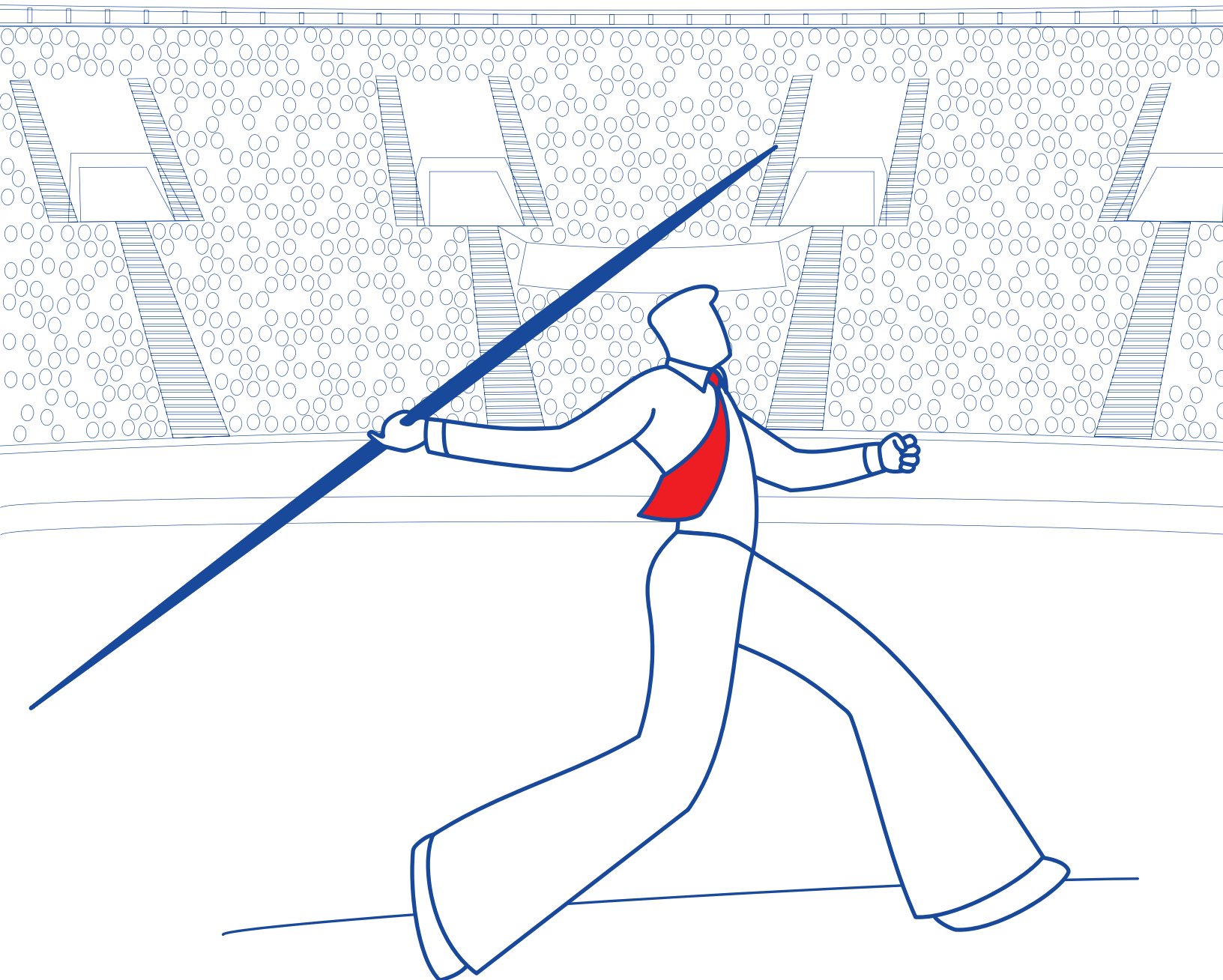


Delivering
today.
Imagining
tomorrow.



2015-16 Annual Report
JM Financial Limited

Contents

COMPANY OVERVIEW

02	Our Values
04	Consolidated Performance Review
05	Consolidated Tax Information
06	Board of Directors
08	Management Insight
09	Leadership Team
10	Business Review
15	Our Clients Speak
16	Making a Difference
19	Fostering People Engagement
20	Corporate Information

STATUTORY REPORTS

21	Notice
33	Directors' Report
62	Management Discussion and Analysis
85	Report on Corporate Governance
99	General Shareholders' Information

FINANCIAL STATEMENTS

Standalone

107	Independent Auditors' Report
112	Balance Sheet
113	Statement of Profit and Loss
114	Notes to Financial Statements
143	Cash Flow Statement
145	Financial Information of Subsidiary companies

Consolidated

147	Independent Auditors' Report
152	Balance Sheet
153	Statement of Profit and Loss
154	Notes to Financial Statement
184	Cash Flow Statement

The red tie man, represented as a javelin thrower, depicts the importance of having clear knowledge of the distance ahead to succeed. Similarly, a successful market leader should be able to visualise the future landscape to deliver value, consistently.

