



Prudence Matters

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A game of chess exemplifies three key tenets of business. One, foresight, the ability to look past the current challenges and consider the long-term consequences of actions. Second, circumspection, the ability to survey the prevailing environment and understand the interlinkages between different constituent parts and the whole picture. Lastly and most importantly, prudence, the ability to make well-informed decisions with patience and caution.

The **red tie man**, looking over his chessmen, encapsulates how foresight, circumspection and prudence matter the most, when calculating the next move in the face of multiple challenges.



Scan and view
www.jmfl.com

Prudence Matters

From the economic slowdown, to the persistent stress in India's lending space, and the external volatilities arising due to the ongoing COVID-19 crisis, the financial services industry, today, is faced with a host of challenges. That said, it is also a defining moment for businesses across the spectrum. We, at JM Financial, perceive the year gone by as a litmus test of resilience, abundant with learnings.

We are relying on the Group's vast wealth of insights garnered over the preceding decades, the diversified business model, the high pedigree of leadership and the commitment to responsible value creation – to withstand the macroeconomic turbulence.

We are inspired by our legacy of trust and intrinsic excellence spanning four decades. We are steadfast in our endeavour of providing innovative solutions, to our clients, that are steeped in our insights and expertise, while creating value for our stakeholders.

Moving forward with prudence and foresight, focus and fortitude, we continue to build a resilient JM Financial.



Introducing JM Financial

JM Financial is one of India's leading financial services groups. We partner with corporations, financial institutions, high net-worth individuals (HNIs) and retail investors, within the country and across borders, to pioneer several unique strategies and transactions, enabling them to realise value-accretive growth.

Our widely acclaimed offerings, across different segments cater to the evolving needs of the industry and our clients. Each offering represents the culmination of more than four decades of experience and stakeholder trust, as well as strategies sharpened with insights, prudence and foresight.

Our Vision

To be the most trusted partner for every stakeholder in the financial world. We believe:



Earning trust is a process; it can be gained and lost every day



Sharing trust creates great teams - whether between employees or between organisations



Being trustworthy is the most efficient way of generating and retaining long-term business



Self-trust is the starting point of trusting others

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.



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.



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.



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.



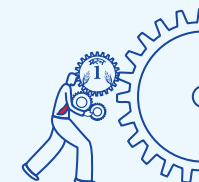
Integrity

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.



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.



Implementation

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

Introducing JM Financial (contd.) Our Business Segments

Investment Banking, Wealth Management and Securities Business (IWS)



Integrated offering to our clients by leveraging the relationships and expertise of each of the sub-segments within IWS. The segment supports our ability to cross-sell several of our products and services in an integrated manner.

- **Investment Banking**
 - Equity and Debt Capital Markets
 - Mergers & Acquisitions and Private Equity Syndication
- **Securities Business**
 - Institutional Equities
 - Equity Brokerage Group
- **Wealth Management Group**
 - Private Wealth Management
 - Elite Wealth Management
- **Distribution of Financial Products**
- **Arbitrage Trading**
- **Real Estate Consultancy Services (Dwello)**
- **Debt Trading and Syndication**
- **Private Equity Fund Management**
 - Private Equity Funds
 - Real Estate Fund
- **Leverage Products**
 - Capital Markets Lending
 - Corporate Lending
 - Wholesale Mortgage
 - Others

Read more | [Page 15](#)

Mortgage Lending Business



Comprehensive solutions to our clients in the real estate sector. In addition, focus on loans to underpenetrated segment of the housing finance market and the education sector.

- **Wholesale Mortgage Business**
- **Retail Mortgage Business**
 - Housing Finance Business and Loan Against Property (LAP)
 - Education Institution Loans

Read more | [Page 24](#)

Distressed Credit



Acquisition of distressed assets, with strong underlying businesses that have a restructuring potential to realise investments and generate returns through the revival of companies, restructuring of debt and/or monetisation of assets.

