

February 3, 2016

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

Dear Sirs,

**Sub: Outcome of the Board Meeting**  
**Symbol: JMFINANCIL**

We wish to inform you that the Board of Directors of the Company at its meeting held today has;

- approved the Standalone and Consolidated Unaudited Financial Results for the third quarter and nine months ended December 31, 2015.
- declared an interim dividend of Re. 0.60 per share for the financial year 2015-16. The said interim dividend, will be paid on and from February 16, 2016.
- Appointed Mr. Vishal Kampani as a Non-Executive Director of the Company. With the appointment of Mr. Kampani as a Non-Executive Director, the total strength of the Board will be eight (8) Directors of which six (6) are Independent Directors.

A copy each of the above Unaudited Financial Results, as approved by the Board is enclosed for your information and record. Additionally, a copy of the Press Release being issued by the Company is enclosed together with the corporate presentation which is being uploaded on the website of the Company.

Further, pursuant to regulation 33(3)(c)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are also forwarding herewith a copy of the 'Limited Review Report', received from our Statutory Auditors, M/s Khimji Kunverji & Co. on the standalone and consolidated unaudited financial results.

You are requested to circulate the above financial results among the members of the exchange for their information.

Thank you.

Yours faithfully,  
for JM Financial Limited



**P K Choksi**

Group Head – Compliance, Legal  
& Company Secretary

Encl: a/a

**JM Financial Limited**

Corporate Identity Number : L67120MH1986PLC038784

**Regd. Office:** 7th Floor, Energy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.

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## Limited Review Report of the Consolidated Financial Results of JM Financial Limited, its Subsidiaries, Associates and Partnership Firm

The Board of Directors  
JM Financial Limited  
Mumbai

### INTRODUCTION

- 1 We have reviewed the accompanying statement of unaudited Consolidated Financial Results (CFR) of **JM Financial Limited** ('the Company') and its Subsidiaries and Associates ('the Group') for quarter/nine months ended December 31st, 2015, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us, which has been initialed by us for identification purpose. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. The CFR have been prepared on the basis of separate financial statements and other financial information regarding components. *Our responsibility is to issue a report on these un-audited CFR based on our review*

### SCOPE OF REVIEW

- 2 We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410 – 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India (ICAI). This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit; accordingly we do not express an audit opinion.
- 3 The CFR of the Group have been prepared by the management in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements and Accounting Standard (AS) 23, Accounting for Investments in Associates in Consolidated Financial Statements notified by the Companies (Accounting Standards) Rules, 2015
- 4 Inter unit/company transactions have been eliminated based on information provided by the management
- 5 Included in this CFR, are revenues of Rs. 1,16,701.90 lacs for the nine months ended December 31, 2015, capital employed of Rs. 2,85,304.66 lacs and assets of Rs. 9,20,731.88 lacs as on the said date of 8 subsidiaries, which have not been reviewed by us. Other auditors have reviewed these, whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of these entities, is based solely on reports of those respective auditors
- 6 Included in this CFR are revenues of Rs. 2,585.87 lacs for the nine months ended December 31, 2015, capital employed of Rs. 28,323.89 lacs and assets of Rs. 38,243.24 lacs as on the said date of 5 subsidiaries and 1 partnership firm and Rs. 576.97 lacs being profit of associate for the nine months ended December 31, 2015, which are based on Management Certified Results and which are subject to consequential adjustments, if any, arising out of reviews by respective auditors







## CONCLUSION

- 7 Based on our review conducted as above, nothing has come to our notice that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with Accounting Standards referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules 2014 and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Mumbai  
Date: February 3, 2016

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For **Khimji Kunverji & Co**  
Chartered Accountants  
Firm Registration Number : 105146W

**Hasmukh B. Dedhia**  
Partner (F -33494)



## Limited Review Report

The Board of Directors  
**JM FINANCIAL LIMITED**  
Mumbai

### INTRODUCTION

We have reviewed the accompanying statement of un-audited financial results of **JM FINANCIAL LIMITED** ('the Company') for the quarter/nine months ended December 31, 2015 which has been initialed by us for identification purpose. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these un-audited financial results based on our review

### SCOPE OF REVIEW

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion

### CONCLUSION

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with Accounting Standards specified under Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Khimji Kunverji & Co  
Chartered Accountants  
Firm Registration Number : 105146W

**Hasmukh B Dedhia**  
Partner (F-33494)

Place: Mumbai  
Date: February 3, 2016

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**JM FINANCIAL LIMITED**  
CONSOLIDATED FINANCIAL RESULTS

**PART I - STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2015**

Rupees in Lakh

Sr. No.	Particulars	Quarter Ended			Nine Months ended		Year Ended
		31.12.2015 Unaudited	30.09.2015 Unaudited	31.12.2014 Unaudited	31.12.2015 Unaudited	31.12.2014 Unaudited	31.03.2015 Audited
<b>1</b>	<b>Income from operations</b>						
	(a) Fees & commission	7,372.23	7,295.44	6,907.66	21,309.88	23,837.06	30,147.39
	(b) Brokerage	3,285.21	3,631.88	3,343.52	10,277.77	10,375.01	14,525.45
	(c) Interest and other income on fund based activities	27,841.52	24,422.22	20,396.14	75,694.00	51,167.41	74,951.31
	(d) Other operating income	4,072.97	4,679.57	5,937.50	13,599.00	14,675.80	19,613.39
	<b>Total income from operations</b>	<b>42,571.93</b>	<b>40,029.11</b>	<b>36,584.82</b>	<b>1,20,880.65</b>	<b>1,00,055.28</b>	<b>1,39,237.54</b>
<b>2</b>	<b>Expenses</b>						
	(a) Employee benefits expense	6,350.15	6,353.82	5,835.67	19,233.91	18,390.70	23,524.29
	(b) Sub-brokerage, fees & commission	1,983.78	1,913.85	2,261.00	5,885.16	7,177.02	9,715.17
	(c) Operating and other expenses	2,497.40	2,712.13	2,814.37	7,932.89	7,466.60	11,549.02
	(d) Depreciation and amortisation expense	523.55	507.04	499.30	1,513.38	1,373.24	1,804.49
	<b>Total expenses</b>	<b>11,354.88</b>	<b>11,486.84</b>	<b>11,410.34</b>	<b>34,565.34</b>	<b>34,407.56</b>	<b>46,592.97</b>
<b>3</b>	<b>Profit from operations before other income and finance costs (1-2)</b>	<b>31,217.05</b>	<b>28,542.27</b>	<b>25,174.48</b>	<b>86,315.31</b>	<b>65,647.72</b>	<b>92,644.57</b>
<b>4</b>	<b>Other income</b>	<b>27.73</b>	<b>80.87</b>	<b>70.98</b>	<b>131.16</b>	<b>962.82</b>	<b>1,066.88</b>
<b>5</b>	<b>Profit from ordinary activities before finance costs (3+4)</b>	<b>31,244.78</b>	<b>28,623.14</b>	<b>25,245.46</b>	<b>86,446.47</b>	<b>66,610.54</b>	<b>93,711.45</b>
<b>6</b>	<b>Finance costs</b>	<b>13,431.41</b>	<b>11,868.46</b>	<b>11,512.74</b>	<b>37,295.70</b>	<b>30,764.75</b>	<b>42,020.23</b>
<b>7</b>	<b>Profit from ordinary activities before tax (5-6)</b>	<b>17,813.37</b>	<b>16,754.68</b>	<b>13,732.72</b>	<b>49,150.77</b>	<b>35,845.79</b>	<b>51,691.22</b>
<b>8</b>	<b>Tax expense</b>	<b>6,089.59</b>	<b>5,508.96</b>	<b>3,902.93</b>	<b>16,437.97</b>	<b>10,500.09</b>	<b>15,638.82</b>
<b>9</b>	<b>Net Profit from ordinary activities after tax (7-8)</b>	<b>11,723.78</b>	<b>11,245.72</b>	<b>9,829.79</b>	<b>32,712.80</b>	<b>25,345.70</b>	<b>36,052.40</b>
<b>10</b>	<b>Extraordinary items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>11</b>	<b>Net Profit after tax (9+10)</b>	<b>11,723.78</b>	<b>11,245.72</b>	<b>9,829.79</b>	<b>32,712.80</b>	<b>25,345.70</b>	<b>36,052.40</b>
<b>12</b>	<b>Less :- Share of Minority interest</b>	<b>3,283.42</b>	<b>3,006.38</b>	<b>1,558.53</b>	<b>9,077.25</b>	<b>2,767.70</b>	<b>4,875.71</b>
<b>13</b>	<b>Add :- Share in Profit of Associates</b>	<b>3,270.56</b>	<b>1,486.65</b>	<b>431.30</b>	<b>5,036.59</b>	<b>1,178.85</b>	<b>1,875.80</b>
<b>14</b>	<b>Net consolidated profit (11-12+13)</b>	<b>11,710.92</b>	<b>9,725.99</b>	<b>8,702.56</b>	<b>28,672.14</b>	<b>23,756.85</b>	<b>33,052.49</b>
<b>15</b>	<b>Paid up equity share capital (Face value Re. 1/- per share)</b>	<b>7,887.33</b>	<b>7,887.10</b>	<b>7,833.24</b>	<b>7,887.33</b>	<b>7,833.24</b>	<b>7,837.24</b>
<b>16</b>	<b>Reserves excluding revaluation reserves</b>						<b>2,35,933.90</b>
<b>17</b>	<b>Earning Per Share (EPS)</b>						
	Basic EPS (in Rs.) (Not annualised)	1.49	1.23	1.14	3.64	3.10	4.32
	Diluted EPS (in Rs.) (Not annualised)	1.47	1.22	1.12	3.61	3.06	4.25



**JM Financial Limited**

Corporate Identity Number : L67120MH1986PLC038784

Regd. Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.

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SEGMENTWISE DETAILS ON CONSOLIDATED BASIS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2015

Rupees in Lakh

Particulars	Quarter Ended			Nine Months ended		Year Ended
	31.12.2015 Unaudited	30.09.2015 Unaudited	31.12.2014 Unaudited	31.12.2015 Unaudited	31.12.2014 Unaudited	31.03.2015 Audited
<b>Segment Revenue</b>						
A Investment banking and securities business	10,855.89	11,861.97	13,215.32	35,125.08	39,098.88	52,193.27
B Fund based activities	28,795.34	25,239.82	21,466.87	78,166.49	56,079.36	80,621.16
C Alternative asset management	359.28	252.58	541.47	902.03	1,952.38	2,743.78
D Asset management	2,424.94	2,404.15	1,584.44	6,295.66	3,356.71	4,675.43
E Others	1,664.99	2,505.37	1,469.60	14,319.69	12,076.53	13,917.01
<b>Total Segment Revenue</b>	<b>44,100.44</b>	<b>42,263.89</b>	<b>38,277.70</b>	<b>1,34,808.95</b>	<b>1,12,563.86</b>	<b>1,54,150.65</b>
Less: Inter - segmental revenue	(1,500.78)	(2,153.91)	(1,621.90)	(13,797.14)	(11,545.76)	(13,846.23)
<b>Total Revenue</b>	<b>42,599.66</b>	<b>40,109.98</b>	<b>36,655.80</b>	<b>1,21,011.81</b>	<b>1,01,018.10</b>	<b>1,40,304.42</b>
<b>Segment Results</b>						
A Investment banking and securities business	1,031.40	2,173.00	3,355.17	5,478.77	10,048.38	12,398.82
B Fund based activities	14,679.86	12,662.67	8,832.95	38,961.93	21,646.85	34,743.56
C Alternative asset management	171.54	40.71	317.42	291.74	1,239.63	1,494.69
D Asset management	1,838.33	1,759.53	1,083.10	4,414.56	1,731.12	1,781.29
E Others	92.24	118.77	144.08	3.77	1,179.81	1,272.86
<b>Total Results</b>	<b>17,813.37</b>	<b>16,754.68</b>	<b>13,732.72</b>	<b>49,150.77</b>	<b>35,845.79</b>	<b>51,691.22</b>
<b>Segment Capital Employed</b>						
A Investment banking and securities business	57,610.92	57,028.40	60,552.29	57,610.92	60,552.29	59,988.17
B Fund based activities	2,45,434.67	2,32,615.61	2,02,585.15	2,45,434.67	2,02,585.15	2,10,417.14
C Alternative asset management	8,169.78	8,020.77	7,473.66	8,169.78	7,473.66	8,472.09
D Asset management	17,333.58	15,834.54	13,628.34	17,333.58	13,628.34	13,758.03
E Unallocated	17,134.45	16,909.21	26,518.18	17,134.45	26,518.18	16,596.05
<b>Total Capital Employed</b>	<b>3,45,683.40</b>	<b>3,30,408.53</b>	<b>3,10,757.62</b>	<b>3,45,683.40</b>	<b>3,10,757.62</b>	<b>3,09,231.48</b>