At JM Financial, our corporate credo has been to **'deliver value'** consistently. With over four decades of expertise and experience, we have emerged as a frontrunner in the financial services space.



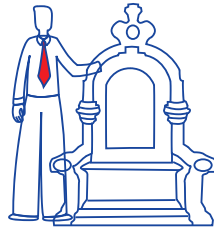
Our strength emanates from the trust of people that we have earned over the years by providing customised solutions to our clients. Today, we are known for our diversified product portfolio and prominent position in all our service areas. The recognition we have earned through several awards and accolades is a testimony to our excellence. We are ready with optimism to leverage future opportunities.

Financial services in India have come out of a volatile cycle and with government initiatives to drive financial inclusion and the future opportunity landscape looks attractive. Private enterprises are coming out of their shell and taking bold steps. As a leading financial services group, we aspire to remain ahead of the curve. We aim to invest in fintech companies to adopt tech-driven processes and expand our lending verticals to new products and business lines, besides focusing on start-ups.

Therefore, we are charting a well-defined path for **'tomorrow'** to take forward our rich legacy and build a glorious journey.

Our Values

Client Focus



We always put the interest of our clients before our own. We understand our client needs, seek new opportunities for them, address them and deliver unique solutions as per their expectations. The success of our clients is the biggest reward for us.

Integrity



Integrity is fundamental to our business. We adhere to moral and ethical principles in everything we do as professionals, colleagues and corporate citizens. Our reputation based on our high standards of integrity is invaluable.

Innovation

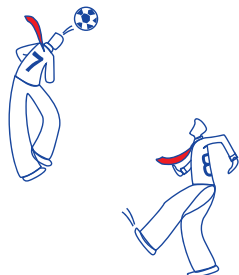


We understand our clients' needs and develop solutions for the most complex or the simplest, the biggest or the smallest financial transactions, whether for individuals or institutions. Creativity and innovation are key factors to everything we do. We encourage new ideas which help us address unique opportunities.

Partnership

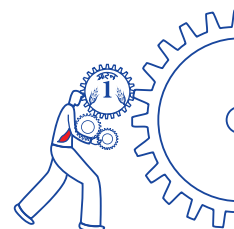


Our relationships with all our stakeholders reflect our spirit of partnership. Clients see us as trusted advisors, shareholders see us as partners and employees see us as family. We respect, trust and support all our stakeholders.



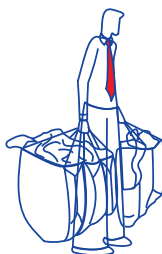
Team Work

We believe extensive teamwork is what makes it possible for us to work together towards a common goal. We value and respect each individual's commitment to group effort.



Implementation

Our expertise, experience and our continuous focus on the quality of execution ensures effective implementation of our strategies.

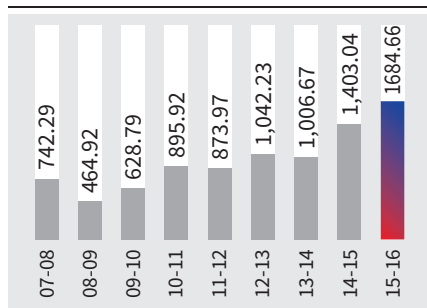


Performance

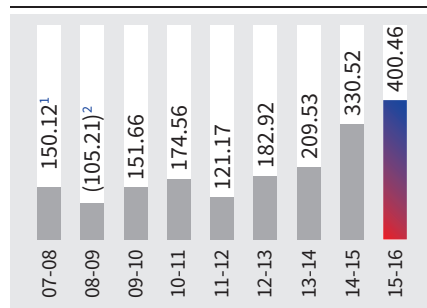
We believe in development of our people and continuously hone our skills, setting higher targets of performance for ourselves. We strive to attract, develop and retain the best talent. We recognise and reward talent based on merit.

