

July 30, 2020

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

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

Security Code: **523405**

Symbol: **JMFINANCIL**

Dear Sirs,

**Sub: Outcome of the Board Meeting**

We wish to inform you that the Board of Directors of the Company, at its meeting held today, has, inter alia, approved the following:

- (i) The Unaudited Financial Results (both on standalone and consolidated basis) of the Company for the first quarter ended June 30, 2020;
- (ii) Appointment of Mr. P S Jayakumar (DIN- 01173236) as an Independent Director of the Company w.e.f. July 30, 2020 subject to the necessary regulatory and other approvals as may be required;
- (iii) Appointment of M/s. Makarand M. Joshi & Co., practising company secretaries as the secretarial auditors of the Company for conducting the secretarial audit of the Company for FY 2020-21. M/s Makarand M. Joshi & Co., is a firm of Practising Company Secretaries which provides various advisory services on Corporate Compliances, Securities Law, Incorporation, Mergers and Acquisitions, Corporate Restructuring, FEMA, Intellectual Property Rights, etc.

In the context of the above approvals, we are enclosing the following documents.

- (i) Copies of the above Unaudited Financial Results for the first quarter ended June 30, 2020. The said Unaudited Financial Results are also being uploaded on the websites of the stock exchanges in the prescribed format. The same are also being uploaded on the website of the Company, viz., [www.jmfl.com](http://www.jmfl.com);
- (ii) Copy of the Press Release being issued by the Company;
- (iii) Copy of the 'Limited Review Report', as received from our Statutory Auditors, Deloitte Haskins & Sells LLP on the above Financial Results pursuant to the applicable regulations of SEBI; and
- (iv) Brief Profile of the newly appointed independent director Mr. P S Jayakumar.

Kindly note that Mr. P S Jayakumar is not related to any of the directors or Key Managerial Personnel or Promoters of the Company. Additionally, we affirm that Mr. Jayakumar is not debarred from holding the office of director by any order of SEBI or any other such authority.

The above meeting of the Board of Directors commenced at 12.00 noon and concluded at 1.55 p.m.

We request you to kindly take the above on your record and disseminate the said information on your website, as you may deem appropriate.

Thank you.

Yours faithfully,  
for JM Financial Limited



**Prashant Choksi**  
Group Head – Compliance, Legal  
& Company Secretary

Encl.: as above.

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED  
FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF JM FINANCIAL LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **JM FINANCIAL LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit after tax and total comprehensive income of its associate for the quarter ended June 30, 2020 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has 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. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

Parent:

JM Financial Limited

Subsidiaries:

- a) JM Financial Services Limited;
- b) JM Financial Commtrade Limited;
- c) JM Financial Products Limited;
- d) JM Financial Capital Limited;
- e) JM Financial Properties and Holdings Limited;
- f) Infinite India Investment Management Limited;
- g) JM Financial Asset Management Limited;
- h) CR Retail Malls (India) Limited;
- i) JM Financial Credit Solutions Limited;
- j) JM Financial Home Loans Limited;
- k) JM Financial Asset Reconstruction Company Limited including its subsidiaries together referred to as JM Financial Asset Reconstruction Company Limited Group;
- l) JM Financial Overseas Holdings Private Limited;
- m) JM Financial Singapore Pte Ltd.;
- n) JM Financial Securities Inc.;
- o) JM Financial Institutional Securities Limited;
- p) M/s. Astute Investments;

Associate:

- a) JM Financial Trustee Company Private Limited



**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE  
FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF JM FINANCIAL LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **JM Financial Limited** ("the Company"), for the quarter ended June 30, 2020 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has 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. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**Neville M. Daruwalla**  
Partner  
(Membership No. 118784)  
UDIN: 20118784AAAAAC4552

Mumbai, July 30, 2020

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to note 7 to the Statement, which describes that the potential impact of the COVID-19 Pandemic on the results of certain subsidiaries and consequently the Group's results are dependent on future developments, which are highly uncertain.

Our conclusion is not modified in respect of this matter.