STAND-ALONE FINANCIAL RESULTS

PART I - STATEMENT OF STAND-ALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2015

Rupees in Lakh

Sr. No.	Particulars	Quarter Ended			Nine Months ended		Year Ended
		31.12.2015 Unaudited	30.09.2015 Unaudited	31.12.2014 Unaudited	31.12.2015 Unaudited	31.12.2014 Unaudited	31.03.2015 Audited
1	<b>Income from operations</b>						
	(a) Dividend	9.69	552.48	39.02	8,866.99	7,389.06	7,439.73
	(b) Other operating income	754.20	1,035.66	561.60	2,744.47	2,101.87	2,979.36
	<b>Total income from operations</b>	<b>763.89</b>	<b>1,588.14</b>	<b>600.62</b>	<b>11,611.46</b>	<b>9,490.93</b>	<b>10,419.09</b>
2	<b>Expenses</b>						
	(a) Employee benefits expense	138.04	142.47	204.42	721.08	839.06	868.07
	(b) Operating and other expenses	65.10	128.23	176.61	394.52	445.60	736.82
	(c) Depreciation and amortisation expense	5.91	10.44	11.36	29.02	27.51	40.10
	<b>Total expenses</b>	<b>209.05</b>	<b>281.14</b>	<b>392.39</b>	<b>1,144.62</b>	<b>1,312.17</b>	<b>1,644.99</b>
3	<b>Profit from operations before other income and finance costs (1-2)</b>	<b>554.84</b>	<b>1,307.00</b>	<b>208.23</b>	<b>10,466.84</b>	<b>8,178.76</b>	<b>8,774.10</b>
4	Other income	0.01	0.48	0.02	0.49	0.49	34.69
5	<b>Profit from ordinary activities before finance costs (3+4)</b>	<b>554.85</b>	<b>1,307.48</b>	<b>208.25</b>	<b>10,467.33</b>	<b>8,179.25</b>	<b>8,808.79</b>
6	Finance costs	576.87	808.66	119.65	2,045.54	151.75	758.54
7	<b>Profit from ordinary activities before tax (5-6)</b>	<b>(22.02)</b>	<b>498.82</b>	<b>88.60</b>	<b>8,421.79</b>	<b>8,027.50</b>	<b>8,050.25</b>
8	Tax expense	25.97	5.33	15.62	4.83	270.37	239.60
9	<b>Net Profit from ordinary activities after tax (7-8)</b>	<b>(47.99)</b>	<b>493.49</b>	<b>72.98</b>	<b>8,416.96</b>	<b>7,757.13</b>	<b>7,810.65</b>
10	Extraordinary items	-	-	-	-	-	-
11	<b>Net Profit after tax (9+10)</b>	<b>(47.99)</b>	<b>493.49</b>	<b>72.98</b>	<b>8,416.96</b>	<b>7,757.13</b>	<b>7,810.65</b>
12	Paid up equity share capital (Face value Re. 1/- per share)	7,887.33	7,887.10	7,833.24	7,887.33	7,833.24	7,837.24
13	Reserves excluding revaluation reserves						1,56,481.21
14	<b>Earning Per Share (EPS)</b>						
	Basic EPS (in Re.) (Not annualised)	-0.01	0.06	0.01	1.07	1.01	1.02
	Diluted EPS (in Re.) (Not annualised)	-0.01	0.06	0.01	1.06	1.00	1.00



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**Notes:**

- 1) The above unaudited consolidated financial results for the quarter and nine months ended December 31, 2015 have been reviewed by the Audit Committee and on its recommendation have been approved by the Board of Directors at its meeting held on February 3, 2016. The Statutory Auditors have carried out the Limited Review of the said results.
- 2) The Board of Directors, at its above meeting, has also declared an interim dividend of Re. 0.60 per share of the face value of Re. 1 each. This will result in cash outflow of Rs.47.32 crore. The Record date fixed by the Board for the purpose of payment of the interim dividend is February 13, 2016. The amount of dividend shall be paid/credited to the shareholders holding shares on the said Record date on and after February 16, 2016.
- 3) The Consolidated Financial Results (CFR) are prepared in accordance with the principles and procedures for the preparation and presentation of CFR as set out in the Accounting Standard (AS) 21 on “Consolidated Financial Statements” and AS 23 on “Accounting for Investments in Associates in Consolidated Financial Statements” as specified under section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 (as amended).
- 4) During the quarter ended December 31, 2015, the Allotment Committee of the Board has allotted 23,012 equity shares of the face value of Re. 1/- each to the eligible employees upon exercise of stock options by them. Consequent upon this allotment, the total paid up equity share capital of the Company has increased to Rs. 78,87,32,863.
- 5) On a stand-alone basis, the Company is engaged in making investments in, and/or lending funds to its group companies as a Core Investment Company registered with the Reserve Bank of India, which in the context of AS 17 on “Segment Reporting” is considered as the only segment. On a consolidated basis, the Company has identified four reportable segments, namely, (i) Investment banking & securities business, (ii) Fund based activities, (iii) Alternative asset management and (iv) Asset management.
- 6) On a stand-alone basis, the dividend income, if any, from the investments made by the Company in its group companies arising in different quarters, may not be comparable.
- 7) Consolidated as well as Standalone unaudited financial results for the quarter and nine months ended December 31, 2015 will be made available on the Company’s website viz., [www.jmfl.com](http://www.jmfl.com) and websites of BSE Limited and National Stock Exchange of India Limited viz., [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.

Key stand-alone financial information is given below:

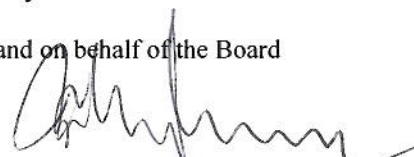
Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31.12.2015	30.09.2015	31.12.2014	31.12.2015	31.12.2014	31.03.2015
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Total Income	763.90	1,588.62	600.64	11,611.95	9,491.42	10,453.78
Profit before tax	(22.01)	498.82	88.60	8,421.80	8,027.50	8,050.25
Profit after tax	(47.98)	493.49	72.98	8,416.97	7,757.13	7,810.65

- 8) Previous period/year’s figures have been regrouped and rearranged wherever necessary to conform to current period/year’s classification.

Place: Mumbai  
Date: February 3, 2016



For and on behalf of the Board

  
**Nimesh Kampani**  
Chairman & Managing Director  
(DIN: 00009071)



**JM Financial's consolidated revenue is up by 16% and consolidated profit up by 35% for the quarter ended December 31, 2015.**

**The Board of Directors declares an interim dividend of Re.0.60 per share of the face value of Re.1/- each.**

**Mumbai, February 3, 2016:** The Board of Directors of JM Financial Limited, at its meeting held today, has approved the unaudited financial results for the quarter and nine months ended December 31, 2015.

**Summary of Consolidated quarterly results**

(Rs. in crore)

Particulars	Quarter ended December 31, 2015	Quarter ended December 31, 2014	% increase
Total income	426.00	366.56	16%
Profit before tax	178.13	137.33	30%
Net profit after tax and before minority interest	149.94	102.61	46%
Net profit after tax, minority interest and share of associates	117.11	87.03	35%

**Summary of Consolidated nine months results**

(Rs. in crore)

Particulars	Nine months ended December 31, 2015	Nine months ended December 31, 2014	% increase
Total income	1,210.12	1,010.18	20%
Profit before tax	491.51	358.46	37%
Net profit after tax and before minority interest	377.49	265.25	42%
Net profit after tax, minority interest and share of associates	286.72	237.57	21%

The Earnings per share and Diluted Earnings per share, for the nine months ended December 31, 2015 is Rs. 3.64 and Rs. 3.61 respectively (not annualised). The consolidated net worth as at December 31, 2015 stands at Rs. 2,822 crore and the debt equity ratio is 2:1

**Commenting on the results and financial performance, Mr. Nimesh Kampani, Chairman, JM Financial Group, said,**

*“Concerns about growth in China emerged as the dominant factor contributing to the volatility in the global markets. It appears that global risk will continue to pressurize the foreign inflows in medium term. The operating performance of Indian Corporates has also been under pressure on account of global commodity meltdown, currency fluctuations and high indebtedness of large corporates. Moreover the slippages of standard advances to NPA by the banks are also a worrying factor.*

*Despite the above, India continues to remain a bright spot among the emerging markets driven by expected increase in private consumer demand and foreseeable traction in the investment climate as the government is committed to revive the same. We are confident that key economic reform proposals like the GST and the much perceived upcoming ‘growth budget’ will set the tone for further strengthening the economic growth and create a positive investment climate. The Reserve Bank of India's decision to keep the policy rates unchanged in its monetary policy announced yesterday is in line under the prevailing uncertainties.*

*The group's fund based and asset management businesses have continued to demonstrate steady growth this quarter. We remain focused on the asset quality of our lending portfolio which is reflected in the lower NPAs at 0.21%.*

*We are committed to our businesses, risk management systems and core values. We are confident that our strategies will help us to offer a broad gamut of solutions to our clients and stay competitive in tough times.”*

## **Business Update**

### **Investment banking and securities business:**

The **Investment Banking business** continues to grow with a robust deal pipeline and several mandated transactions under execution. Our approach is relationship driven and to add value to our clients with right advice. Given our in-depth understanding of the industry trends, our clients are better placed to leverage potential opportunities to take their business goals at the next level. We have been ranked number 1 in the Bloomberg's list of M & A in India during the last calendar year and stood second by the size of deals advised in the rankings compiled by Dealogic, a New York based researcher on the deal economy. Prime Database ranked us as the top investment bank handling more than Rs.42,000 crore of equity issuances in the Indian public market.



During the quarter our Investment banking team executed the following deals:

- Global Coordinator and BRLM for Qualified Institutional Placement of NCDs with Warrants by HDFC – Rs. 5,051 crore. Upon conversion, the warrants will further raise Rs. 5,384 crore.
- Global Coordinator and BRLM to the Initial Public Offer by S. H. Kelkar – Rs. 508 crore.
- Lead Managers to the rights issue of IL&FS Transportation Networks – Rs.740 crore.
- Sole financial advisor to Videocon Telecommunication Limited on their sale of spectrum to Idea Cellular Limited.
- Financial advisor and manager to the delisting offer made by Essar Ports Limited

Our **Institutional Equities business** saw increased client interaction and steady growth momentum during the quarter. New institutional clients continue to get added to our universe of clients across geographies, in line with our strategy of increasing the breadth and reach of our product.

During the quarter, the Institutional Equities business hosted its annual flagship investor conference in November 2015 in Mumbai. The conference was extremely well received with over 75 leading corporates and keynote speakers and about 300 institutional investors both foreign & domestic participating in the same.

Our Institutional Equities business also continued to strengthen its international presence with the opening of our office in United States (US). The US office, along with the already established Singapore and Mauritius offices will enable the business to further deepen our relationships with marquee global funds and establish new client relationships.

Our Institutional Equities business also continues to expand on its research product with wide coverage and technology enhancements across functions.

**Investment Advisory and Distribution business** offers wealth management, equity brokerage and Independent Financial Distribution services.

**Wealth management business** offers advisory services to High Net-worth Individuals, Ultra High Net-worth Individuals & Corporates. Our Wealth Management plans are tailored on the foundation of deep understanding of asset allocations, financial products and succession planning. Open product architecture through combination of in-house offerings and third party products have enabled JM Financial to emerge as an unbiased “Trusted Advisor” to its clients. We follow a hub and spoke model where the smaller cities are covered by the team sitting out of the major cities.

The **AUM** of our wealth management business stood at over **Rs. 23,386 crore** as on December 31, 2015. We have presence in 7 major cities in India (Mumbai, New Delhi, Bangalore, Hyderabad, Kolkata, Ahmedabad and Pune) with team of more than 50 experienced wealth advisors catering to Ultra High Net worth families, High Net Worth families and corporate treasuries. Our focus is on growing discretionary assets. We have plans to increase the employee strength by recruiting additional 50 wealth advisors in near future.

Our **Equity brokerage business** offers equity sales and trading services to HNIs, Corporates and Retail clients. This group is supported by technical and fundamental research teams who generate Investment and Trading Ideas and derivative strategists.

We have presence in 261 locations spread across 112 cities through a network of branches and franchisees.

In the **distribution business**, we have a large network of 8,140 active Independent Financial Distributors (IFDs) who distribute various financial products across the country. During the quarter, we helped corporates mobilise more than Rs. 800 Crore in fixed deposit schemes and fixed income products.