- **Asset Reconstruction Business**

Read more | [Page 26](#)

Asset Management

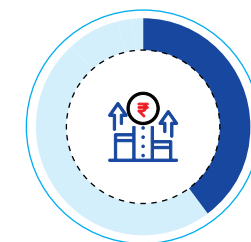


Wide range of investment options catering to the diverse needs of the institutional and the non-institutional investors.

- **Mutual Fund**

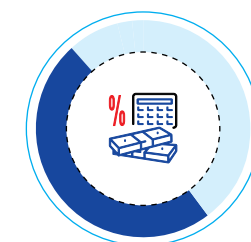
Read more | [Page 27](#)

BUSINESS CONTRIBUTION TO PROFIT BEFORE TAX FOR FY 2019-20



39.74%

Investment Banking, Wealth Management & Securities Business (IWS)



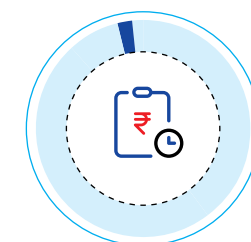
48.74%

Mortgage Lending



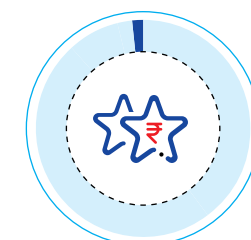
7.83%

Distressed Credit



2.06%

Asset Management



1.63%

Others

Recognition of our Excellence



The Asset Triple A Country Awards 2019

JM Financial Limited awarded for the 'Best IPO' (Embassy Office Parks REIT US\$ 688 million IPO)



BSE Award, 2019

JM Financial Services Limited recognised by BSE Ltd., among the Top Performers in Primary Market Segment (Debt Public Issue Bids - Members)

JM Financial Services Limited recognised by BSE Ltd., among the Top Performers in Primary Market Segment (Equity - IPO/FPO Bids - Members)



The Great Place to Work Institute, India's Great Mid-Size Workplaces, 2019

JM Financial Services Limited recognised as 'India's Best Companies To Work For 2019 - Investments Industry'



The Great Place to Work Institute, India's Great Mid-Size Workplaces, 2019

JM Financial Asset Management Limited ranked among Top 30 in India's Great Mid-Size Workplaces

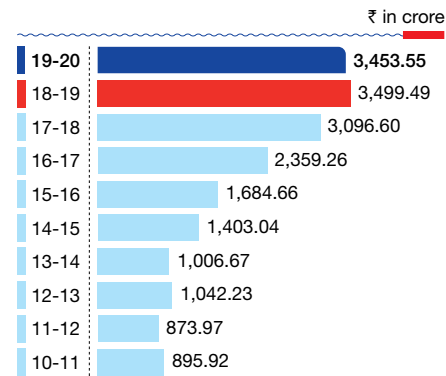


India's 20 Best Workplaces in BFSI by Great Place to Work

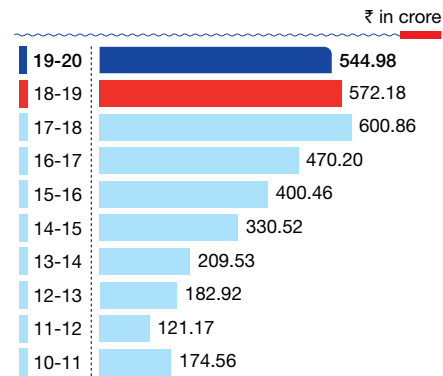
JM Financial Services Limited recognised among India's 20 Best Workplaces in BFSI - 2019 by Great Place to Work

