

MONTHLY

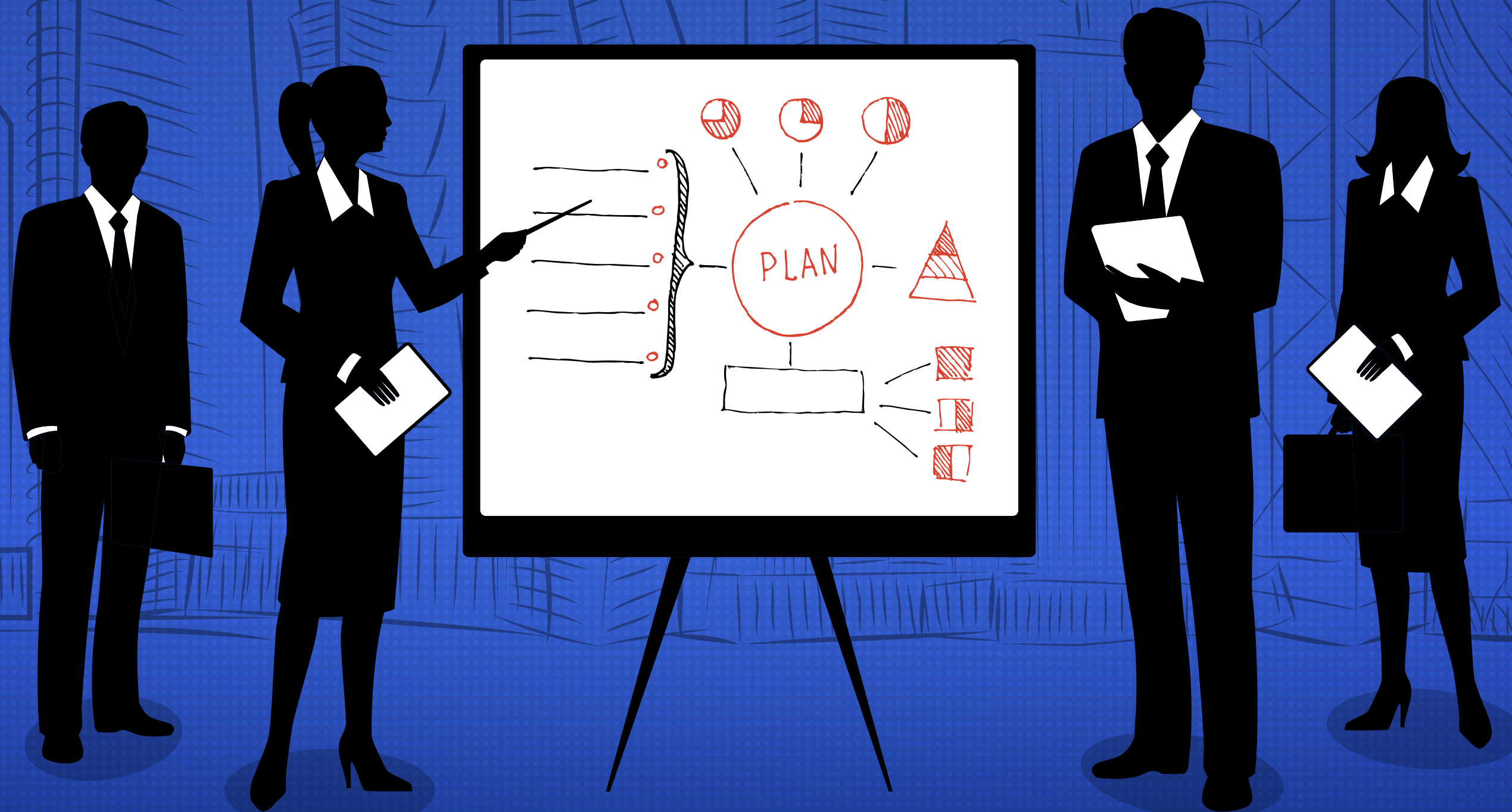
SP



TLIGHT

MAY 2024

THOUGHT LEADERSHIP

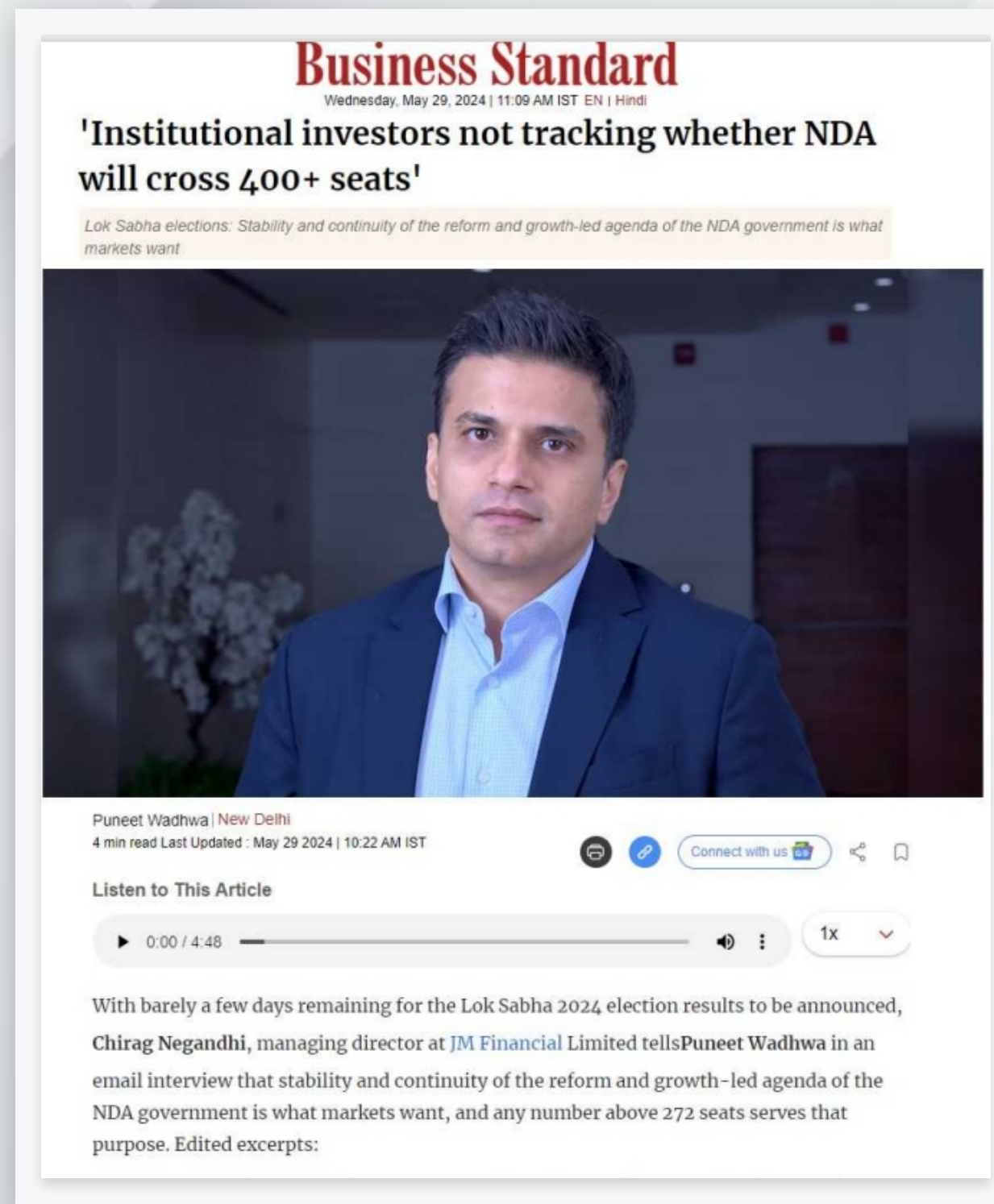




MR. VISHAL KAMPANI —

Non-Executive Vice Chairman, JM Financial Ltd

Mr. Vishal Kampani joined the high-powered jury committee headed by Nita Ambani, founder and chairman of Reliance Foundation, to select India Inc. future business leaders under The Economic Times '40 under Forty' listing.