#### **Fund based business:**

The overall lending book stood at **Rs. 6,550 crore** as on December 31, 2015 as against Rs.6,118 crore as on September 30, 2015. Out of the said lending book, the real estate lending book stood at **Rs.4,314 crore** with the non-real estate lending book at **Rs.2,236 crore** as on December 31, 2015. The treasury book as on December 31, 2015 for the fixed income securities stood at **Rs. 249 crore**. 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 **30 %** on December 31, 2015. Our commercial real estate funding focus is on Tier - 1 cities, viz., Mumbai, Pune, Bangalore and Chennai. We plan to selectively enter into new geographies to expand our business.

In light of the prevailing stress in the economy, we have been extremely selective and remained focus on the asset quality.

During the quarter, **the asset reconstruction business** actively participated in several auction processes and also pursued single credit accounts with banks. We managed to close four deals - two as part of debt aggregation and two fresh acquisitions. With high level of NPAs and restructured assets in the banking system and a greater thrust by the Reserve Bank of India for controlling the NPAs, the market will continue to present plenty of opportunities and we are well positioned to capitalize on the same.

Our focus continues to be on restructuring and resolution of our acquired portfolios. As part of this strategy, we successfully closed the sale of one large property of Hotel



Leelaventure Ltd. and are in the process of restructuring this account. The sale got concluded at Rs.725 crore. Consequently, investments made by us in the security receipts have been liquidated upon redemption of SR's resulting in a healthy yield and incentive fees. On conclusion of this transaction, adequate liquidity has been created thereby paving the way for fresh acquisition in stressed assets.

We are the second largest capitalized Distressed Asset Management Companies in India having consistent performance and leadership position in the industry, with a **market share** of approximately **18%**. Given the March 2017 deadline by the Reserve Bank of India to the banks to clean up their balance sheets, we are very well positioned to have larger pie in acquiring the stressed assets and can commit capital to meet the requirements.

### **Alternative Asset Management:**

At the end of the quarter, the combined AUM/AUA of our private equity and real estate funds stood at around Rs.875 crore.

JM Financial India Fund (the Fund), our **private equity fund** continues to work closely with its portfolio companies to seek exit opportunities.

As on December 31, 2015, the Fund returned an **aggregate 71.70 %** of the capital contribution received from its Investors in Indian Rupee terms.

Our **Real Estate Fund** too continues to work closely with the portfolio companies to seek suitable exit opportunities.

As on December 31, 2015, the domestic scheme of the Real Estate Fund returned an aggregate 54% of the capital contribution received by it and the offshore scheme returned 49% of its capital contribution both in Indian Rupee terms.

### **Asset Management:**

We offer a bouquet of 17 mutual fund schemes across the risk-return spectrum that caters to the specifics of both institutional and non-institutional investors. Our risk and fund management framework allows us to effectively manage both risk and investments while generating high quartile returns across the product categories that we offer.

Although, we saw a lot of FI selling due to uncertainty in emerging and global markets, the domestic institutions continued to buy Indian equities. Our equity schemes have performed well despite the volatile market conditions.

**The average AUM** of our Mutual Fund schemes during the quarter ended December 31, 2015 stood at **Rs. 15,868 crore**. Out of this AUM, the AUM in the **equity schemes was at Rs. 5,106 crore, under the Arbitrage scheme at Rs 5,321 crore and the AUM of the debt schemes stood at Rs. 5,441 crore.**

### **Awards and Recognitions:**

JM Financial Institutional Securities Ltd was awarded 'Best Corporate and Institutional Bank –Domestic' and 'Best Equity House by the Asset Triple A Country Awards 2015.

-ends-

*The unaudited financial results are attached. Both, the press release and unaudited financial results are available on our website [www.jmfl.com](http://www.jmfl.com)*

### **About JM Financial**

JM Financial is an integrated financial services group offering a wide range of capital market services to its corporate and individual clients. The Group's businesses include investment banking, institutional equity sales, trading, research and broking, private and corporate wealth management, equity broking, portfolio management, asset management, commodity broking, fixed income broking, non-banking finance products, private equity and asset reconstruction. For more information, log on to [www.jmfl.com](http://www.jmfl.com) or **contact:**

<p><b>Manali Pilankar</b> Corporate Communications Tel.: +91 22 6630 3475 Email: <a href="mailto:manali.pilankar@jmfl.com">manali.pilankar@jmfl.com</a></p>	<p><b>Manish Sheth</b> Group Chief Financial Officer Tel.: +91 22 6630 3460 Email: <a href="mailto:manish.sheth@jmfl.com">manish.sheth@jmfl.com</a></p>
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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**

**Corporate Presentation**

*February 2016*

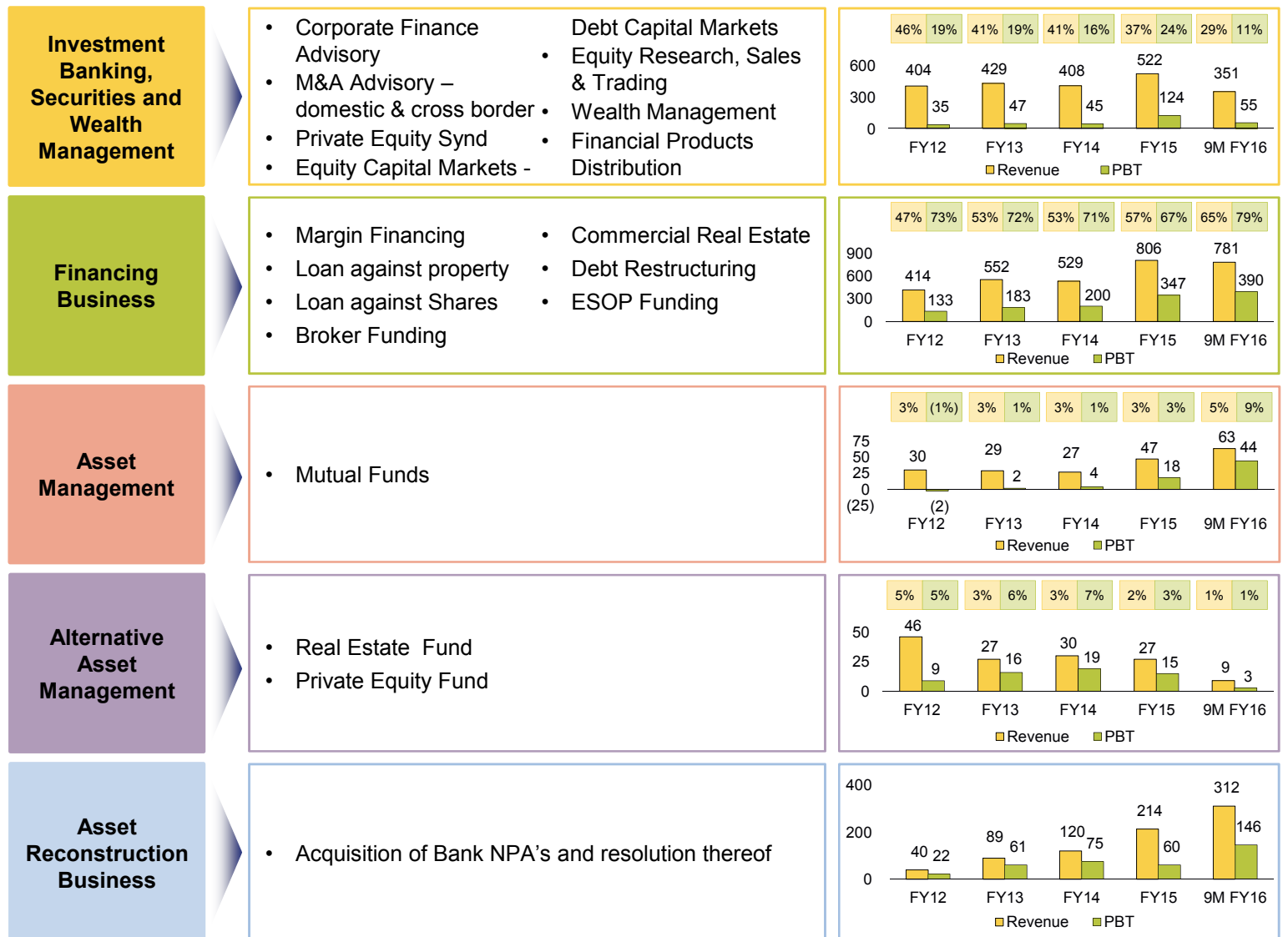
# Safe Harbour

*This presentation describing our activities, projections and expectations for the future, may contain certain 'forward looking statements' within the meaning of applicable laws and regulations. The actual results of business may differ materially from those expressed or implied due to various risk factors and uncertainties. These risk factors and uncertainties include the effect of domestic as well as global economic and political events, volatility in interest rates and in the securities market, new regulations and government policies that may impact our businesses as well as ability to implement our strategies. We are under no obligation to publicly amend, modify or revise any forward looking statement on the basis of any subsequent developments, information or events and assume no liability for any action taken by anyone on the basis of any information contained herein.*



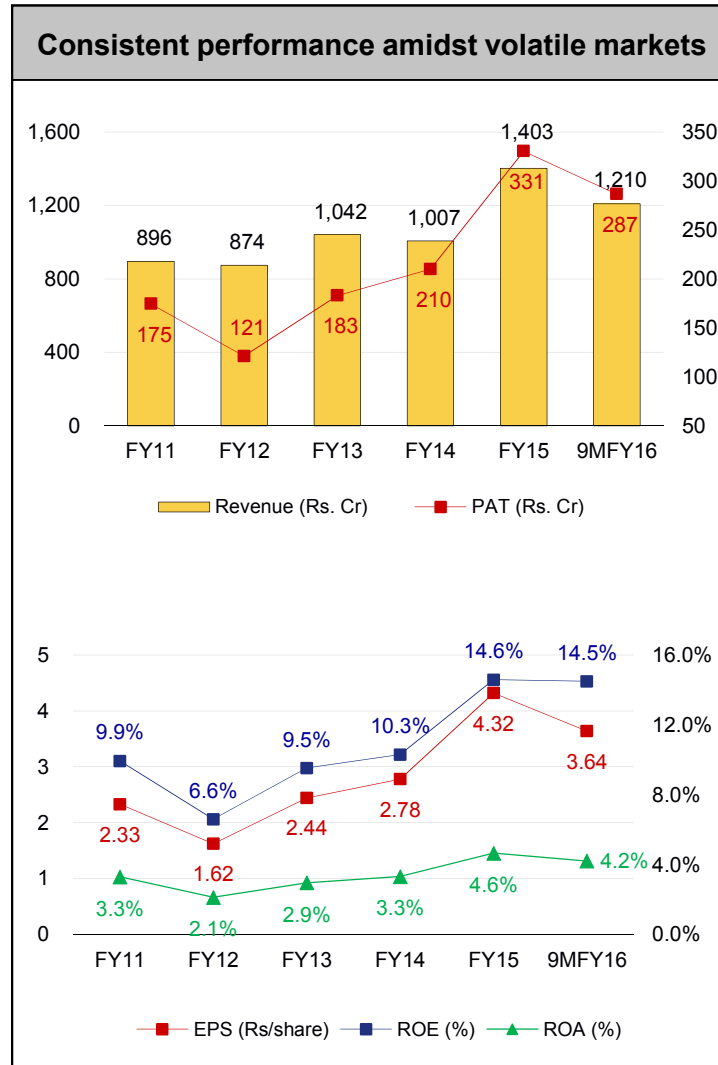
# Sustainable Growth – Oriented Portfolio

- 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



# Accelerated Pace of Growth

- Four decades of prominent presence depicting –
  - value driven growth and;
  - long-term sustainability
- Q3 FY16 highlights –
  - Revenue Rs. 426 Cr
  - PBT Rs. 178 Cr
  - Net profit before minority interest Rs. 150 Cr
  - EPS Rs. 1.49
  - ROE 17.8%
  - ROA 5.1%