Consolidated Performance Review

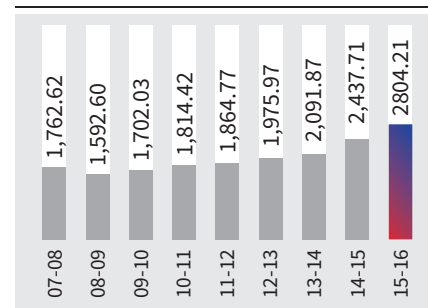
Gross Income [₹ in Crore]



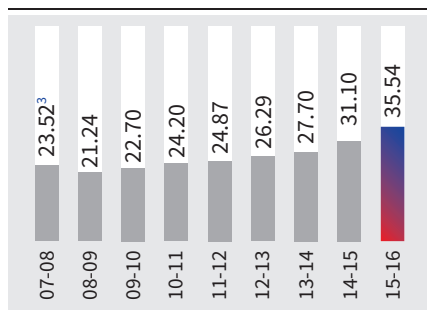
Profit / (Loss) [₹ in Crore]



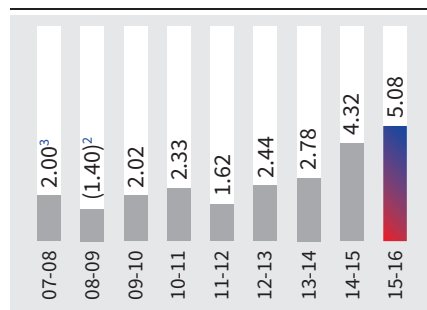
Networth [₹ in Crore]



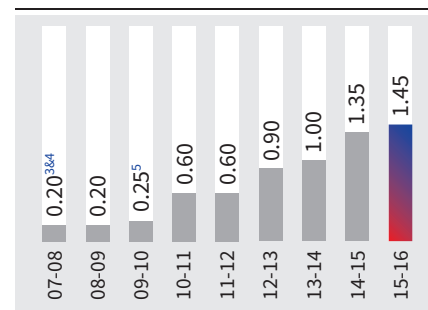
Book Value [₹ per Share]



Earnings Per Share [₹ per Share]



Dividend Per Share [₹ per Share]



1 The profit after tax for the year 2007- 08 excludes ₹ 1,156.95 crore towards exceptional income earned during the year.

2 As a matter of abundant caution, the Group had made a provision for diminution in value of long term investments aggregating ₹ 136.72 crore resulting in a loss during the year 2008-09.

3 Adjusted for split and bonus issue.

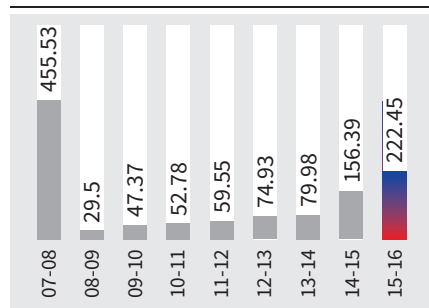
4 Excludes Special dividend of ₹ 0.80 per share.

5 Excludes Silver Jubilee Dividend of ₹ 0.25 per share.

Consolidated Tax Information

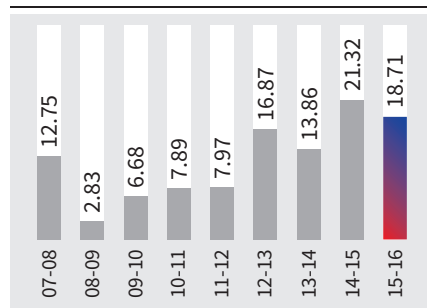
Corporate Tax¹

[₹ in Crore]



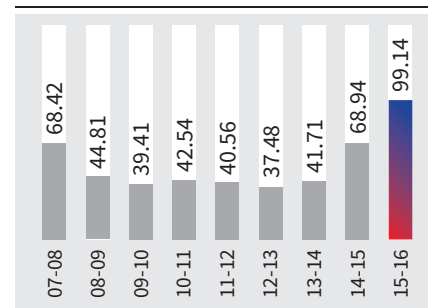
Dividend Distribution Tax²

[₹ in Crore]



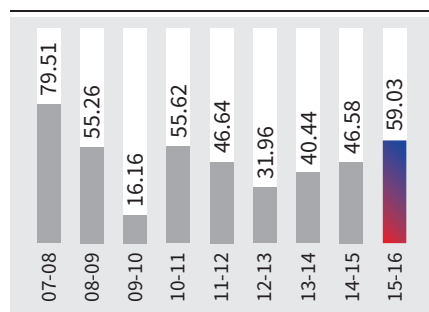
Service Tax³

[₹ in Crore]