MR. CHIRAG NEGANDHI —

MD, JM Financial Ltd

interview appeared in **Business Standard – Online** where he discussed how stability and continuity of the reform and growth-led agenda of the NDA government is what markets want, and any number above 272 seats serves that purpose.

JM Financial's Sonia Dasgupta on a stellar FY24 and the ambition for a better FY25

 vccircle.com/jmfinancial-s-sonia-dasgupta-on-a-stellar-fy24-and-the-ambition-for-a-better-fy25

Premium



Sonia Dasgupta, MD & CEO - investment banking, JM Financial

In over five decades of existence, JM Financial has emerged as one of the few standalone entities in investment banking, competing with bank-owned dealmakers including Axis, ICICI Securities and Kotak across the M&A, equity, private equity, debt, and advisory landscapes.

The firm, floated in 1973 by Nimesh Kampani, recorded FY24 as the busiest year since its inception. The financial services firm claimed they topped equity league tables last fiscal and are seeing a similar run rate in the current fiscal.

Sonia Dasgupta, the managing director and CEO of the investment banking vertical of the group, spoke to VCCircle about the company's active pipeline, shared her thoughts on valuation multiples in various sectors and highlighted increased efforts to close more deals across M&A and PE, among other topics. *Edited excerpts:*

MS. SONIA DASGUPTA —

MD & CEO, Investment Banking, JM Financial Ltd

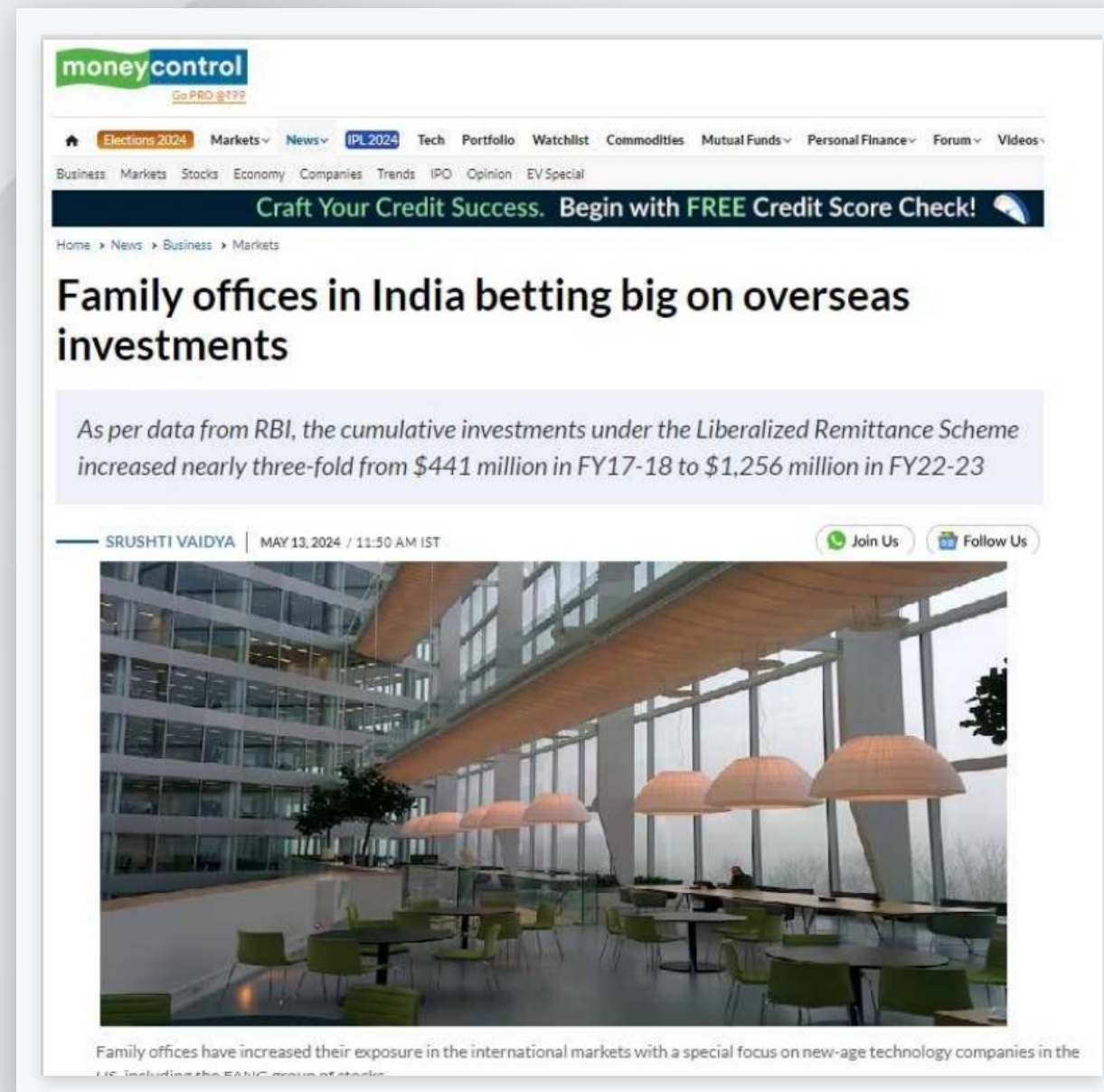
interview appeared in **VCCircle** where she spoke about the company's active pipeline, shared her thoughts on valuation multiples in various sectors and highlighted increased efforts to close deals across M&A and PE, among other topics.



MS. NEHA AGARWAL —

MD & Head, Equity Capital Markets, JM Financial Ltd.