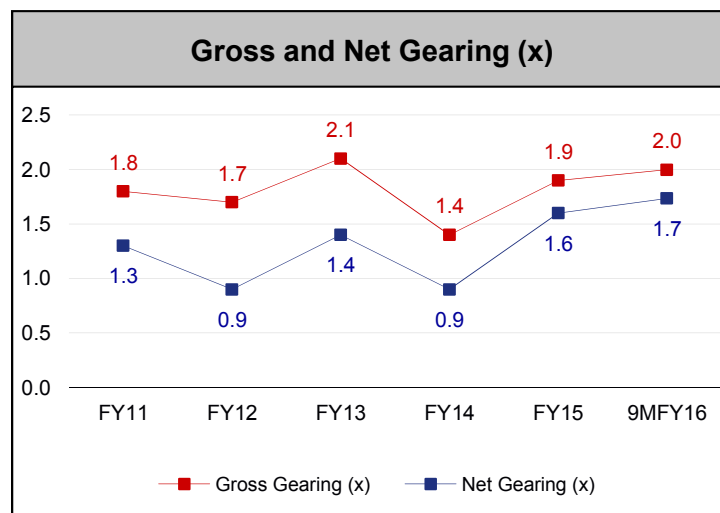
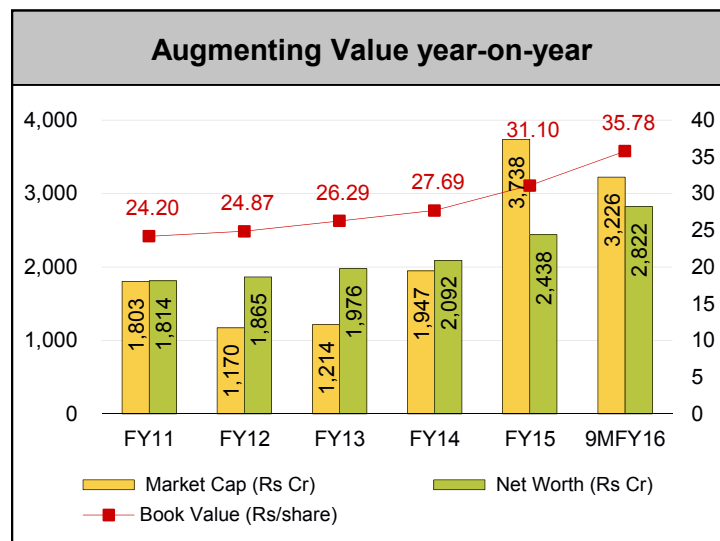
## Expanding latitude year on year

- |                    |  |
|--------------------|--|
| <b>2008 – 2015</b> | <ul style="list-style-type: none"> <li>• NBFC (Real Estate Lending, Debt Trading and Corporate Financing)</li> <li>• Asset Reconstruction</li> <li>• International Expansion in advisory business</li> </ul>             |
| <b>2003 – 2007</b> | <ul style="list-style-type: none"> <li>• NBFC (Securities Backed Financing)</li> <li>• Alternative Asset Mgmt (Private Equity &amp; Real Estate)</li> <li>• Broking (Debt &amp; Commodity)</li> </ul>                    |
| <b>1991 – 2002</b> | <ul style="list-style-type: none"> <li>• Institutional Equities (Research &amp; Sales)</li> <li>• Asset Management (Mutual Fund)</li> <li>• Cross Border (M&amp;A, ADR &amp; GDR)</li> <li>• Broking (Equity)</li> </ul> |
| <b>1973-1990</b>   | <ul style="list-style-type: none"> <li>• Wealth Management (Investment Advisory)</li> <li>• Financial Product Distribution – creation of retail investing culture</li> <li>• Investment Banking</li> </ul>               |



# Delivering Value

- Delivering consistent superior returns to shareholders -
- Stock trading at a P/E of around 6.9x vs. peer avg of 15.5x and a P/B of 1.1x vs. peer avg of around 2.1x
- Continued focus on maximizing shareholders' return



### Stock performance vs. Indices

Stock / Index	12-M	3-Y
JMFL	-24%	95%
CNX 500	-13%	31%
CNX Smallcap	-9%	38%
CNX Bank	-24%	23%
CNX Finance	-20%	28%

**Conservative D/E depicting business strength, adequate cash cushion and strong business model**

# Key features of Consolidated Financial performance

## Key Features

Net worth on December 2015 ₹ 2,822 Cr (December 2014 ₹ 2,466 Cr)

Loan book on December 2015 at ₹ 6,550 Cr ; (December 2014 at ₹ 4,856 Cr)  
Treasury book for fixed income securities at ₹ 249 Cr (December 2014 at ₹ 643 Cr)

Average Daily Turnover in the secondary market at ₹ 1,906 Cr (Q3 FY15 ₹ 2,277 Cr)

Wealth Management AUM on December 2015 at ₹ 23,386 Cr (December 2014 ₹ 20,188 Cr)

Asset Reconstruction AUM on December 2015 at ₹ 8,382 Cr (December 2014 ₹ 8,365 Cr)

Alternative Asset management AUM on December 2015 at ₹ 873 Cr (December 2014 ₹ 975 Cr)

Asset management Average AUM at ₹ 15,868 Cr (Q3 FY15 2015 ₹ 14,240 Cr)

**I : Nine months performance – 9M FY16**



# Key features of 9M FY16 Consolidated Financial performance

## Key Features

Gross revenue ₹ 1,210 Cr (9M FY15 ₹ 1,010 Cr)

Profit before tax ₹ 492 Cr (9M FY15 ₹ 358 Cr)

Profit after tax ₹ 287 Cr (9M FY15 ₹ 238 Cr)

PAT Margin at 23.7 % (9M FY15 23.5 %)

Earning Per Share stood at ₹ 3.64 (9M FY15 3.10)

Consolidated group RoE at 14.5 % (9M FY15 13.9%)

Book value stood at ₹ 35.78 (9M FY15 ₹ 31.49)

## Results for 9M FY16 (Consolidated )

₹ Cr	9M FY16	9M FY15	YoY
<b>Gross Revenue</b>	<b>1,210</b>	<b>1,010</b>	<b>20%</b>
Sub-brokerage	59	72	-18%
Employee cost	192	184	5%
Operating cost	79	75	6%
Finance cost	373	308	21%
Depreciation	15	14	10%
<b>Profit before tax</b>	<b>492</b>	<b>358</b>	<b>37%</b>
<b>Profit after tax</b>	<b>327</b>	<b>254</b>	<b>29%</b>
Minority interest / Associate	-40	-16	154%
<b>Net Consolidated profit</b>	<b>287</b>	<b>238</b>	<b>21%</b>

## Segment performance

Segment revenue	9M FY16	9M FY15	YoY
Investment banking and securities business	351	391	-10%
Fund based activities	782	561	39%
Alternative asset management	9	19	-54%
Asset management	63	34	88%
Others	143	121	19%
<b>Total Segment Revenue</b>	<b>1,348</b>	<b>1,126</b>	<b>20%</b>
Less: Inter - segmental revenue	138	116	19%
<b>Total Revenue</b>	<b>1,210</b>	<b>1,010</b>	<b>20%</b>

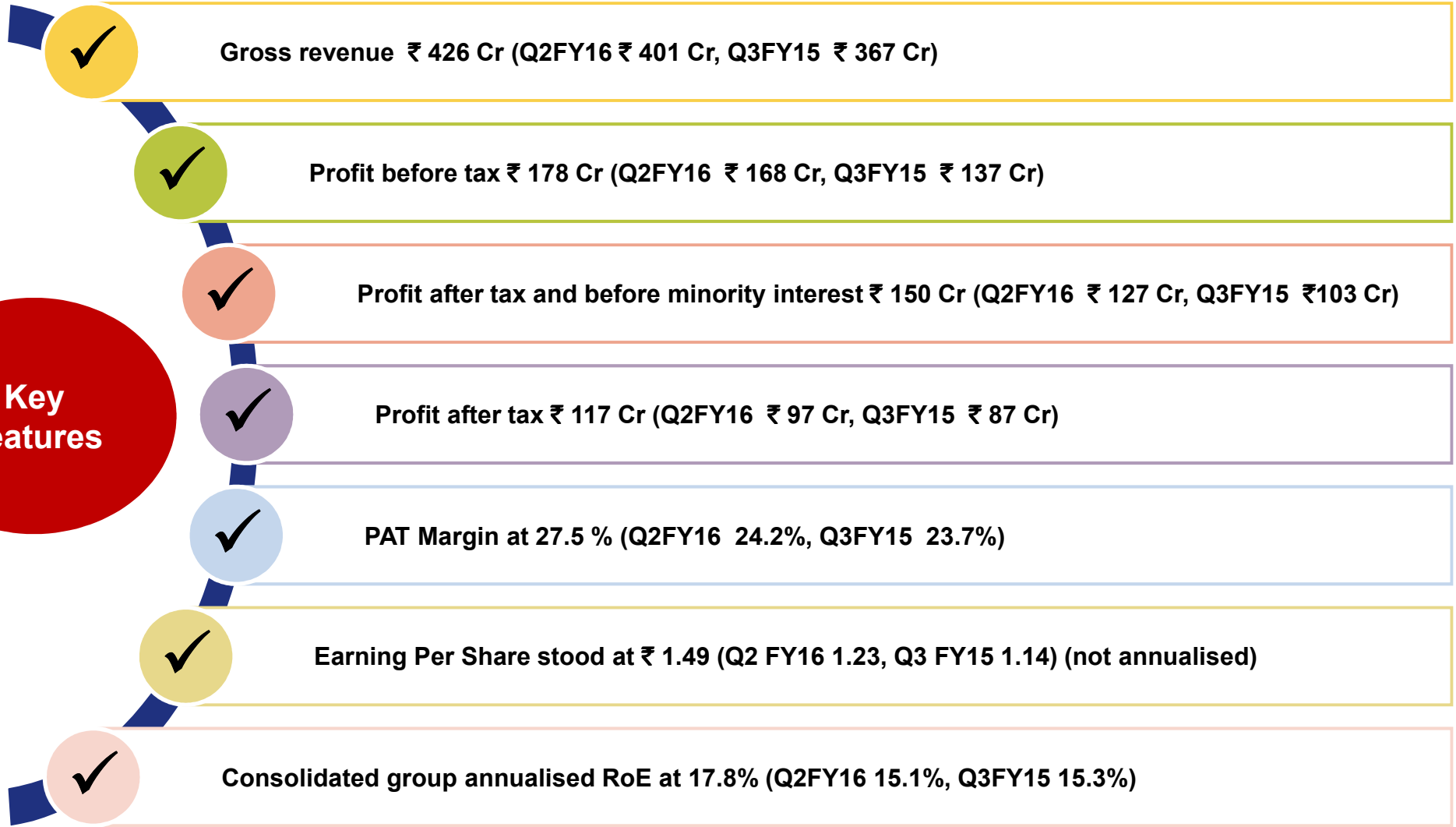
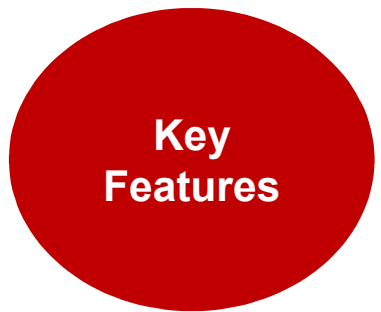
  

Segment PAT	9M FY16	9M FY15	YoY
Investment banking and securities business	36	69	-48%
Fund based activities	230	142	62%
Alternative asset management	2	10	-76%
Asset management	20	9	117%
Others	-1	7	-115%
<b>Total</b>	<b>287</b>	<b>238</b>	<b>21%</b>



**II : Quarterly performance – Q3 FY16**

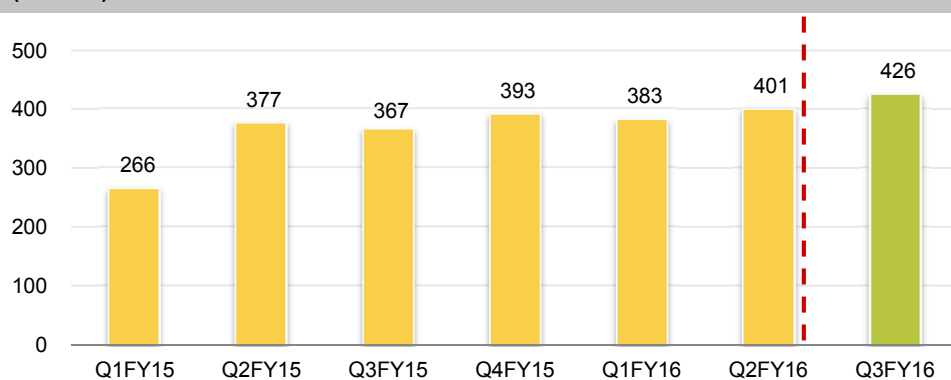
# Key features of Q3 FY16 Consolidated Financial performance