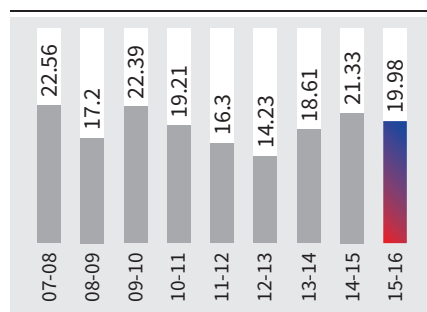
Payroll Tax⁴

[₹ in Crore]



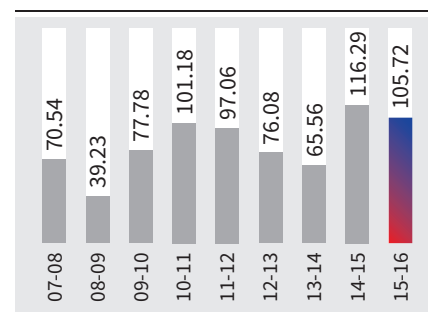
Non Payroll Tax⁵

[₹ in Crore]



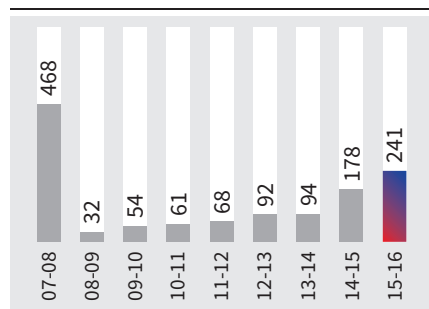
Securities Transaction Tax⁶

[₹ in Crore]



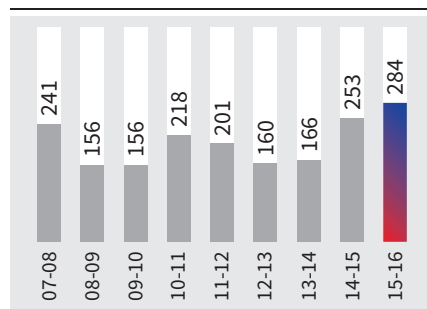
Total Tax Borne & Paid⁷

[₹ in Crore]



Total Tax Deducted / Collected & Paid⁸

[₹ in Crore]



1 Comprises provision for taxes, including deferred tax.

2 Comprises tax on corporate dividend distributed, before minority interest.

3 Comprises gross service tax liability.

4 Comprises tax deducted at source from the employee remuneration and paid.

5 Comprises tax deducted at source from payments made to service providers / vendors and paid.

6 Comprises tax collected from the clients and paid to the Stock Exchanges.

7 Comprises corporate tax and dividend distribution tax.

8 Comprises service tax, payroll tax, non-payroll tax and Securities transaction tax.

The above information has been verified by an independent chartered accountant firm.

The graphs are not to scale.

Board of Directors



Mr. Nimesh Kampani
Chairman & Managing Director



Mr. E A Kshirsagar
Independent Director



Mr. Darius E Udwadia
Independent Director



Mr. Paul Zuckerman
Independent Director



Dr. Vijay Kelkar
Independent Director



Mr. Keki Dadiseth
Independent Director



Ms. Jagi Mangat Panda
Independent Director



Mr. Vishal Kampani
Non Executive Director

Management Insight



Mr. Nimesh Kampani

Chairman & Managing Director

Over the years, we have built a credible reputation by delivering customised financial solutions to our clients. Our valued insights and trusted experience have helped us move along an impressive growth trajectory. We are prepared for the future and well-poised to take a leap forward. We constantly improve our processes and re-imagine our business strategies to create value for tomorrow and beyond.



Ms. Dipti Neelakantan

Group Chief Operating Officer

At JM Financial, our core competencies and experience have helped us maintain robust growth in a competitive environment which is witnessing major changes. Growing challenges in the landscape push us to strengthen ourselves with new ideas and strategies that will raise our own benchmarks of performance.



Mr. V P Shetty

Executive Chairman (JM Financial Asset Reconstruction Company Pvt Ltd)

In the recent past, we have witnessed series of financial sector reforms initiated by the Government. The ease of doing business will further accelerate investments from the private sector. This conducive environment has helped JM Financial to transform itself from being a capital market power house to a dominant player in the diversified financial services space with innovative products and ideas. The Group's performance in recent years is a testimony to this belief.



Mr. Vishal Kampani

Non Executive Director

India is steadily moving into the brighter phase of growth which will witness accelerated economic activities. The emerging landscape offers a different set of opportunities compared to the past. New set of skills and strategies will define the parameters of growth and we are well equipped to scale up the momentum.