE Limited and National Stock Exchange of India Limited viz., www.bseindia.com and www.nseindia.com respectively.

Key stand-alone financial information is given below:

Particulars	Rupees in Crore			
	Quarter Ended		Year Ended	
	30.06.2019 Unaudited	31.03.2019 Audited	30.06.2018 Unaudited	31.03.2019 Audited
Total Income	31.38	77.64	44.85	271.88
Profit / (loss) before tax	(10.45)	32.01	(0.67)	115.70
Profit / (loss) after tax	(9.71)	33.34	(1.25)	111.30
Total Comprehensive Income	(9.72)	33.23	(1.26)	111.26

For and on behalf of the Board of Directors

Vishal Kampani
Managing Director
(DIN:00009079)

Place : Mumbai
Date : July 19, 2019

मुंबई, ता. १९ : केंद्रातील पूर्ण बहुमताच्या सरकारकडून अर्थव्यवस्थेला चालना देण्याचे ठोस संकेत मिळत नसल्याने गुंतवणूकदारांनी शुक्रवारी (ता.१९) भांडवली बाजारात विक्री केल्याने निर्देशांकांची गाळण उडाली. मुंबई शेअर बाजाराच्या सेन्सेक्समध्ये ५६०.४५ अंशांची घसरण होत तो ३८ हजार ३३७.०१ अंशांवर स्थिरावला. राष्ट्रीय शेअर बाजाराच्या निफटीत १७७.६५ अंशांची घट झाली आणि तो ११ हजार ४१९.२५ अंशांवर बंद झाला. निर्देशांकाची चालू वर्षातील ही दुसरी मोठी आपटी असून गेल्या दोन सत्रात गुंतवणूकदारांचे ३.७९ लाख कोटीचे नुकसान झाले.

बड्या कॉर्पोरेट्सचे निराशाजनक तिमाही निकाल, अतिश्रीमंतांवरील कर, बँकांमधील बुडित कर्जे, एनबीएफसी कंपन्यांमधील संकट, रोकड टंचाई, कच्च्या तेलातील भाववाढ आणि आशियाई विकास बँकेने विकासदराचा अंदाज घटवल्याचे पडसाद भांडवली बाजारात उमटले. संसदेत अर्थविधेयकावरील चर्चेत उत्तर देताना अर्थमंत्री निर्मला सीतारामन यांनी अतिश्रीमंतांवरील करवाढीचे समर्थन केले. या करवाढीचा परकी गुंतवणूकदारांवर परिणाम होणार नाही, असे सीतारामन यांनी सांगितले. मात्र गुंतवणूकदारांनी विक्रीचा सपाटा लावत नाराजी व्यक्त केली. बँकिंग, ऑटो फायनान्स, हेल्थकेअर, 'एफएमसीजी' आदी क्षेत्रातील समभाग विक्रीच्या मान्यापुढे गडगडले.

जागतिक बाजार मात्र तेजीत!

भारतीय बाजारांमध्ये मोठी पडझड झाली असली, तरी जगभरातील प्रमुख भांडवली बाजारांमध्ये तेजी दिसून आली. अमेरिकेच्या फेडरल रिझर्व्हने आगामी पतघोरणात अर्ध्या टक्क्याने व्याजदर कमी करण्याचे संकेत दिले आहे.

या शेअरमध्ये घसरण

महिंद्रा अँड महिंद्रा, बजाज फायनान्स, टाटा मोटर्स, हिरो मोटो कॉर्प, चेंस बँक, बजाज ऑटो, कोटक बँक, एसबीआय, आयसीआयसीआय बँकेचे समभाग चार टक्क्यांपर्यंत गडगडले.

अर्थमंत्र्यांच्या करवाढीसंदर्भातील विधानाने गुंतवणूकदारांची

निराशा झाली. विकासदराबाबत धास्तावलेल्या गुंतवणूकदारांनी जागतिक बाजारातील तेजीला दुर्लक्षित केले. त्यामुळे निर्देशांकात मोठी घसरण पाहायला मिळाली.

- दीपक जसानी, विश्लेषक, एचडीएफसी सिक्युरिटीज

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	(iii) Brokerage Income	45.76	45.77	47.36	190.21
	(iv) Net gain on fair value changes	-	-	72.08	223.25
	(v) Net gain on derecognition of financial instruments carried at amortised cost	15.99	1.79	-	1.79
	(vi) Other Operating Income	27.00	24.96	34.92	122.13
	Total Revenue	850.50	783.93	849.22	3,479.15
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E Others	207.43	157.74	177.62	157.74
Total Segment Liabilities	15,604.99	14,869.00	17,812.42	14,869.00
Segment Capital Employed				
A Investment Banking, Wealth Management & Securities Business (IWS)	2,594.68	2,533.22	2,562.99	2,533.22
B Mortgage Lending	3,128.13	3,021.11	1,784.83	3,021.11
C Distressed Credit	1,767.90	1,749.28	1,658.14	1,749.28
D Asset Management	220.77	214.58	207.65	214.58
E Others	199.55	195.51	461.91	195.51
Total Capital Employed	7,911.03	7,713.70	6,675.52	7,713.70

4. On a consolidated basis, the Group has identified four reportable segments, namely, (i) Investment Banking, Wealth Management & Securities Business (IWS), (ii) Mortgage Lending, (iii) Distressed Credit and (iv) Asset Management. Others include property rental income.

5. On a stand-alone basis, other income for the previous quarter ended March 31, 2019 includes the dividend income from the investments made by the Company in its group companies making the results for the current quarter non-comparable.

6. The Consolidated and Standalone unaudited financial results for the first quarter ended June 30, 2019 are being uploaded on the Company's website viz., www.jmfi.com and the websites of BSE Limited and National Stock Exchange of India Limited viz., www.bseindia.com and www.nseindia.com respectively.

Key stand-alone financial information is given below:

Particulars	Quarter Ended		Year Ended	
	30.06.2019 Unaudited	31.03.2019 Audited	30.06.2018 Unaudited	31.03.2019 Audited
Total Income	31.38	77.64	44.85	271.88
Profit / (loss) before tax	(10.45)	32.01	(0.67)	115.70
Profit / (loss) after tax	(9.71)	33.34	(1.25)	111.30
Total Comprehensive Income	(9.72)	33.23	(1.26)	111.26

For and on behalf of the Board of Directors

Vishal Kampani
Managing Director
(DIN:00009079)

Place : Mumbai
Date : July 19, 2019