7. We did not review the interim financial information/ results of seven subsidiaries included in the consolidated unaudited financial information/ results, whose interim financial results reflect total revenues of Rs. 264.15 crore, total net profit after tax of Rs. 28.80 crore and total comprehensive income of Rs. 28.61 crore for the quarter ended June 30, 2020, as considered in the Statement. These interim financial information/ results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter.

8. The consolidated unaudited financial results include the interim financial information/ results of five subsidiaries which have not been reviewed by their auditors/ us, whose interim financial information/ results reflect total revenues of Rs. 14.56 crore, total net profit after tax of Rs. 6.14 crore and total comprehensive income of Rs. 6.55 crore for the quarter ended June 30, 2020, as considered in the Statement. The consolidated financial results also include the Group's share of profit after tax of Rs. 0.65 crore and total comprehensive income of Rs. 0.65 crore for the quarter ended June 30, 2020, as considered in the Statement, in respect of one associate, based on their interim financial information/ results which have not been reviewed by us. According to the information and explanations given to us by the Management, these financial results are not material to the Group.

Our conclusion is not modified in respect of our reliance on the interim financial results certified by the Management.

**For DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**Neville M. Daruwalla**  
Partner

(Membership No. 118784)  
UDIN: 20118784AAAAAD6867

Mumbai, dated: July 30, 2020

**JM FINANCIAL LIMITED**
**STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020**

(Rupees in Crore)

Sr. No.	Particulars	Quarter Ended			Year Ended
		30.06.2020	31.03.2020	30.06.2019	31.03.2020
		Unaudited	(Refer Note 8)	Unaudited	Audited
<b>1</b>	<b>Income</b>				
(a)	<b>Revenue from Operations</b>				
	(i) Interest Income	439.18	530.07	635.01	2,281.27
	(ii) Fees and Commission Income	78.94	159.13	126.74	646.26
	(iii) Brokerage Income	50.40	60.55	45.76	202.70
	(iv) Net gain on fair value changes (Refer Note 7)	94.80	59.27	-	175.53
	(v) Net gain on derecognition of financial instruments carried at amortised cost	6.51	0.18	15.99	18.02
	(vi) Other Operating Income	16.97	26.69	27.00	108.25
		<b>686.80</b>	<b>835.89</b>	<b>850.50</b>	<b>3,432.03</b>
(b)	<b>Other Income</b>	4.31	4.69	6.07	21.52
	<b>Total Income</b>	<b>691.11</b>	<b>840.58</b>	<b>856.57</b>	<b>3,453.55</b>
<b>2</b>	<b>Expenses</b>				
(a)	Finance costs	272.65	333.32	349.57	1,385.86
(b)	Net loss on fair value changes	-	-	0.44	-
(c)	Impairment on financial instruments (Refer Note 7)	68.97	117.67	23.65	233.72
(d)	Employee benefits expense	91.25	65.02	105.21	395.41
(e)	Depreciation and amortization expense	10.06	10.94	9.97	41.04
(f)	Other Expenses	64.01	98.61	65.36	304.00
	<b>Total expenses</b>	<b>506.94</b>	<b>625.56</b>	<b>554.20</b>	<b>2,360.03</b>
<b>3</b>	<b>Profit before tax (1-2)</b>	<b>184.17</b>	<b>215.02</b>	<b>302.37</b>	<b>1,093.52</b>
<b>4</b>	<b>Tax expenses</b>				
(a)	Current tax	61.52	73.78	115.73	328.52
(b)	Deferred tax	(16.88)	(23.20)	(8.02)	(15.92)
(c)	Tax adjustment of earlier years (net)	0.57	0.39	-	3.38
	<b>Total tax expenses</b>	<b>45.21</b>	<b>50.97</b>	<b>107.71</b>	<b>315.98</b>
<b>5</b>	<b>Net Profit for the period / year (3-4)</b>	<b>138.96</b>	<b>164.05</b>	<b>194.66</b>	<b>777.54</b>
6	Add - Share in profit / (loss) of associate	0.65	(1.09)	0.37	0.41
<b>7</b>	<b>Net Profit after tax and Share in profit / (loss) of Associate (5+6)</b>	<b>139.61</b>	<b>162.96</b>	<b>195.03</b>	<b>777.95</b>
<b>8</b>	<b>Other Comprehensive Income (OCI)</b>				
(i)	Items that will be reclassified to profit or loss				
	- Exchange differences on translation of foreign operations	0.41	6.35	(0.51)	9.87
(ii)	Items that will not be reclassified to profit or loss				
	- Remeasurement of defined benefit obligations	(0.40)	(0.09)	(0.19)	(1.60)
	- Share in Other Comprehensive Income of Associate	-	#	-	#
	- Income tax on the above	0.10	0.02	0.06	0.41
	<b>Total Other Comprehensive Income</b>	<b>0.11</b>	<b>6.28</b>	<b>(0.64)</b>	<b>8.68</b>
<b>9</b>	<b>Total Comprehensive Income (7+8)</b>	<b>139.72</b>	<b>169.24</b>	<b>194.39</b>	<b>786.63</b>
<b>10</b>	<b>Net Profit attributable to (7):</b>				
	Owners of the company	93.61	130.56	127.29	544.98
	Non-controlling interests	46.00	32.40	67.74	232.97
<b>11</b>	<b>Other Comprehensive Income attributable to (8):</b>				
	Owners of the company	0.14	6.25	(0.62)	8.78
	Non-controlling interests	(0.03)	0.03	(0.02)	(0.10)
<b>12</b>	<b>Total Comprehensive Income attributable to (9):</b>				
	Owners of the company	93.75	136.81	126.67	553.76
	Non-controlling interests	45.97	32.43	67.72	232.87
<b>13</b>	<b>Paid up equity share capital (Face value Re. 1/- per share)</b>	<b>95.19</b>	<b>84.12</b>	<b>84.09</b>	<b>84.12</b>
<b>14</b>	<b>Other Equity (excluding revaluation reserves)</b>				<b>5,502.21</b>
<b>15</b>	<b>Earning Per Share (EPS)</b>				
	Basic EPS (in Rs.) (Not annualised)	1.01	1.55	1.51	6.48
	Diluted EPS (in Rs.) (Not annualised)	1.00	1.55	1.51	6.45