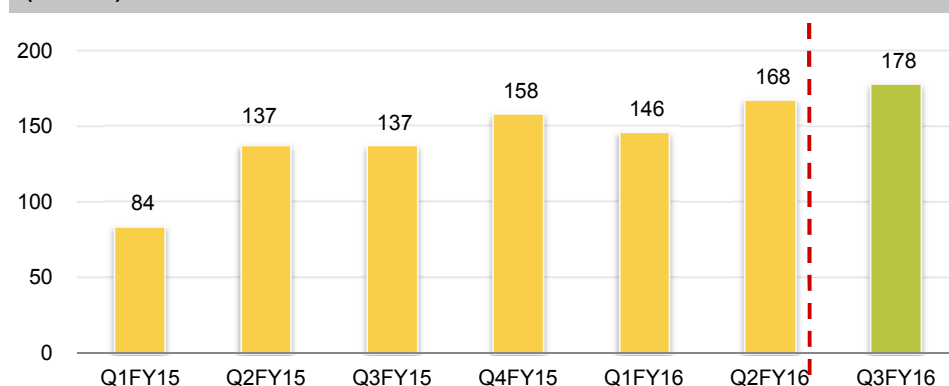
# Consolidated Financial Performance – Quarter by Quarter

## Snapshot

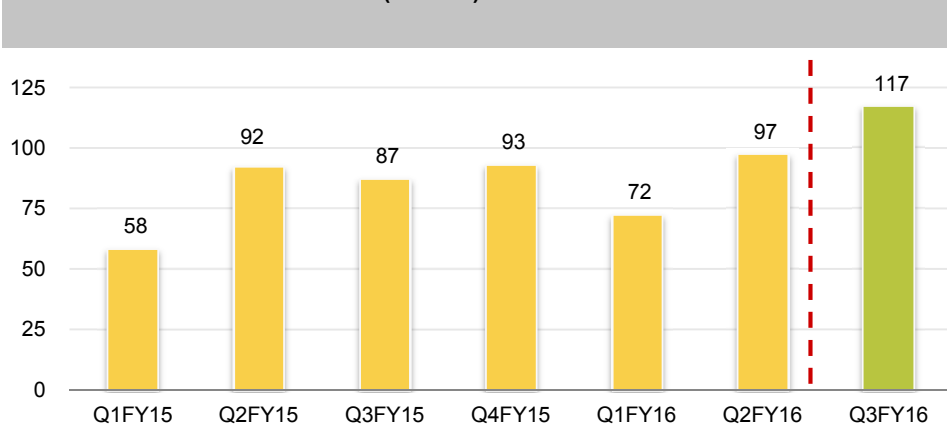
**Gross Revenue**  
(₹ Crore)



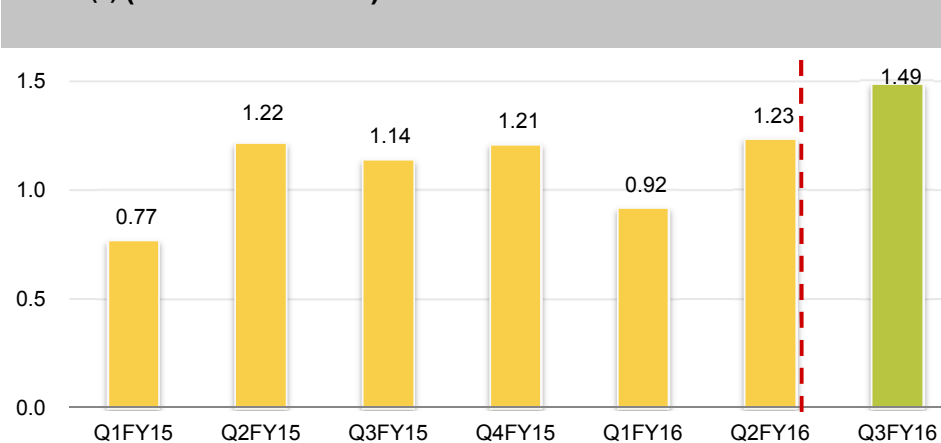
**Profit before tax**  
(₹ Crore)



**Net Consolidated Profit** (₹ Crore)



**EPS (₹) ( not annualised)**

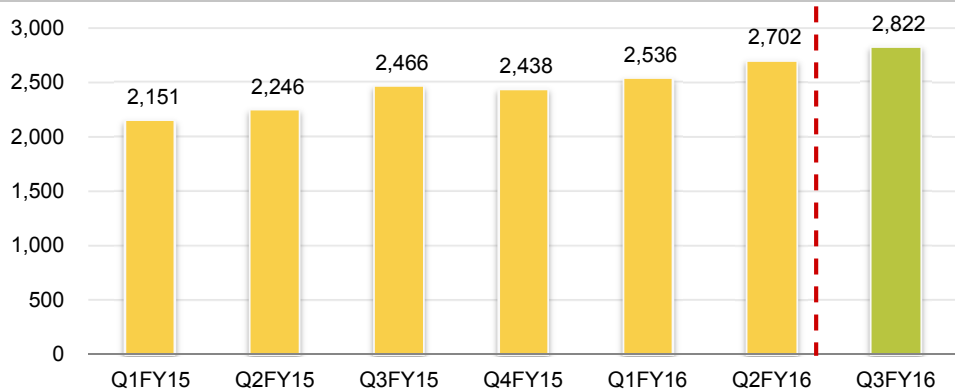




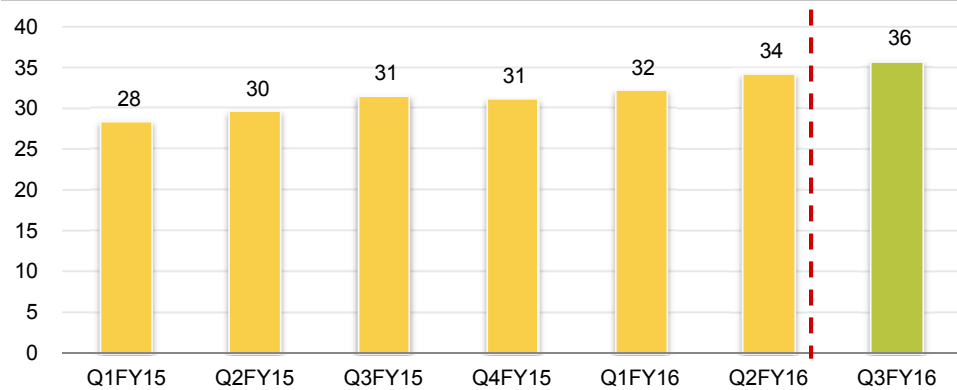
# Consolidated Financial Performance – Quarter by Quarter

## Snapshot

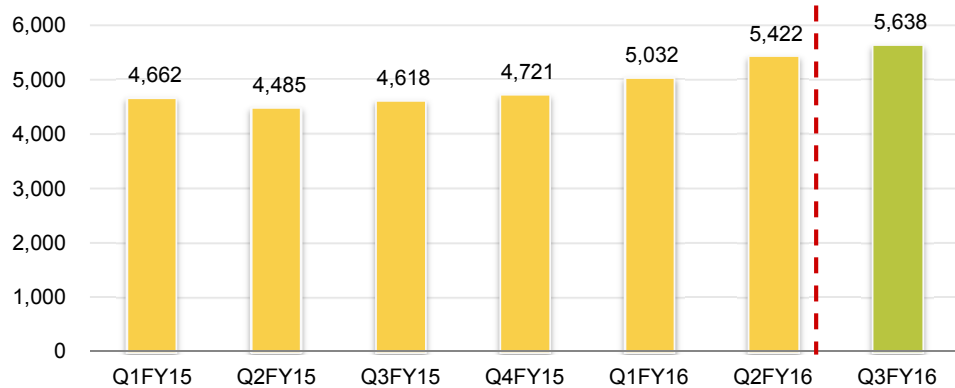
**Net worth (₹ Cr)**



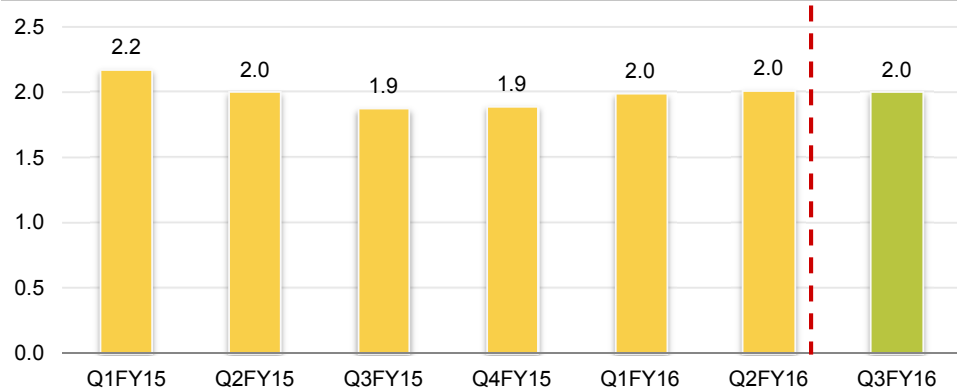
**Book Value Per Share (₹)**



**Borrowings (₹ Cr)**



**Debt Equity**



## Results for Q3 FY16 (Consolidated )

₹ Cr	Q3 FY16	Q2 FY16	QoQ	Q3 FY15	YoY
<b>Gross Revenue</b>	<b>426</b>	<b>401</b>	<b>6%</b>	<b>367</b>	<b>16%</b>
Sub-brokerage	20	19	4%	23	-12%
<b>Net Revenue</b>	<b>406</b>	<b>382</b>	<b>6%</b>	<b>344</b>	<b>18%</b>
Employee cost	64	64	0%	58	9%
Operating cost	25	27	-8%	28	-11%
Finance cost	134	119	13%	115	17%
Depreciation	5	5	3%	5	5%
<b>Profit before tax</b>	<b>178</b>	<b>168</b>	<b>6%</b>	<b>137</b>	<b>30%</b>
<b>Profit after tax</b>	<b>117</b>	<b>112</b>	<b>4%</b>	<b>98</b>	<b>19%</b>
Minority interest / Associate	0	-15	-99%	-11	-99%
<b>Net Consolidated profit</b>	<b>117</b>	<b>97</b>	<b>20%</b>	<b>87</b>	<b>35%</b>

## Segment performance

Segment revenue	Q3 FY16	Q2 FY16	QoQ	Q3 FY15	YoY
Investment banking and securities business	109	119	-8%	132	-18%
Fund based activities	288	252	14%	215	34%
Alternative asset management	4	3	42%	5	-34%
Asset management	24	24	1%	16	53%
Others	17	25	-34%	15	13%
<b>Total Segment Revenue</b>	<b>441</b>	<b>423</b>	<b>4%</b>	<b>383</b>	<b>15%</b>
Less: Inter - segmental revenue	15	22	-30%	16	-7%
<b>Total Revenue</b>	<b>426</b>	<b>401</b>	<b>6%</b>	<b>367</b>	<b>16%</b>

Segment PAT	Q3 FY16	Q2 FY16	QoQ	Q3 FY15	YoY
Investment banking and securities business	5	15	-67%	25	-81%
Fund based activities	102	74	38%	53	93%
Alternative asset management	1	0	429%	2	-38%
Asset management	8	8	7%	5	59%
Others	0	1	-40%	1	-69%
<b>Total</b>	<b>117</b>	<b>97</b>	<b>20%</b>	<b>87</b>	<b>35%</b>

### III : Balance sheet highlights



# Balance Sheet Highlights

## Balance Sheet Highlights

Net worth on December 2015 ₹ 2,822 Cr (March 2015 ₹ 2,438 Cr)

Borrowings on December 2015 ₹ 5,638 Cr (March 2015 ₹ 4,721 Cr)

Cash and cash equivalent on December 2015 ₹ 742 Cr (March 2015 ₹ 833 Cr)

Debt Equity : Gross Gearing - 2.0x, Net Gearing – 1.7x

Balance sheet size on December 2015 ₹ 9,849 Cr (March 2015 ₹ 8,400 Cr)

Loan book on December 2015 ₹ 6,550 Cr (March 2015 ₹ 5,388 Cr)

CRISIL upgrades long term rating of JM Financial group companies to 'CRISIL AA/Stable'

## Summary Balance Sheet

₹ Cr	As at December 31, 2015	As at March 31, 2015
<b>Equity and Liabilities</b>		
Shareholders' Funds	2,822	2,438
Minority Interest	635	655
Borrowings	5,638	4,721
Other Liabilities and Provisions	754	586
<b>TOTAL</b>	<b>9,849</b>	<b>8,400</b>
<b>Assets</b>		
Loan book	6,550	5,388
Investment and Treasury fund	1,623	1,472
Arbitrage and trading book	592	359
Other assets	1,084	1,181
<b>TOTAL</b>	<b>9,849</b>	<b>8,400</b>

## IV : Business update

# Investment Banking Business

- Over three decades of leadership in M&A and Capital Markets
- Strong track record of landmark M&A transactions
- Pioneer in innovating capital market products
- Wide & deep sectoral coverage both from a corporate finance & research perspective
- BW Business World Magna Awards 2015 – “M&A Deal Maker of the Year”
- Prime Database ranked the firm as the top investment bank handling more than Rs.42,000 crores of equity issuances in the Indian public market.