Consolidated Performance Review

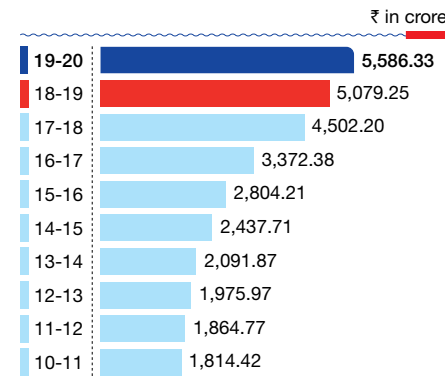
REVENUE



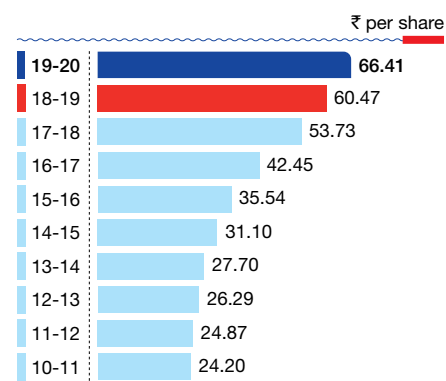
PROFIT



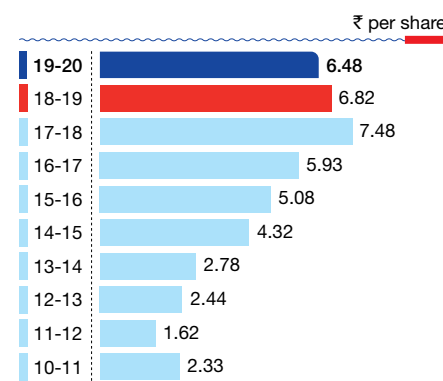
NETWORTH



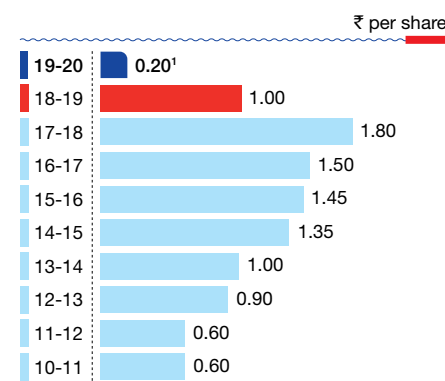
BOOK VALUE



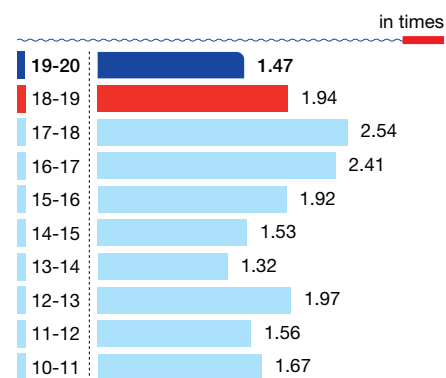
EARNINGS PER SHARE



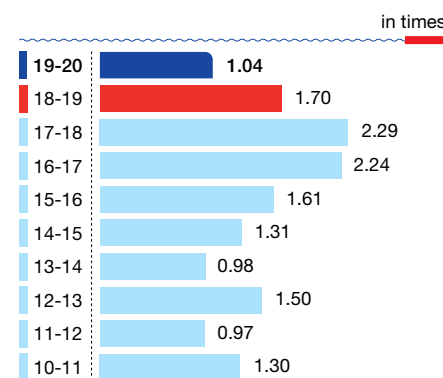
DIVIDEND PER SHARE



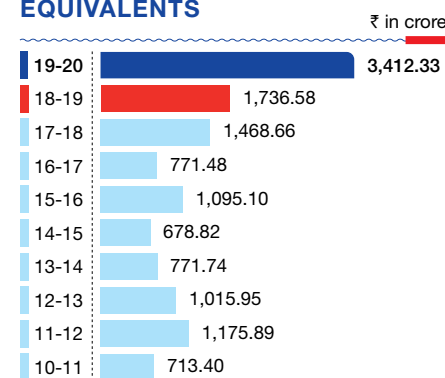
GROSS DEBT EQUITY RATIO



NET DEBT EQUITY RATIO



CASH AND CASH EQUIVALENTS



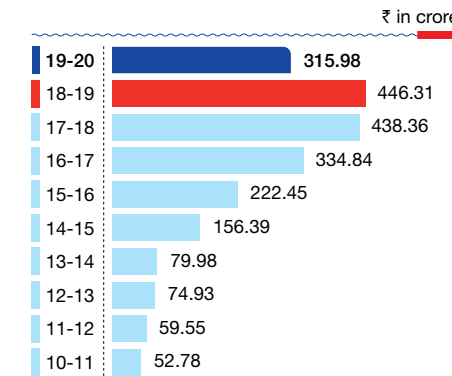
1 Lower Dividend of ₹ 0.20 per share for FY 2019-20 as compared to previous years due to the uncertainties arising out of COVID-19.