# Denotes amount below ₹ 50,000/-

JM Financial Limited

Corporate Identity Number: L67120MH1986PLC038784

Regd. Address : 7th Floor Cnergy Appasaheb Marathe Marg Prabhadevi Mumbai - 400025

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<b>JM FINANCIAL LIMITED</b>					
<b>SEGMENTWISE DETAILS ON CONSOLIDATED BASIS FOR THE QUARTER ENDED JUNE 30, 2020</b>					
(Rupees in Crore)					
Particulars	Quarter Ended			Year Ended	
	30.06.2020	31.03.2020	30.06.2019	31.03.2020	
	Unaudited	(Refer Note 8)	Unaudited	Audited	
<b>Segment Revenue</b>					
A	Investment Banking, Wealth Management & Securities Business (IWS)	290.37	411.28	368.22	1,611.52
B	Mortgage Lending	298.38	315.57	340.02	1,350.85
C	Distressed Credit	98.12	98.37	132.46	413.50
D	Asset Management	6.92	6.92	17.76	62.88
E	Others	12.06	27.98	15.01	79.75
<b>Total Segment Revenue</b>		<b>705.85</b>	<b>860.12</b>	<b>873.47</b>	<b>3,518.50</b>
Less: Inter - segmental revenue		(14.74)	(19.54)	(16.90)	(64.95)
<b>Total Revenue</b>		<b>691.11</b>	<b>840.58</b>	<b>856.57</b>	<b>3,453.55</b>
<b>Segment Results (Profit before tax)</b>					
A	Investment Banking, Wealth Management & Securities Business (IWS)	58.67	123.99	93.19	434.60
B	Mortgage Lending	102.08	65.98	166.21	533.01
C	Distressed Credit	22.09	23.25	29.73	85.58
D	Asset Management	(2.74)	(3.67)	8.18	22.49
E	Others	4.07	5.47	5.06	17.84
<b>Total Results</b>		<b>184.17</b>	<b>215.02</b>	<b>302.37</b>	<b>1,093.52</b>
<b>Segment Assets</b>					
A	Investment Banking, Wealth Management & Securities Business (IWS)	7,507.82	7,626.56	9,639.85	7,626.56
B	Mortgage Lending	8,478.47	8,404.14	8,755.05	8,404.14
C	Distressed Credit	3,936.81	4,127.32	4,481.41	4,127.32
D	Asset Management	240.75	245.55	232.73	245.55
E	Others	1,049.09	289.51	406.98	289.51
<b>Total Segment Assets</b>		<b>21,212.94</b>	<b>20,693.08</b>	<b>23,516.02</b>	<b>20,693.08</b>
<b>Segment Liabilities</b>					
A	Investment Banking, Wealth Management & Securities Business (IWS)	4,761.58	4,932.13	7,045.17	4,932.13
B	Mortgage Lending	4,970.28	4,972.32	5,626.92	4,972.32
C	Distressed Credit	2,334.95	2,526.03	2,713.51	2,526.03
D	Asset Management	11.71	14.16	11.96	14.16
E	Others	165.12	166.45	207.43	166.45
<b>Total Segment Liabilities</b>		<b>12,243.64</b>	<b>12,611.09</b>	<b>15,604.99</b>	<b>12,611.09</b>
<b>Segment Capital Employed</b>					
A	Investment Banking, Wealth Management & Securities Business (IWS)	2,746.24	2,694.43	2,594.68	2,694.43
B	Mortgage Lending	3,508.19	3,431.82	3,128.13	3,431.82
C	Distressed Credit	1,601.86	1,601.29	1,767.90	1,601.29
D	Asset Management	229.04	231.39	220.77	231.39
E	Others	883.97	123.06	199.55	123.06
<b>Total Capital Employed</b>		<b>8,969.30</b>	<b>8,081.99</b>	<b>7,911.03</b>	<b>8,081.99</b>