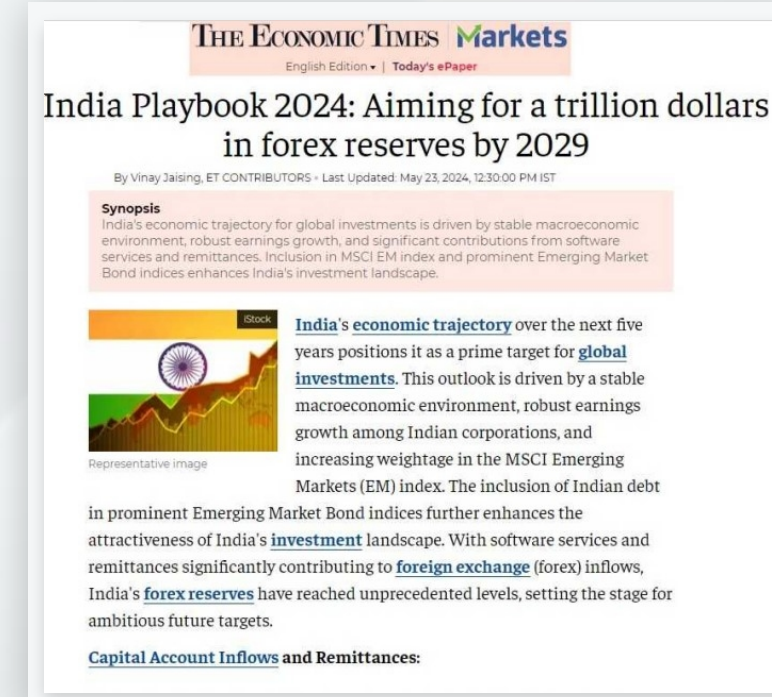
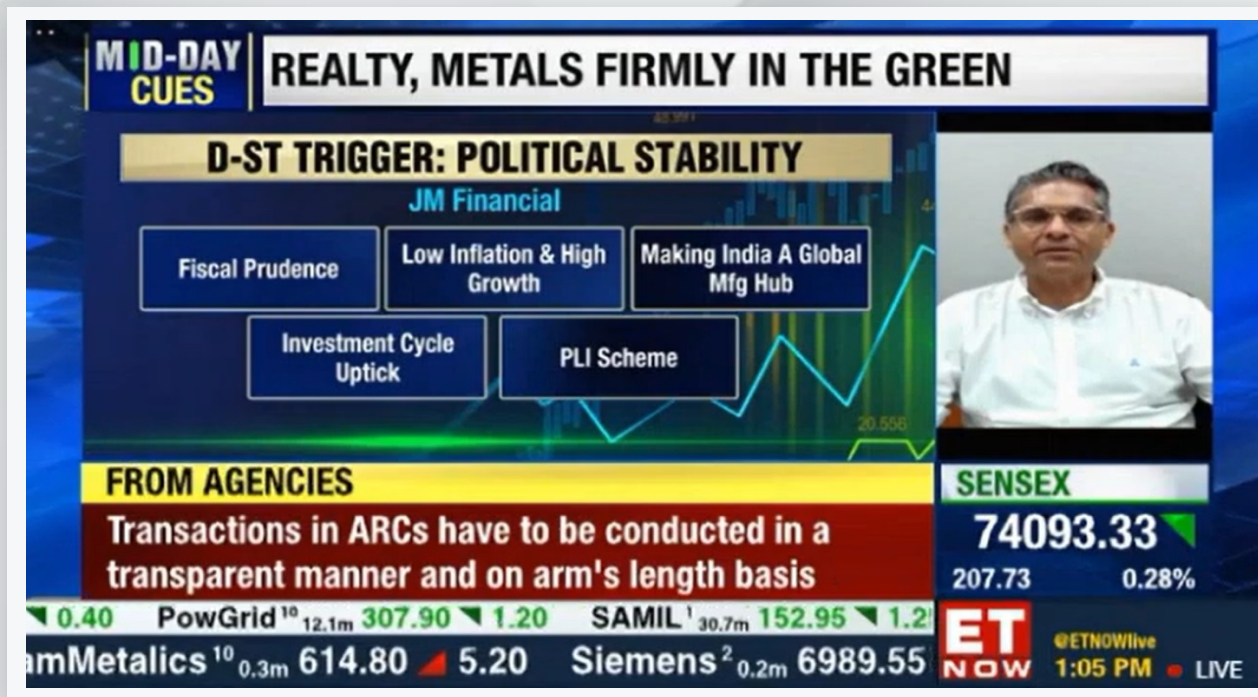
participated in a story by **Fortune India** and **Mint** where she discussed how Indian equity market continues to hit fresh highs and witnessing a tsunami of initial public offerings (IPOs), with momentum expected to persist right through 2024.



MR. ANUJ KAPOOR —

MD & CEO, Private Wealth and Alternatives Asset Management, JM Financial Ltd.

participated in a story by **Moneycontrol** where he shared his views on how Family offices have increased their exposure in the international markets with a special focus on new-age technology companies in the US, including the FANG group of stocks.