Note

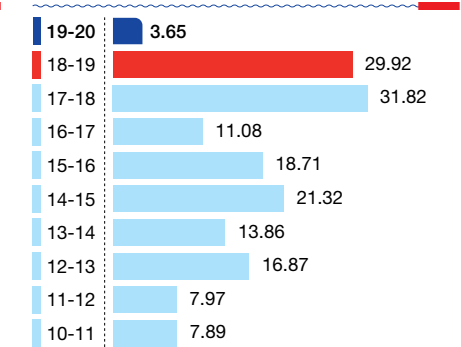
The Group adopted Indian Accounting Standards (Ind AS) with effect from April 1, 2018 and therefore, Consolidated Revenue, Profit and Earnings per Share for the period prior to 2017-18 are as per erstwhile Indian GAAP (IGAAP). Consolidated Networth, Book value per share, Gross and Net debt equity ratio and Cash and Cash Equivalents for the period prior to 2016-17 are as per erstwhile IGAAP.

Consolidated Tax Information

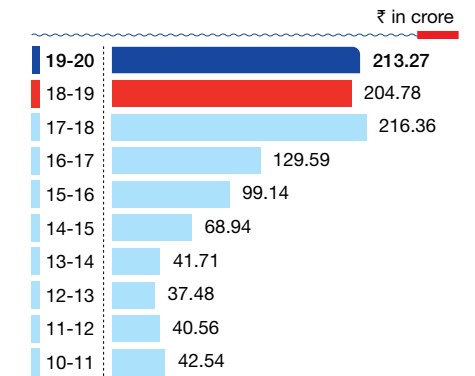
CORPORATE TAX¹



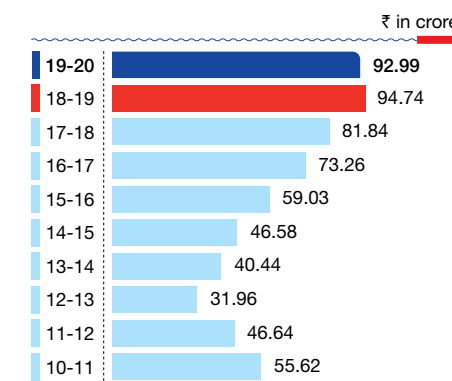
DIVIDEND DISTRIBUTION TAX & TAX ON BUYBACK²