JM FINANCIAL LIMITED					
STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020					
(Rupees in Crore)					
Sr. No.	Particulars	Quarter Ended			Year ended
		30.06.2020 Unaudited	31.03.2020 (Refer Note 8)	30.06.2019 Unaudited	31.03.2020 Audited
1	<b>Income</b>				
(a)	Revenue from Operations				
	(i) Interest income	6.52	5.94	2.47	15.95
	(ii) Fees and commission income	9.50	52.06	27.29	219.45
	(iii) Net gain on fair value changes	13.89	30.89	-	21.15
	<b>Total revenue from operations</b>	<b>29.91</b>	<b>88.89</b>	<b>29.76</b>	<b>256.55</b>
(b)	Other income	1.40	1.80	1.28	46.52
	<b>Total Income</b>	<b>31.31</b>	<b>90.69</b>	<b>31.04</b>	<b>303.07</b>
2	<b>Expenses</b>				
(a)	Finance costs	1.85	1.91	2.00	7.81
(b)	Fees, Sub Brokerage and other direct expenses	0.24	1.72	0.32	30.63
(c)	Net loss on fair value changes	-	-	17.54	-
(d)	Impairment on financial instruments	-	(0.03)	1.89	2.32
(e)	Employee benefits expense	12.26	1.42	13.15	66.83
(f)	Depreciation and amortisation expense	2.99	3.01	3.13	12.18
(g)	Other expenses	3.71	15.81	3.46	26.85
	<b>Total expenses</b>	<b>21.05</b>	<b>23.84</b>	<b>41.49</b>	<b>146.62</b>
3	<b>Profit / (Loss) before tax (1-2)</b>	<b>10.26</b>	<b>66.85</b>	<b>(10.45)</b>	<b>156.45</b>
4	<b>Tax expenses</b>				
(a)	Current tax	-	9.81	3.40	32.16
(b)	Deferred tax	#	1.24	(4.14)	(3.11)
(c)	Tax adjustment of earlier years (net)	-	0.09	-	0.09
	<b>Total tax expenses</b>	<b>#</b>	<b>11.14</b>	<b>(0.74)</b>	<b>29.14</b>
5	<b>Net Profit / (Loss) for the period / year (3-4)</b>	<b>10.26</b>	<b>55.71</b>	<b>(9.71)</b>	<b>127.31</b>
6	<b>Other Comprehensive Income</b>				
(i)	Items that will not be reclassified to profit or loss				
	Remeasurement of defined benefit obligations	(0.10)	0.19	(0.02)	(0.39)
(ii)	Income tax on above	0.02	(0.07)	0.01	0.10
	<b>Total other Comprehensive Income</b>	<b>(0.08)</b>	<b>0.12</b>	<b>(0.01)</b>	<b>(0.29)</b>
7	<b>Total Comprehensive Income (5+6)</b>	<b>10.18</b>	<b>55.83</b>	<b>(9.72)</b>	<b>127.02</b>
8	Paid up equity share capital (Face value Re. 1/- per share)	95.19	84.12	84.09	84.12
9	Other Equity (excluding revaluation reserves)				2,489.16
10	<b>Earning Per Share (EPS)</b>				
	Basic EPS (in Rs.) (Not annualised)	0.11	0.66	(0.12)	1.51
	Diluted EPS (in Rs.) (Not annualised)	0.11	0.66	(0.12)	1.51