Key strength lies in innovative structuring and execution of complex, challenging deals and restructuring of corporate groups & businesses.



Strong Long-term Indian Corporate relationships



Leadership positions in all product areas and unmatched market share for landmark transactions



Best-in-Class Execution Team with focus on client satisfaction



Awarded a number of recognitions over the years from Euromoney and Finance Asia. Awarded ‘Investment Bank of the Year’ & ‘India Deal of the Year (Large Markets)’ at recently conducted M&A Atlas Awards

# Investment banking

Snapshot for Q3FY16

Global Coordinator and BRLM for Qualified Institutional Placement of NCD with Warrants by HDFC – Rs. 5,051 Crs. Upon conversion, the warrants will further raise Rs. 5,384 Crs.

Global Coordinator and BRLM to the Initial Public Offer by S. H. Kelkar – Rs. 508 crore.

Lead Managers r to the rights issue of IL&FS Transportation Networks – Rs.740 crore.

Sole financial advisor to Videocon Telecommunication Limited on the sale of spectrum to Idea Cellular Limited.

Financial advisor and manager to the delisting offer for delisting of Essar Ports Limited.



# Wealth Management and Broking Business

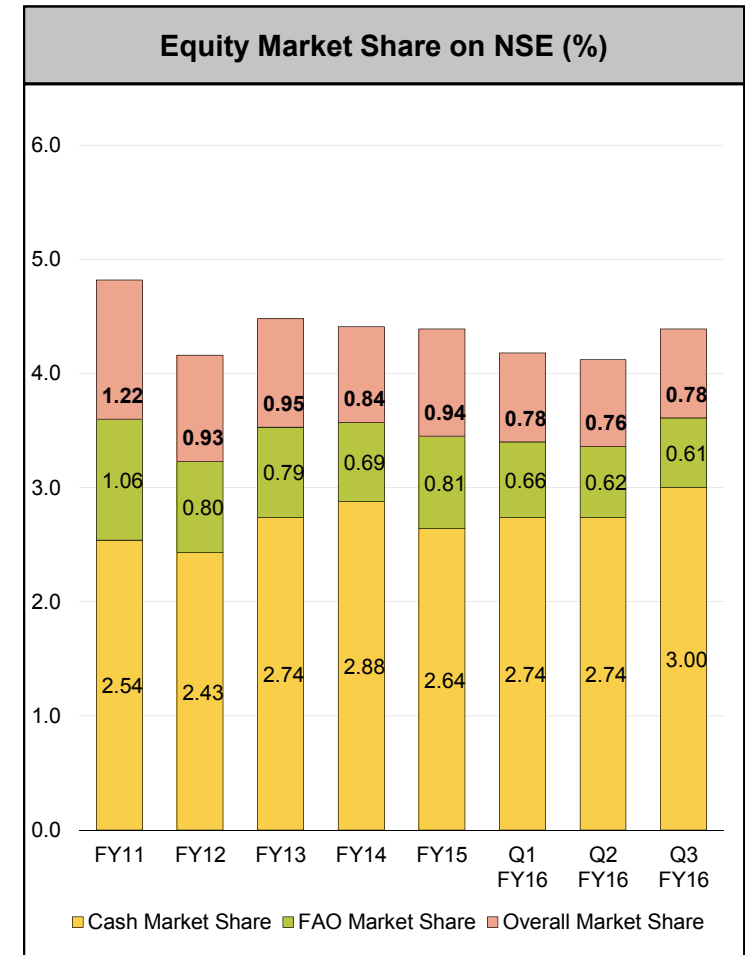
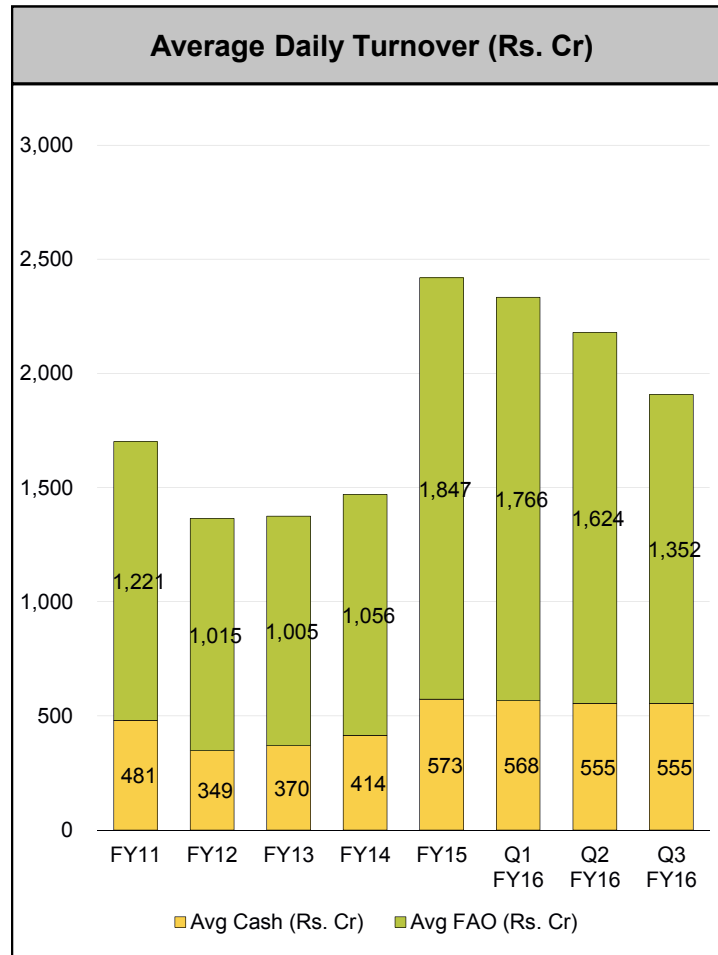
## Wealth Management

- ✓ Wealth AUM stands at Rs.23,386 Crs with a team size of 52 wealth advisors as on December 2015
- ✓ Presence in 7 major cities in India i.e. Mumbai, Delhi, Bangalore, Ahmedabad, Pune, Kolkata & Hyderabad
- ✓ Intensely client-oriented approach, create customised long-term Asset Allocation strategy and provide them with unbiased investment solutions
- ✓ Full service providers to clients across all products like Investment Banking, Corporate Finance etc.
- ✓ Focus on growing Discretionary Assets
- ✓ Around 8140 active IFDs in 112 cities

## Broking Business

- ✓ Worldwide institutional reach - dominant global & local institutional franchise
- ✓ Institutional distribution strength - We cover 150 funds across regions
- ✓ Institutional Equities offices at Singapore and New York
- ✓ Extensive research coverage over 172 companies
- ✓ Average daily turnover in Q3FY16 - Rs. 1,907 Cr, which includes cash segment of Rs. 555 Crs
- ✓ Market Share on NSE in Q3FY16 – 0.78%

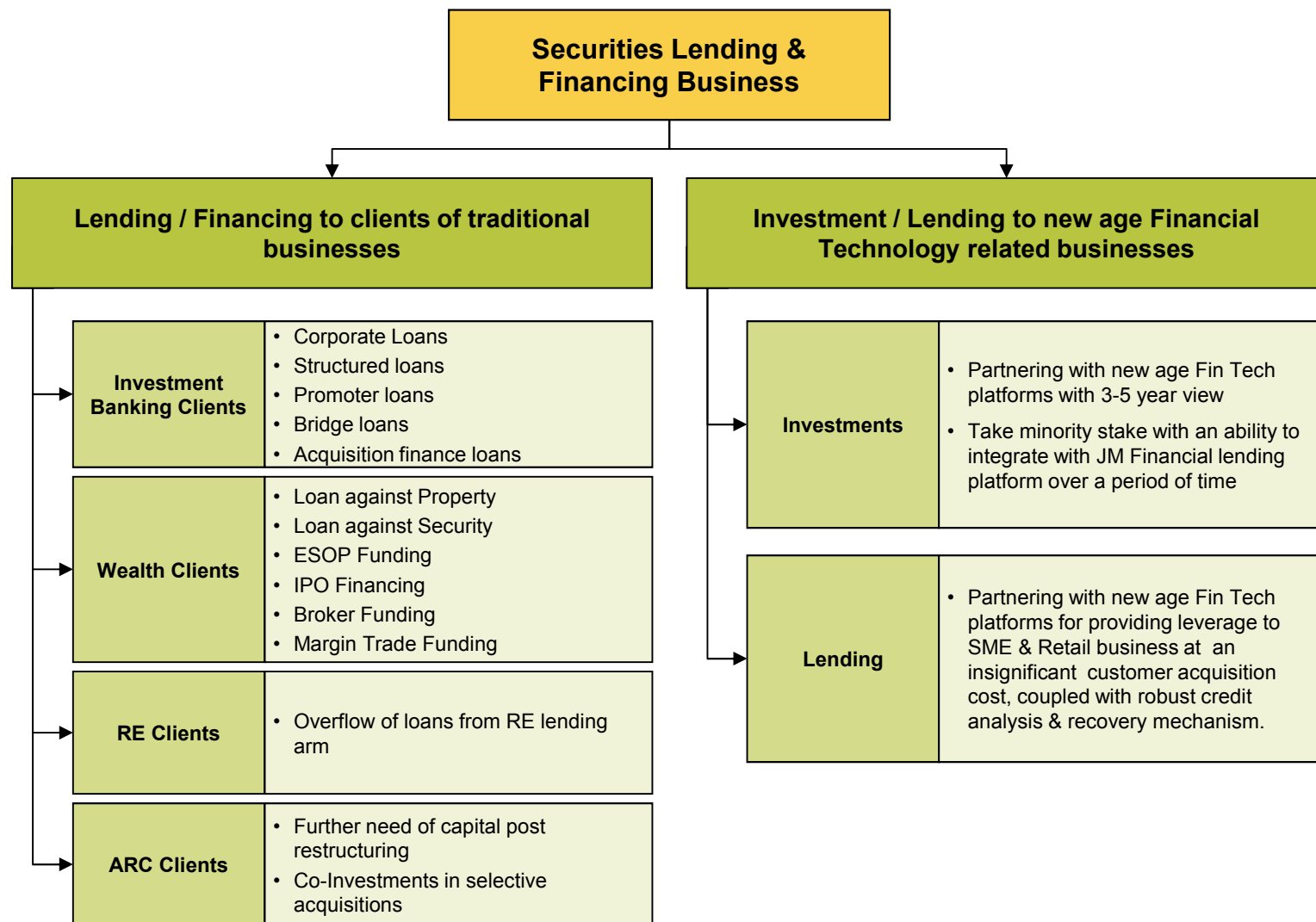
# Wealth Management and Broking Business



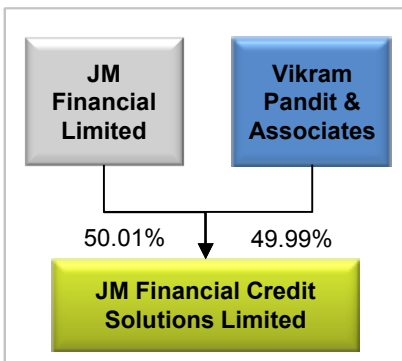
**Significant turnover in Cash translating in higher returns**

# Securities Lending And Financing Business

- JM Financial Products Ltd. is the Non-Banking Finance Company (NBFC) of the JM Financial Group. The company enjoys the highest short-term credit rating of P1+ from CRISIL
- During the year CRISIL re-affirmed the “CRISIL A1+” (highest grading) rating for the Commercial Paper program as well its “CRISIL AA/ Stable” rating for long term NCD issuances and bank loan rating



# Commercial Real Estate Lending Business



- Strong Balance sheet : Net worth / Owned fund of 900 Crore
- No Start-Up Risk : The investments by shareholders provides equity capital to a business that has operated profitably for five years as a division of JM Financial Products Limited
- JMFL and Vikram Pandit & Associates have created a true strategic partnership not a vanilla PE deal



The real estate financing arm of J M Financial Limited, looks at providing an integrated financial solution to real estate developers – Major focus on real estate project financing



Lending book has grown from ~ INR 1,800 crs in the beginning of FY 2015-16 to ~ INR 3,070 crs till December 2015



- Book comprises of 32 clients – 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
  - With loan disbursements of 48% in Mumbai, 23% Bengaluru, 20% Pune, 7% Chennai and 2% Others
- 90% of the book is cashflow backed lending
- 82% of the book is against Residential projects – Self liquidating & less risky