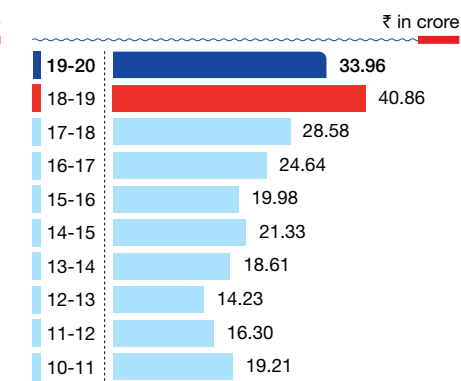
GST & SERVICE TAX³



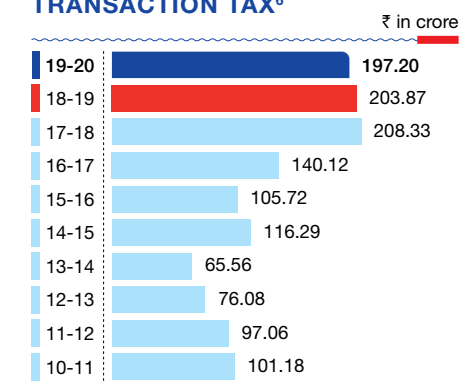
PAYROLL TAX⁴



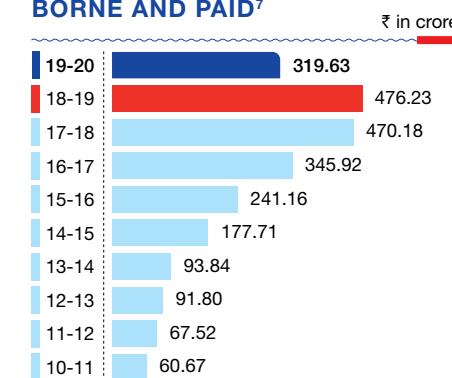
NON-PAYROLL TAX⁵



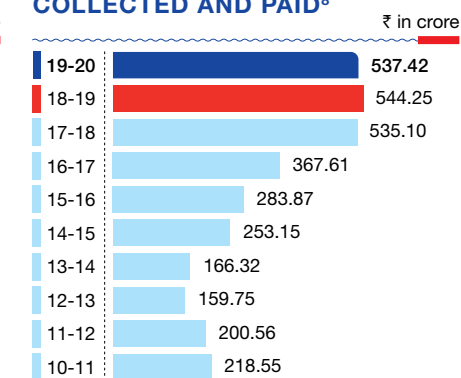
SECURITIES TRANSACTION TAX⁶



TOTAL TAX BORNE AND PAID⁷



TOTAL TAX DEDUCTED / COLLECTED AND PAID⁸



₹ 5,611 crore

Total tax borne and paid and total tax deducted/collected and paid for the last ten years

- 1 Comprises provision for taxes, including deferred tax.
- 2 Comprises tax on dividend distributed and tax on buyback.
- 3 Comprises gross GST and service tax paid.
- 4 Comprises tax deducted at source from the employees' 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.
- 7 Comprises corporate tax and dividend distribution tax.
- 8 Comprises GST, service tax, payroll tax, non-payroll tax and Securities transaction tax.

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

From the Managing Director's Desk

At JM Financial, we continue to closely monitor the external environment and will prudently recalibrate our business strategy and planning as the situation unfolds.

Mr. Vishal Kampani
Managing Director,
JM Financial Group



FY 2019-20 has been quite a challenging year for the Indian economy and particularly for the financial services sector. The continued liquidity crunch, uncertain and volatile credit environment and slow economic growth created headwinds. The COVID-19 pandemic and subsequent lockdowns have impacted the businesses and aggravated the prevailing sectoral challenges. Non-Banking Financial Companies (NBFCs), today, are confronted with multiple challenges.

The unprecedented business environment has put to test the resilience, prudence and adaptability of any business model. Having said that, the fiscal year has been full of learnings which have sharpened our foresight. We remain agile and create value for our clients and stakeholders.

We made gross provisions of ₹ 175 crore to deal with the uncertainties on account of COVID-19. We have maintained strong liquidity buffers and conservative leverage ratios and banked on our experience, diversified business model, and strong credit processes. The cash and cash equivalents as on March 31, 2020 stood at ₹ 3,412 crore and our net debt-equity ratio stood at 1.04x, which is one of the lowest in the financial services space.

Looking ahead, it is clear that the next few quarters will be challenging for everyone, as individuals and organisations. At JM Financial, we continue to closely monitor the external environment and will prudently recalibrate our business strategy and planning as the situation unfolds.

Pillars of Excellence

Strong track record of over four decades of partnership with clients

Our longstanding operations in the financial services industry in India has resulted in establishing 'JM Financial' as an established franchise. Over the years, we have grown from being a 'corporate finance advisor' to a 'corporate finance provider'.

Diversified business model

Diversified revenue stream, comprising a mix of fee-based and fund-based income has enabled us to manage volatility and cyclicity across different business verticals.

Strong liquidity position

Maintained robust liquidity buffers on our balance sheet to be able to withstand uncertainties in the current business and market environment. As on March 31, 2020, we had cash and cash equivalents of ₹ 3,412 crore.