# Denotes amount below ₹ 50,000/-

**Notes:**

- 1) The above unaudited financial results for the first quarter ended June 30, 2020 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 30, 2020 in accordance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said results have been subjected to limited review by the Statutory Auditors of the Company who have issued an unmodified report thereon.
- 2) The said 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.
- 3) During the first quarter ended June 30, 2020, the Company has issued and allotted 11,00,00,000 equity shares of the face value of Re. 1/- to the eligible qualified institutional buyers at the issue price of Rs. 70/- per equity share, aggregating Rs. 770 Crore through Qualified Institutions Placement (QIP). Proceeds of the QIP issue (net of issue expenses) as on June 30, 2020, pending its utilization towards the objects of the issue stated in the placement document, have been deployed in liquid mutual funds.
- 4) During the first quarter ended June 30, 2020, the Allotment Committee of the Board has allotted an aggregate of 6,73,911 equity shares of the face value of Re. 1/- each to the eligible employees upon exercise of stock options by them.
- 5) Consequent upon the allotment of shares, both under QIP issue and upon exercise of stock options by the employees as above, the total paid up equity share capital of the Company has increased to Rs. 95,18,98,558/- (Rupees Ninety five crore eighteen lakh ninety eight thousand five hundred and fifty eight) representing 95,18,98,558 equity shares of the face value of Re. 1/- each.
- 6) 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.
- 7) The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. The Reserve Bank of India (RBI) has issued guidelines relating to COVID-19 Regulatory Package dated March 27, 2020, April 17, 2020 and May 23, 2020 and in accordance therewith, certain subsidiaries of the Company have provided a moratorium on the payment of all principal amounts and/or interest, as applicable, to all eligible borrowers classified as standard, even if the said amounts were overdue on February 29, 2020. For all such accounts, where the moratorium is granted, the asset classification will remain standstill during the moratorium period (i.e., the number of days past due shall exclude the moratorium period for the purpose of asset classification as per the policy)

Further, the management of relevant subsidiaries, based on current available information, has estimated impact on the future cash flows and applied overlays basis the policy(ies) of the said subsidiaries for the purpose of determination of:

- the provision for impairment of financial assets carried at amortized cost; and
- the fair value of certain financial assets carried at fair value through profit or loss (FVTPL).

The management has considered internal and external information up to the date of approval of these financial results. Accordingly, the impairment provision on financial assets carried at amortized cost and fair value of certain financial assets carried at FVTPL as at June 30, 2020 are after considering the potential impact on account of the pandemic. Based on the current indicators of future economic conditions, the Group considers these provisions to be adequate and the fair values of financial assets carried at FVTPL to be appropriate.

The extent to which the COVID-19 pandemic will impact future results of the subsidiaries and consequently the Group's results will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or



mitigate its impact whether government-mandated or elected by these subsidiaries of the Company. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from the ones estimated as at the date of approval of these financial results and the Group will continue to closely monitor any material changes to future economic conditions, which will be given effect to in the respective future period.