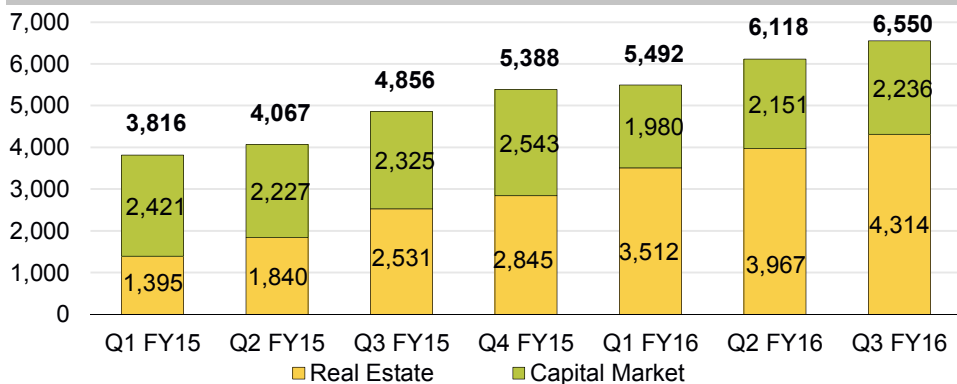


Prominent Relationships – Kalpataru, Wadhwa, RMZ, Embassy, Kanakia, Peninsula, Adarsh, Lodha and Marvel amongst others

# Highlights – Fund based activities

## Loan book

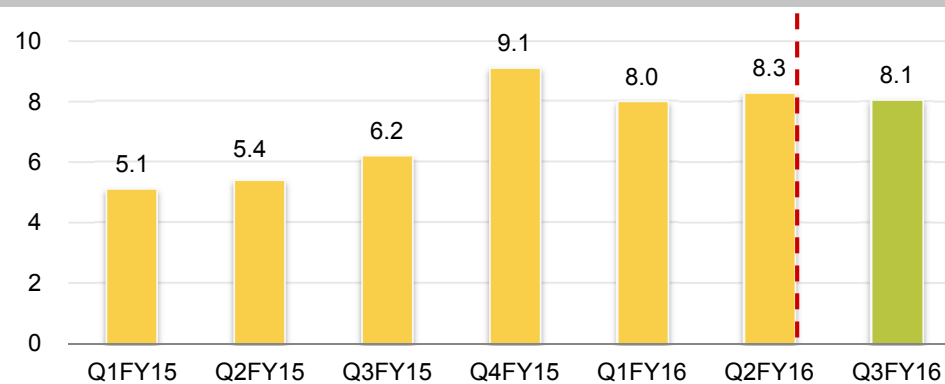
(₹Cr)



Includes 116 Cr of IPO funding in Q3FY16

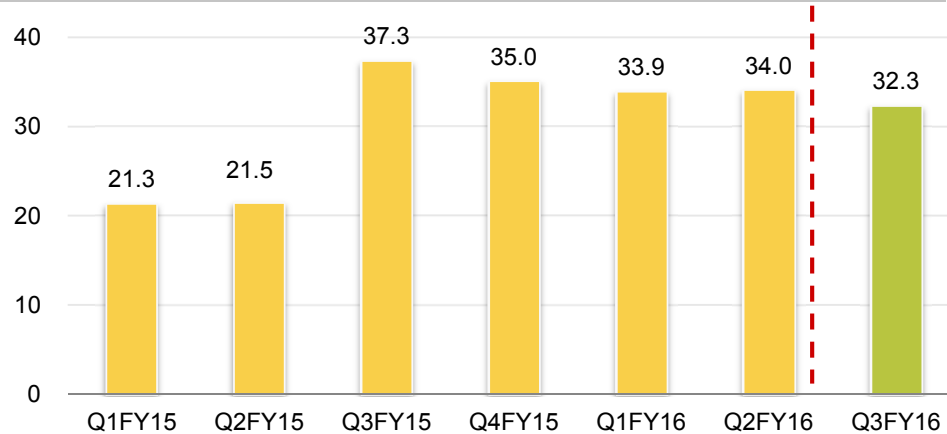
## Net Interest Margin

(%)



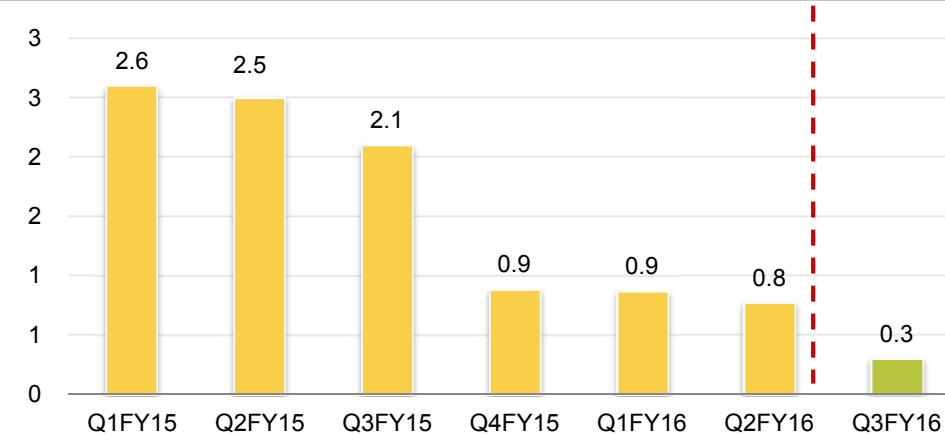
## Capital Adequacy Ratio

(%)



## Gross NPA

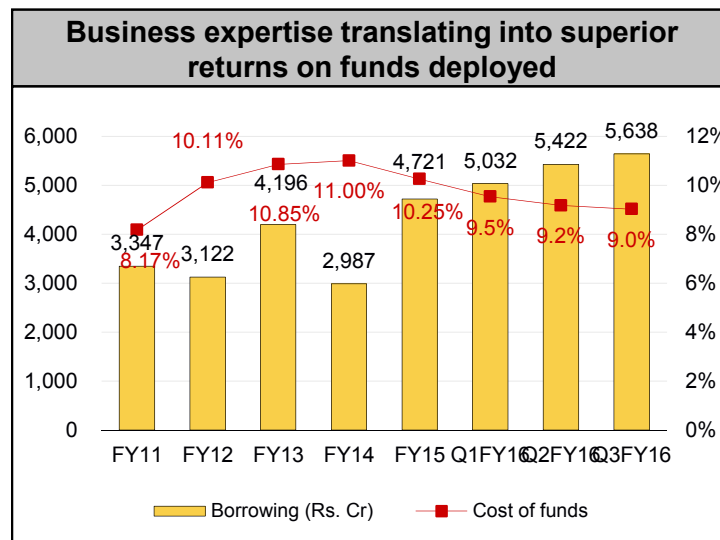
(%)



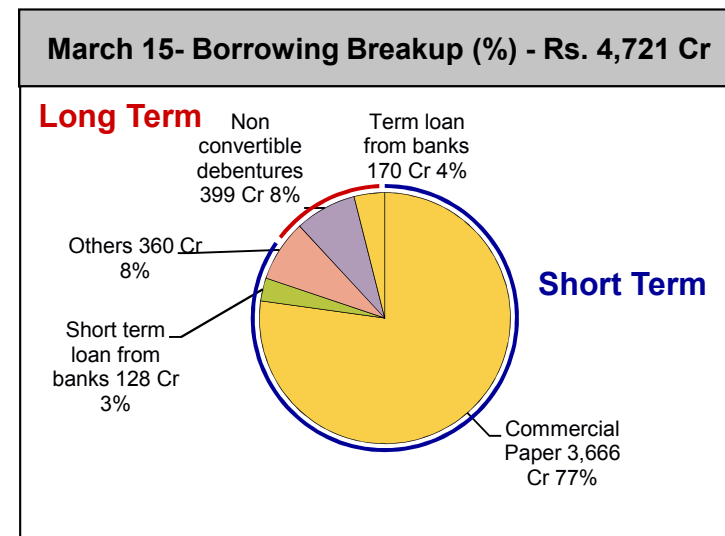
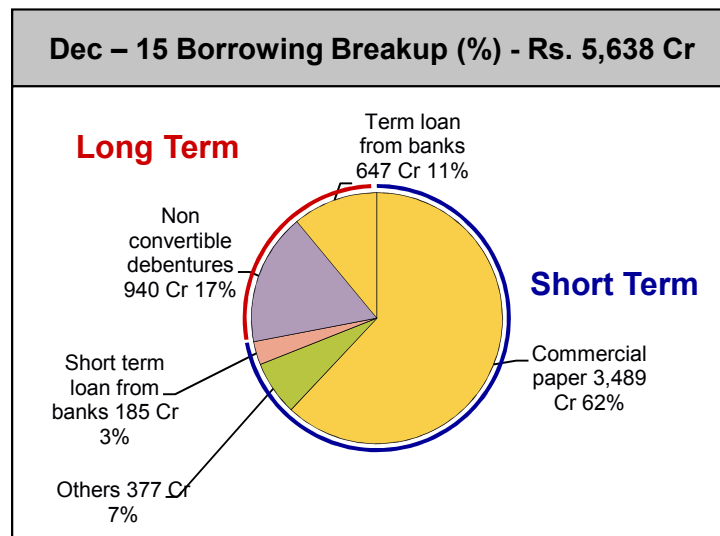


# Borrowing Profile

- Capital Adequacy Ratio of 32%
- Long term debt rating:  
CRISIL AA STABLE  
ICRA AA STABLE
- Short term debt rating:  
CRISIL A1+  
ICRA A1+
- Business strength coupled with visible future growth & long-term sustainability facilitate minimal debt servicing risk
- Group Borrowing & ALM committee meets regularly to -
  - review the ALM profile of the Group
  - advise on diversifying borrowings based on asset maturity profiles



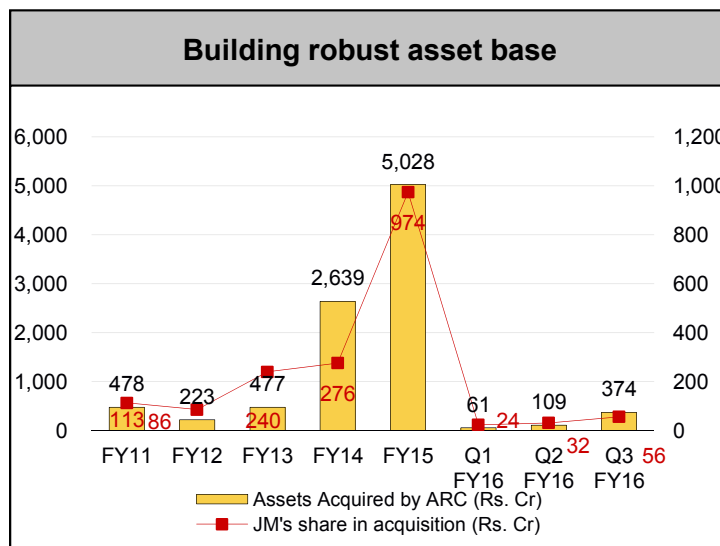
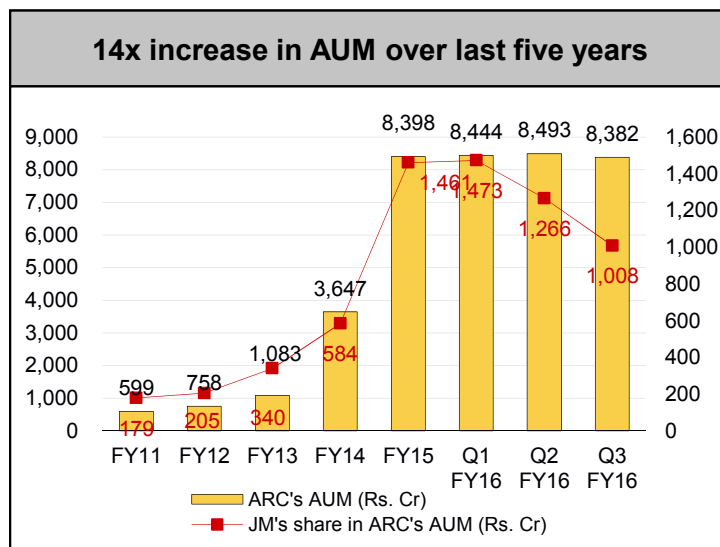
**Borrowing vs. Loan book translating into a NIM of 8.1%**



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

# Asset Reconstruction

- RBI registered ARC engaged in the business of Distressed Assets management in India
- Highest capitalized private sector ARC in the Indian industry
- Current AUM of ~ Rs. 8,382 Cr comprising Corporate, SME and Retail portfolios
- In-house legal expertise and synergies from group wide professional expertise



## Significant potential upside in the asset reconstruction business

- RBI's concern over Bank NPA's expected to increase the sell-down of distressed assets to ARCs
- Recent amendments expected to pave way for better & quicker returns –
  - improve quality of sell-down by Banks at proper valuation
  - better due diligence by ARCs
  - speedy recovery due to early involvement of ARCs

## Breakthrough hotel Leela deal

Hotel Leela Resolution – Phase I

Concluded sale of Hotel Leela Goa for Rs.725 Cr. 69 % of class A SRs along with yield and incentive fees.