Extensive operational network and wide customer coverage

Serving our customers through our distribution network of 75 offices across 12 states and 2 Union Territories. It allows us to effectively serve existing customers and develop relationships with new customers through proximity and frequent interaction.

Our strategy is to build on our strength as a well-diversified financial services group. By providing products and services par excellence, and cementing enduring relationships, we intend to enhance the 'JM Financial' franchise to further expand our presence in the financial sector.

Consistent track record of profitability

The diversity of our businesses, strong franchise, asset classes, client segments and geographies have enabled us to ensure a stable and sustainable financial performance.

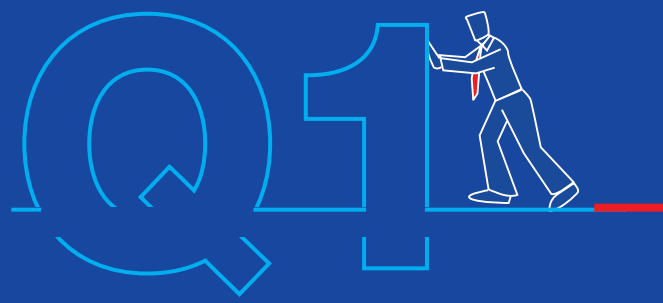
Robust lending book profile with strong credit processes

Our loan approval, underwriting and administration procedures, as well as our collection and enforcement procedures are designed to ensure consistent recovery and minimise delinquency.

Diversified funding sources and strong credit profile

Since FY 2017-18, we have reduced reliance on commercial papers for our funding requirements. We have diversified our borrowing profile and investor base while maintaining the credit rating.

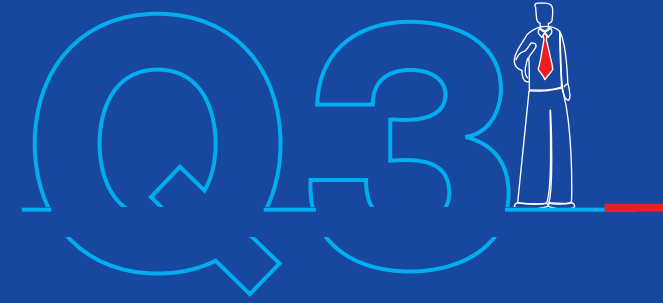
FY 2019-20 in Brief



- JM Financial Products Limited raised ₹ 387 crore through a public issue of secured, rated, listed, redeemable, Non-Convertible Debentures in April 2019 (Tranche I).
- JM Financial finalised an investment of ₹ 40 crore (~US\$ 5.7 million) through JM Financial India Fund II in Coimbatore-based co-living operator, Isthara Parks Private Limited to finance its current expansion plans across key domestic markets and Asia, marking the closure of the fourth investment by Fund II.



- JM Financial finalised an investment of ₹ 45 crore (~US\$ 6.4 million) through JM Financial India Fund II in Mumbai-based health and wellness focused fast-growing nutraceutical company, Innovcare Lifesciences Private Limited to support augmentation of the current product portfolio and expansion into new therapeutic areas, marked the closing of the fifth investment by Fund II.
- JM Financial Products Limited raised ₹ 128 crore through a public issue of secured, rated, listed, redeemable, Non-Convertible Debentures in August 2019 (Tranche II).



- JM Financial organised the 8th JM Financial India Conference in Mumbai and invited 75+ corporates and keynote speakers to discuss key issues like doubling farmer incomes, financing ₹ 100 trillion infrastructure target, digital disruption in pharma supply chains and others.
- JM Financial Services Limited launched 'Investories – Anecdotes from the Financial World', a collection of bite-sized learnings in understanding the capital markets, especially as investors are being increasingly exposed to multiple avenues for investments as well as multiple intermediaries, platforms and regulations.
- JM Financial Services Limited launched an industry first, paperless corporate 'Fixed Deposits Online' for its distributors and their clients; aimed at helping distributors scale their business and focus on strengthening client relationships, the solution will provide both sub-broker assisted transaction as well as investor self-initiated transactions in corporate fixed deposits from institutions of high repute and rating.