- 8) The figures for the fourth quarter ended March 31, 2020 in the above financial results are the balancing figures between the audited figures for the full financial year and the year to date unaudited figures published up to the nine months ended December, 31, 2019 which were subjected to limited review.
- 9) The Consolidated and Standalone financial results for the first quarter ended June 30, 2020 are being uploaded on the Company's website viz., [www.jmfl.com](http://www.jmfl.com) and the 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:

*Rupees in Crore*

Particulars	Quarter Ended			Year ended
	30.06.2020 Unaudited	31.03.2020 (Refer note 8)	30.06.2019 Unaudited	31.03.2020 Audited
Total Income	31.31	90.69	31.04	303.07
Profit/(loss) before tax	10.26	66.85	(10.45)	156.45
Profit/(loss) after tax	10.26	55.71	(9.71)	127.31
Total Comprehensive Income	10.18	55.83	(9.72)	127.02

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

**For and on behalf of the Board of Directors**

VISHAL Digitally signed by  
NIMESH VISHAL NIMESH  
KAMPANI KAMPANI  
Date: 2020.07.30  
13:54:28 +05'30'

**Vishal Kampani**  
Managing Director  
(DIN: 00009079)

Place: Mumbai  
Date: July 30, 2020



PRESS RELEASE  
For Immediate Release

**JM Financial's consolidated revenue decreased by 19.32% and consolidated net profit decreased by 26.46% for Q1 FY21.**

**Mr. P S Jayakumar, a veteran in financial services, has been appointed by the Board as an Independent Director effective July 30, 2020**

**Mumbai, July 30, 2020:** The Board of Directors of JM Financial Limited, at its meeting held today, approved the unaudited financial results for the first quarter ended June 30, 2020.

**Summary of Consolidated results FY 21 – Q1 compared to FY 20 – Q1**

(Rs. in Cr)

Particulars	Quarter ended June 30, 2020	Quarter ended June 30, 2019	% Increase / (Decrease)
Total income	691.11	856.57	(19.32%)
Profit before tax	184.17	302.37	(39.09%)
Net profit after tax and before non-controlling interest	139.61	195.03	(28.42%)
Net profit after tax, non-controlling interest and share of associate	93.61	127.29	(26.46%)
Adjusted Net Profit after tax, non- controlling interest and share of associate (on account of COVID-19) <sup>1</sup>	121.36	127.29	(4.66%)

1) Not considering the COVID-19 provision of ~Rs. 66 Cr and adjusting for taxes and non-controlling interests on such provision for the quarter ended June 30, 2020. COVID-19 provision amount is unaudited and based on management estimates.

The earnings per share for the quarter ended June 30, 2020 is **Rs. 1.01**. The consolidated net worth\* as at June 30, 2020 stands at **Rs. 6,445 Cr** and the gross debt equity (equity + non-controlling interest of **Rs. 2,453 Cr**) ratio is **1.17 times\*** and net debt equity of **0.79 times\*** (post reducing cash and cash equivalents of **Rs. 3,394 Cr**). The book value per share is **Rs. 67.71**. Our total loan book\*\* stood at **Rs. 10,833 crore** as of June 30, 2020 compared to **Rs. 13,926 crore** as of June 30, 2019. Gross NPA and Net NPA stood at **1.80%** and **1.22%** respectively as of June 30, 2020 compared to **0.90%** and **0.80%** respectively as of June 30, 2019. We have made additional gross provisions of **Rs. 66 Cr<sup>#</sup>** on account of the uncertainties around COVID-19 for the quarter ended June 30, 2020, thereby taking the total provisions to **Rs. 241 Cr<sup>#</sup>** on account of the pandemic.

*\* Computed after reducing goodwill of Rs.52.44 Cr from shareholder's funds and excludes borrowings for episodic financing*

*\*\*Loan book does not include episodic financing book*

*# unaudited and based on management estimates*

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

“The headwinds due to the COVID-19 induced economic disruptions continue to impact the group’s businesses. During these challenging times, we are maintaining liquidity buffers and healthy leverage ratios. The cash and cash equivalent as on June 30, 2020 stood at Rs. 3,394 Crore and our net debt-equity ratio stands at 0.79x. In June 2020, we successfully concluded our QIP issue of Rs. 770 Crore which further helped strengthen our balance sheet amid the COVID-19 uncertainties. We are intensifying our efforts to steer our businesses through these uncertain times to ensure we continue to serve our clients in the best possible way”

**Commenting on the appointment of Mr. P S Jayakumar on the Board of the Company, Mr. Vishal Kampani said,**

“The Company has further strengthened its board by inducting Mr. Jayakumar as an independent director and we welcome Mr. Jayakumar to the board of JM Financial Limited.”