# Asset Reconstruction

Snapshot for Q3FY16

**AUM at ₹ 8,382 Cr (September 2015 ₹ 8,493 Cr)**

**JM ARC share in total AUM at ₹ 1,008 Cr (September 2015 ₹ 1,266 Cr)**

**Assets acquired during the quarter at ₹ 374 Cr (Q2FY16 ₹ 109 Cr)**

**JM ARC share in acquisition during the quarter at ₹ 56 Cr (Q2FY16 ₹ 32 Cr)**

**Assets Redeemed during the quarter at ₹ 485 Cr (Q2FY16 ₹ 60 Cr)**

**JM ARC share in redemption during the quarter at ₹ 314 Cr (Q2FY16 ₹ 27 Cr)**

# Asset Management

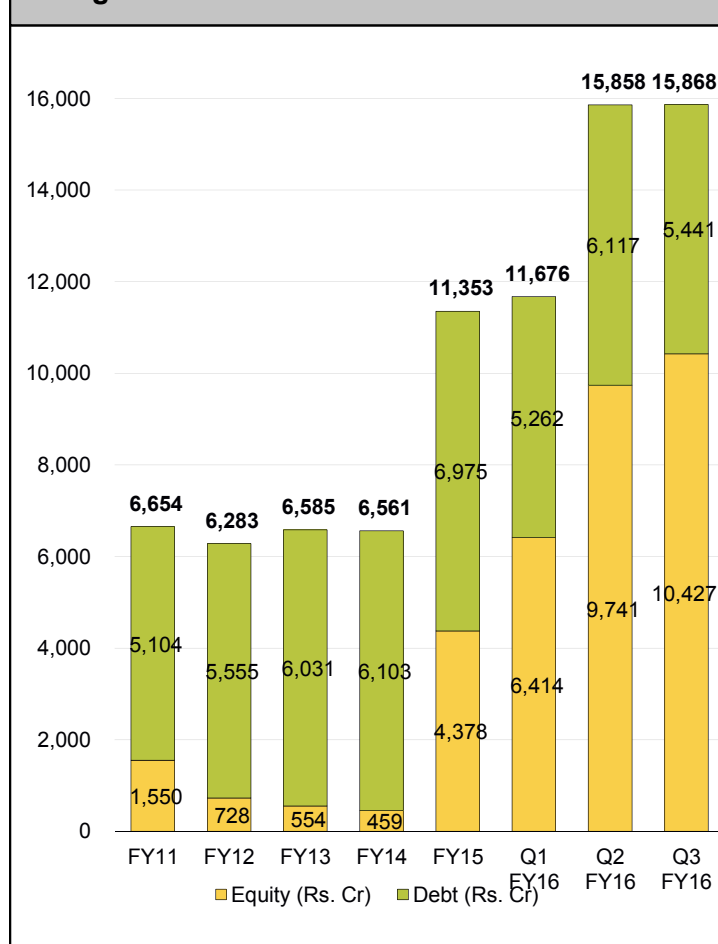
## Real Estate

- India focused fund with investments in commercial, residential, retail and hospitality sectors
- Approx. 45% funds raised from international investors
- AUM as on December 31, 2015 – Rs. 233 Cr
- No. of investments: 13
- No. of Exits: 5 full and 2 part
- Fully drawn down & invested
- Amount distributed till date Rs. 216 Cr

## Private Equity

- India focused long term PE fund - providing growth capital to fast growing, primarily unlisted companies
- Approx. 85% of funds raised from International investors
- AUM as on December 31, 2015 - Rs. 640 Cr
- No. of investments: 13
- No. of Exits: 5 full
- Fully drawn down & invested
- Amount distributed till date Rs. 682 Cr

## Significant increase in AUM – CAGR 23.08%



## As on December 31, 2015

- Quarterly Average AUM (QAAUM): INR 15,868 Cr
- Rank (QAAUM): 17 among 43 Mutual Funds
- Market Share: 1.18%

## Reach

- Servicing and Investor base of around **146,000** through **17** branches and **81** Investor Service Centres
- 15 schemes categorized under – Long Term Debt, Short Term Debt, Balance, Equity Arbitrage and Equity

- One of the well capitalized and profitable AMC in the industry

**Note:**

1. Equity AUM for FY15 and Q3 FY16 include arbitrage fund of Rs. 3,084 and Rs.5,321 Cr resp

# Recently Added Focus Areas

- Indian economy firmly on the recovery path -
  - growth largely driven by domestic consumption
  - expected acceleration in reforms and capital inflows to spur investment
- Driven by robust growth prospects-
  - we plan to consolidate our position further both in capital market and financial services market

- ✓ JM Financial is the only oldest, trusted, domestic non-bank investment banking franchise in India.
- ✓ While we remain focused on further strengthening this business to maintain our leadership position, the pillars for our next phase of growth are:

## Commercial Real Estate Lending

- Investment of Rs. 540 Cr from funds managed by Vikram Pandit & Associates in total capitalization of Rs. 900 Cr in JM Financial Credit Solutions Limited (NBFC)
- Poised to grow substantially as capital raised will be put to optimum use in the near-term

## Asset Reconstruction Business

- Favorable economic & regulatory environment
- Better placed to ensure speedy resolution on the back of synergies between various group businesses
- Our in-house legal expertise which is quintessential to the business will further drive the business

## Alternative Asset Management

- Successfully managed Real Estate and Private Equity funds over the last decade
- Learnings to facilitate superior future performance

**Added in the portfolio during the last decade, these businesses have gained significant momentum & are poised to lead our next phase of growth**



# Effective Risk Management Framework

- Risk management given paramount importance
- Risk management embedded in the business processes
- Effective and adequate internal controls

**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**

**Monthly risk meetings of all businesses with Group Risk Committee**

**4**

**Report of top risks and risk event update periodically placed 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**

# Community Engagement

- At JM Financial, CSR extends beyond a statutory obligation
- Firm belief in strengthening and uplifting the lesser privileged communities

- JM Financial Foundation drives our community engagement initiatives that focus on –
  - Education – special focus on girl child education
  - Healthcare
  - Entrepreneurship promotion
  - Vocational Training
  - Women empowerment
  - Disaster Relief
- JM Financial Foundation Walkathon –
  - annual event where our clients & employees pledge their support for the under-privileged
  - fund-raiser inviting contributions towards the various causes supported by JM Financial Foundation
- Employee volunteering at JM Financial –
  - Sparsh - Employees aid the lesser privileged aged members of society and mentor children
  - Project Drishti - contributing glossy magazines used for preparing reading and learning material in Braille
  - Joy of Giving week – Joy boxes, Blood donation camps & Paraplegic Foundation

# Key Takeaways



**Strong presence for over four decades – proven track record of growth & sustainability**



**Client centric business model – Strong focus on long-term corporate relationships**



**Value driven growth – visible future growth roadmap, increased focus on Real Estate Lending, Asset Reconstruction and Alternative Asset Management**



**Experienced & committed Management team - ensures future growth at minimal risk**



**Efficient & motivated talent pool – source of our competitive edge**

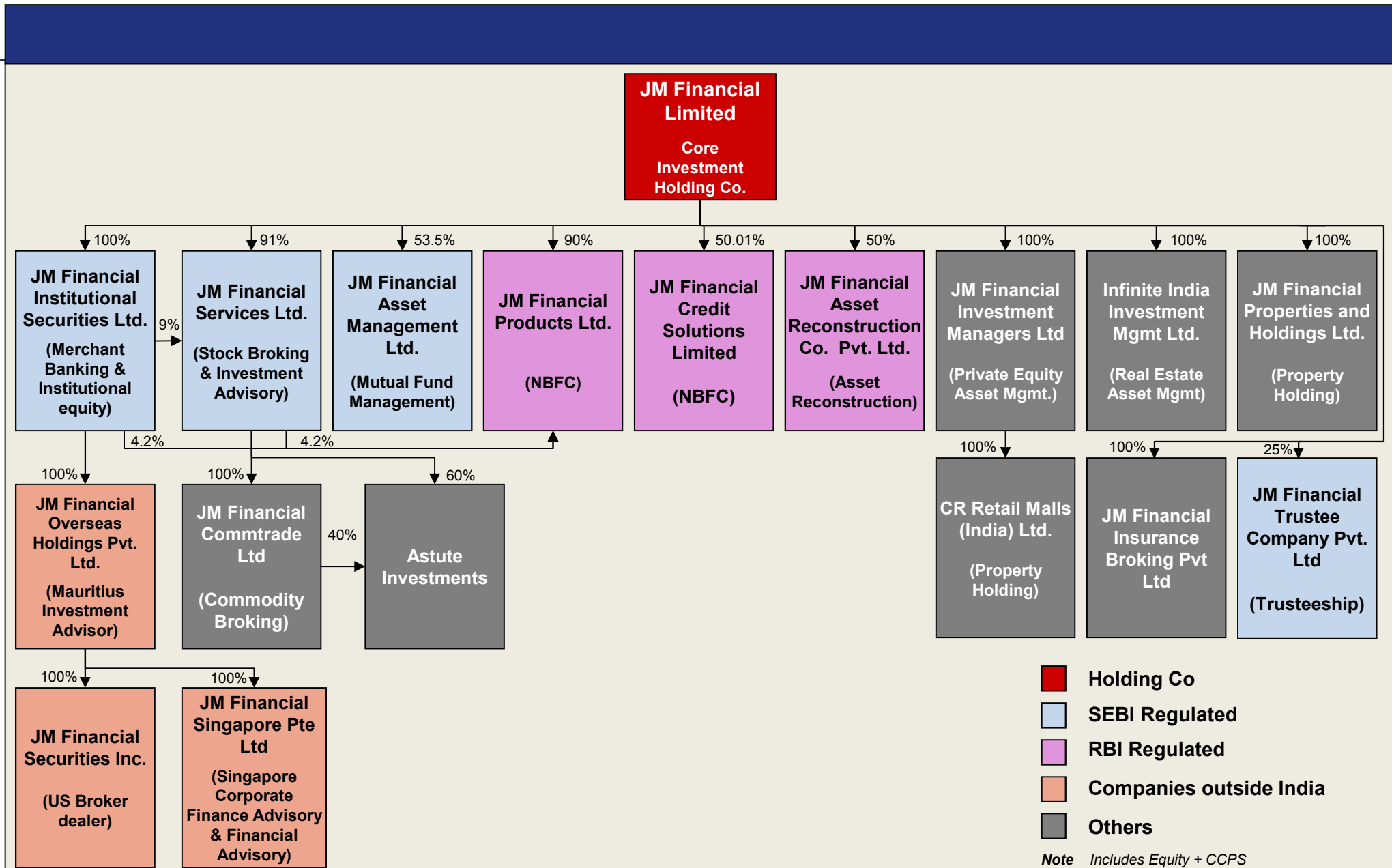


**Positive capital market outlook – strategically placed to benefit from every upswing**



**Conservative gearing backed with adequate cash facilitates**

# JM Financial Limited its Subsidiaries & Associates



- Holding Co
- SEBI Regulated
- RBI Regulated
- Companies outside India
- Others

*Note* Includes Equity + CCPS

## JM Financial Limited – Shareholding Pattern

### Share holding pattern – as on December 31, 2015

Name of the Shareholder	% Shareholding
<b>Promoter &amp; Promoter Group</b>	<b>65.69%</b>
<b>Foreign Institutional Investors</b>	12.78%
<b>Mutual funds / UTI</b>	3.13%
<b>Financial Institutions / Banks</b>	0.02%
<b>Non-Institutions</b>	18.38%
<b>Public Shareholding</b>	<b>34.31%</b>

### Public holding of more than 1% of total number of shares – as on December 31, 2015

Name of the Shareholder	% Shareholding
Morgan Stanley Asia (Singapore) Pte	6.39%
IDFC Premier Equity Fund	2.99%
Azim Hasham Premji	2.77%
Valiant Mauritius Partners Ltd & Associates	3.31%
Vikram Shankar Pandit	1.48%
<b>Total</b>	<b>16.94%</b>