- JM Financial Products Limited raised ₹ 125 crore through the public issues of secured, rated, listed, redeemable, Non-Convertible Debentures in February 2020 (Tranche III).
- JM Financial Fin-Tech Day was held on March 2, 2020 and invited around 25 fin-tech companies, along with 6 keynote speakers from the industry to the event to connect with over 100 investors from across public and private markets.

Board of Directors

Good governance is the foundation of what we do at JM Financial. It underpins our values, our culture and the way we operate our businesses. It helps us deliver on our core purpose of becoming the most trusted partner for every stakeholder in the financial world.



Mr. Nimesh Kampani
Non-Executive Chairman



Mr. Vishal Kampani
Managing Director



Mr. E A Kshirsagar
Independent Director



Mr. Darius E Udawadia
Independent Director



Mr. Paul Zuckerman
Independent Director



Dr. Vijay Kelkar
Independent Director



Mr. Keki Dadiseth
Independent Director



Ms. Jagi Mangat Panda
Independent Director

Leadership Team

Our leadership team spearheads the adoption of best practices, to safeguard the interests of stakeholders and to ensure the healthy and prudent management of the Company.

Mr. Shaswat Belapurkar

Managing Director & CEO,
Credit Solutions

Mr. Subodh Shinkar

Managing Director & CEO,
Investment Advisory and Distribution

Mr. Bhanu Katoch

Managing Director & CEO,
Mutual Fund

Mr. Manish Sheth

Group CFO and Managing Director &
CEO, Home Loans

Ms. Sonia Dasgupta

Managing Director & Group Head,
Financial Institutions Group and
Borrowing

Mr. Dimplekumar Shah

Managing Director & Co Head,
Equity Brokerage Group

Mr. Ashu Madan

Managing Director & Co Head,
Business Affiliates Group

Mr. Anil Bhatia

Managing Director & CEO,
Asset Reconstruction

Mr. Atul Mehra

Managing Director & Co CEO,
Investment Banking

Mr. Darius Pandole

Managing Director & CEO,
Private Equity & Equity AIFs

Mr. Anil Salvi

Managing Director & Group Head,
Human Resources & CEO, Real
Estate Consulting

Ms. Gitanjali Mirchandani

Managing Director & Country Head
Origination, Real Estate

Mr. Krishna Rao

Managing Director & Co Head,
Equity Brokerage Group

Mr. Anil Mavinkurve

Managing Director & Head,
Arbitrage, ESOP & Broker Funding

Mr. Manish Prasad

Managing Director & CEO, Institutional
Equities and Capital Markets Group

Mr. Adi Patel

Managing Director & Co CEO,
Investment Banking

Mr. Prashant Choksi

Group Head, Compliance,
Legal & Company Secretary

Mr. Suhas Harinarayanan

Managing Director & Head of Research,
Institutional Equities

Mr. Ajay Mishra

Managing Director & Head,
Wealth Group

Mr. Sanjay Bhatia

Managing Director & Co Head,
Business Affiliates Group

Mr. Richard Liu

Managing Director, Research,
Institutional Equities

Navigating with a Prudent Approach

JM Financial's depth of experience and industry expertise are crucial in navigating through today's dynamic and uncertain operating landscape. Across our businesses, we are drawing on intrinsic strengths and tailoring insightful solutions to add value to our clients.



Investment Banking, Wealth Management and Securities Business (IWS)

The IWS segment serves our clients in an integrated and a holistic manner. It extends to a wide gamut of products and services to corporates, institutions, individuals, government, government-owned corporations and banks. The IWS business includes investment banking, wealth management, securities business, distribution of financial products, trading and syndication, private equity fund management, technology-backed real estate consultancy services, while also providing leverage products to our clients.