**Business Update**

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

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

- Left Lead Global Coordinator & Lead Manager to the Rights Issue of Reliance Industries Limited (~Rs. 53,124 Cr)
- Sole Manager to the Buyback of equity shares of NIIT Technologies Limited (~Rs. 338 Cr)
- Exclusive Financial Advisor to L&T Finance Holdings for sale of 100% shareholding in L&T Capital Markets to IIFL Wealth Group
- Arranger to the Private Placement of Non-Convertible Debentures of diversified public sector companies like IREDA, REC, PFC, NHAI, IRFC, NEEPCO and EXIM Bank (~Rs. 19,298 Cr)

The AUA of our wealth management business stood at **Rs. 47,579 Cr** (excluding custody assets) as on June 30, 2020 as compared to **Rs. 43,038 Cr** as on June 30, 2019 and **Rs. 44,883 Cr** as on March 31, 2020.

During the quarter, the average daily trading volume stood at **Rs. 11,175 Cr**.

### ➤ **Mortgage Lending**

The total mortgage lending book\* (comprising of loan book of JM Financial Credit Solutions Limited and JM Financial Home Loans Limited) stood at **Rs. 7,428 Cr** as at June 30, 2020. Our wholesale mortgage lending focuses on Tier - 1 cities, viz., Mumbai, Thane, Pune, Bangalore, Chennai, Hyderabad, Kolkata and NCR.

*\*excluding episodic financing book*

The highlights of the quarter in respect of the wholesale mortgage lending are as under:

- Our SMA2 numbers decreased from 2.10% of the portfolio to 1.82% of the portfolio.
- Our debt equity stood at 1.43x and net debt equity at 1.18x.

We continue to be in a challenging environment accelerated by the COVID-19 crisis and the lockdown that has been initiated since mid-March 2020. We believe the residential sales will continue to be under pressure due to uncertainty among prospective buyers about the economy and the path to recovery. Commercial real estate and retail sectors will also be impacted due to the lockdown. Most geographies have witnessed commencement of construction activities albeit at a slow pace. After the easing of the lockdown we had witnessed increase in footfalls to sites by prospective buyers. However repeated lockdowns in some geographies has slowed down that process again significantly. The sites continue to struggle with limited availability of labour and lack of movement of material.

We continue to believe that completed projects will sell faster as there will still be end user demand looking for value deals. New launches and acquisitions will be deferred thus reducing the gap between the supply and demand situations. There have been some positive actions by the RBI and RERA to provide some relief to the struggling sector.

Having said that, these conditions will continue to affect the liquidity in the sector as credit availability will be limited. The current scenario will expedite the consolidation in the sector which would lead to larger players acquiring more market share. We will witness reduction of interest rates for home loans which coupled with attractive prices might lead to end user demand coming back to the residential space. However, the next six to twelve months continue to be uncertain in light of the current lockdown situation and uncertainty about the COVID-19 crisis.

We would remain cautious in our underwriting of new transactions and would continue to support our existing clients to complete their respective ongoing projects.

➤ **Distressed Credit**

Until June 30, 2020, we have acquired total outstanding dues of **Rs. 60,363 Cr** at a gross consideration of **Rs. 17,069 Cr**. Security Receipts worth **~Rs. 48 Cr** were redeemed during the quarter. The outstanding Security Receipts stood at **Rs. 11,441 Cr** as on June 30, 2020 as compared to **Rs. 11,489 Cr** as on March 31, 2020. The contribution of JM Financial Asset Reconstruction Company Limited stood at **Rs. 2,982 Cr** as on June 30, 2020 as compared to **Rs. 3,012 Cr** as on March 31, 2020. This quarter, the focus was on recoveries however the COVID-19 pandemic has cast a shadow over the recoveries. The lock down has also impacted the NCLT processes and consequently our recoveries have been delayed further. The delays in recoveries have increased the carrying costs of the assets under resolution and thereby impacting the returns from these assets.