INVESTMENT BANKING

One of our oldest business divisions, our full service Investment Banking franchise encompasses end-to-end services across various products equity and debt capital markets, mergers and acquisitions and private equity syndication in this segment.







Equity and Debt Capital Markets

Our services in this segment include advising corporates for equity fund raising and related offerings. During FY 2019-20, the primary markets remained active with a number of large ticket issuances and debt fund raising. In the last quarter of the financial year however, capital markets were impacted due to the rapid spread of COVID-19 and subsequent lockdowns announced by governments across the world.

Notable transactions concluded during FY 2019-20






Book Running Lead Manager to the Initial Public Offerings (IPOs) of:

 <p>₹ 1,204 crore</p> <p>Metropolis Healthcare Limited</p>	 <p>₹ 1,190 crore</p> <p>Spandana Sphoorty Financial Limited</p>	 <p>₹ 1,000 crore*</p> <p>Ujjivan Small Finance Bank Limited</p>	 <p>₹ 656 crore*</p> <p>Prince Pipes & Fittings Limited</p>
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Book Running Lead Manager to the Qualified Institutions Placement (QIPs) of:

 <p>₹ 8,500 crore</p> <p>Bajaj Finance Limited</p>	 <p>₹ 4,098 crore</p> <p>Avenue Supermarts Limited</p>	 <p>₹ 2,400 crore</p> <p>Shree Cement Limited</p>	 <p>₹ 1,930 crore</p> <p>Yes Bank Limited</p>
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Manager to the Offer for Sale of:

 <p>₹ 3,428 crore</p> <p>Avenue Supermarts Limited</p>	 <p>₹ 1,069 crore and ₹ 1,016 crore</p> <p>Reliance Nippon Life Asset Management Limited</p>	
 <p>₹ 639 crore</p> <p>L&T Technology Services Limited</p>	 <p>₹ 79 crore</p> <p>Xchanging Solutions Limited</p>	 <p>₹ 27 crore</p> <p>GTPL Hathway Limited</p>











Note:
* Ujjivan and Prince Pipes: Includes Pre-IPO



Mergers & Acquisitions and Private Equity Syndication

We have proven our mettle in the Mergers and Acquisitions (M&A) and Private Equity Syndication space repeatedly by identifying the best domestic and international transaction partners for our clients. We ranked No. 2 in the Indian M&A league table during FY 2019-20 by Mergermarket based on completed deals, with a total deal value of ₹ 52,809 crore (US\$ 7.6 billion).

Leading transactions accomplished during FY 2019-20

 <p>Exclusive Financial Advisor to Hotel Leela Venture Limited for sale of four owned Leela Hotels located at Bangalore, Delhi, Chennai, Udaipur, property owned at Agra and all management contracts to Brookfield Asset Management</p>	 <p>Financial and Transaction Advisor to IL&FS on sale of stake in seven wind energy units to ORIX Corporation of Japan</p>	 <p>Advisor to Reliance Capital on sale stake in Reliance Nippon Life Asset Management Limited to Nippon Life Insurance Corporation</p>	 <p>Exclusive Financial Advisor to Baring Private Equity Asia and Exclusive Manager to the Open Offer for acquisition of stake in NIIT Technologies</p>
 <p>Exclusive Manager to the Open Offer made by Epsilon Bidco Pte. Ltd. (part of the Blackstone group) to the public shareholders of Essel Propack</p>	 <p>Financial Advisor to Diageo Plc for acquisition of further stake in United Spirits Limited</p>	 <p>Exclusive Financial Advisor and Manager to the Open Offer by Adani Logistics Limited to the equity shareholders of Snowman Logistics Limited</p>	 <p>Exclusive Financial Advisor to TVS Supply Chain Solutions and DRSR Logistics on investment from Gateway Partners</p>
 <p>Exclusive Financial Advisor to VVDN Technologies on investment from Motilal Oswal Private Equity</p>	 <p>Lead Financial Advisor to Prince Pipes and Fittings on investment from Oman India Joint Investment Fund</p>	<p>Ranked No.2</p> <p>In the Indian M&A league table</p>	