➤ **Asset Management**

The average AUM of our Mutual Fund schemes during the quarter ended June 30, 2020 stood at **Rs. 4,049 Cr**; comprising of **Rs. 964 Cr** in equity schemes (including hybrid schemes) and **Rs. 3,085 Cr** in debt schemes (including liquid scheme). The average AUM of our Mutual Fund schemes during the quarter ended March 31, 2020 stood at **Rs. 6,109 Cr**; comprising of **Rs. 3,285 Cr** in equity schemes (including hybrid schemes) and **Rs. 2,824 Cr** in debt schemes (including liquid scheme).

JM Financial Credit Alternatives, our credit alternatives arm, completed first close of its maiden “JM Financial Yield Enhancer (Distressed Opportunity) Fund I” with commitments aggregating **Rs. 159 Crore** from HNIs, family offices and institutions.

### **Borrowing Profile**

We continued our focus on diversifying our sources and maturities for our borrowing profile. As on Jun 30, 2020 our long term borrowing as a proportion of total borrowing\* stood at **approximately 90%**. Borrowing through Commercial paper (CP) consisted **approximately 6%** of the total borrowing\* as on Jun 30, 2020. These CP’s were utilised mainly towards the short term liquid assets.

*\* excludes borrowings for episodic financing*

### **Awards & Recognitions**

- JM Financial Asset Management Limited, JM Financial Limited (Institutional Businesses), JM Financial Products Limited (Dwello), JM Financial Home Loans Limited and JM Financial Services Limited accredited as a ‘Great Place to Work-Certified™’ by The Great Place to Work Institute
- JM Financial Home Loans Limited recognized as India's Best Workplaces in BFSI 2020 and Ranked 21st among India’s Top 50 Great Mid-Size Workplaces 2020 by The Great Place to Work Institute
- JM Financial Services Limited recognized as ‘India's Best Workplaces in Investment Industry 2020’ by The Great Place to Work Institute

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

As of June 30, 2020, the consolidated loan book stood at **~Rs. 108.3 BN**, distressed credit business AUM at **~Rs. 114.4 BN**, wealth management AUA at **~Rs. 475.8 BN**, mutual fund AAUM at **~Rs. 40.5 BN**.

The Group is headquartered in Mumbai and has a presence across **456** locations spread across **154** cities in India. The equity shares of JM Financial Limited are listed in India on the BSE and NSE.

For more information, log on to [www.jmfl.com](http://www.jmfl.com) or **contact:**

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### **Forward - Looking statements**

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

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

**Profile of Mr. P S Jayakumar:**

Mr. P S Jayakumar, 58 years, is a Chartered Accountant and holds post graduate diploma in business management from XLRI Jamshedpur. Mr. P S Jayakumar has a deep experience in the banking sector and financial sector with 23 years of work experience with Citibank in their India and Singapore office. Mr P S Jayakumar last assignment in Citibank was being the Country Head for the Consumer Banking Group. In his 23 years of working in Citibank, Mr. P S Jayakumar has been involved in innovation and development of retail financial service industry. On leaving Citibank in 2008, Mr. P S Jayakumar worked as an entrepreneur and was a cofounder of Value Budget Housing Company, a leader in housing for low and moderate income household. Value Budget Housing pioneered the use of manufacturing approach to construction and application of form and IT technology to low cost and affordable housing. In 2008, Mr. P S Jayakumar also confounded Home First Finance Ltd, a housing finance company licensed by NHB and provides long term purchase money mortgage loans for customers from low and moderate income household. These two companies have contributed to pioneering effort in building demand and supply for low cost and affordable housing. In 2015, Mr. P S Jayakumar was selected by the Government of India to serve as the Managing Director and CEO for Bank of Baroda, first person from the private sector selected to run a large public sector bank. He lead a successful transformation of Bank of Baroda and completed three way merger between Bank of Baroda, Vijaya and Dena Bank. He was also awarded the 'Banker of the Year' by Financial Express for 2018. Currently Mr. P S Jayakumar is working on his third start up venture and also serves as an independent directors in Board of Companies.