MR. VINAY JAISING —

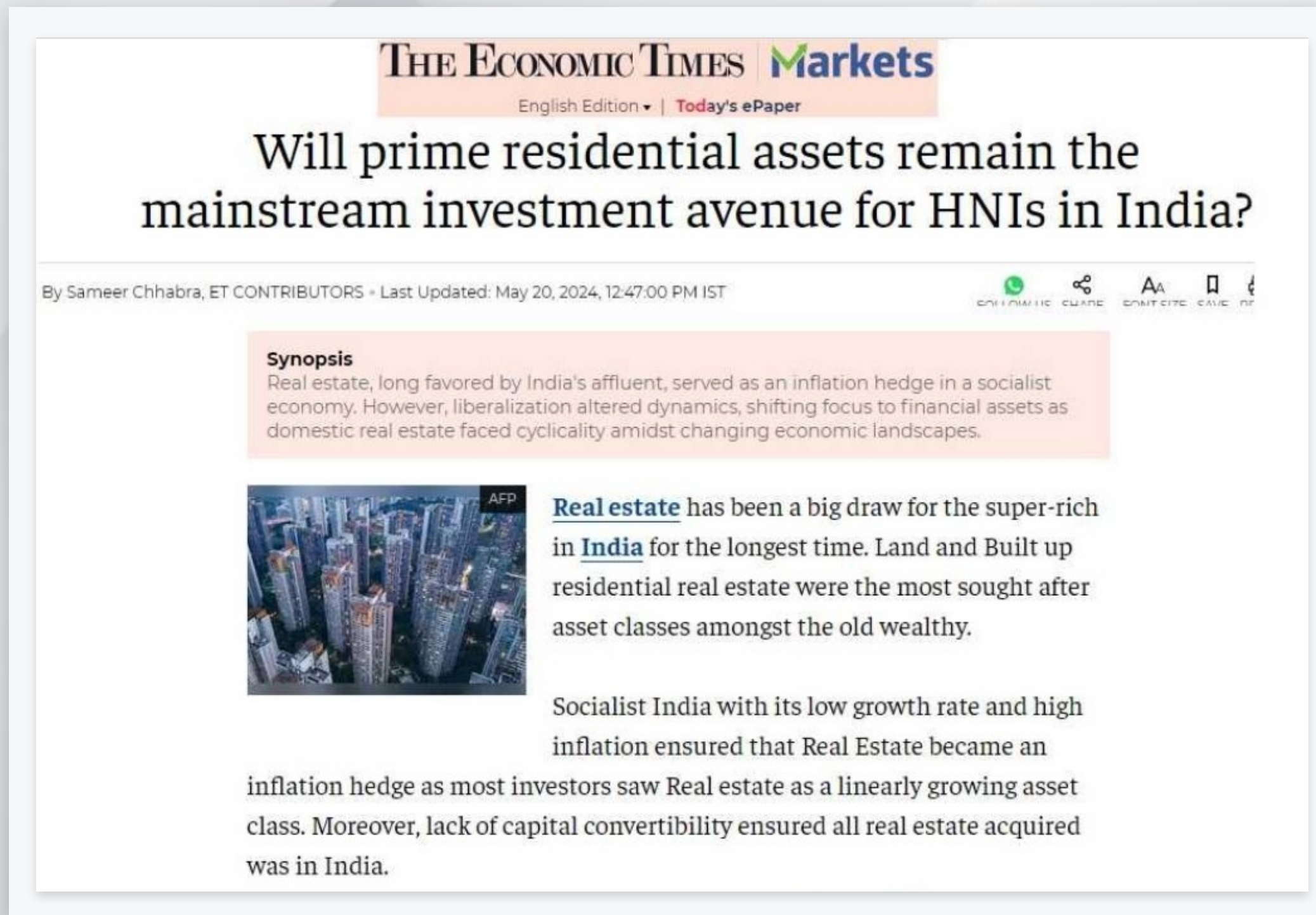
MD & Co-Head, Portfolio Management Services, JM Financial Ltd.

authored article was published in **ET Markets** where he shared his thoughts on how India's economic trajectory for global investments is driven by stable macroeconomic environment, robust earnings growth, and significant contributions from software services & remittances.

interview appeared on **CNBC TV18** and **ET Now** which covered his views on specialty chemicals and manufacturing sector, and how are markets positioned before the election outcome.

JM FINANCIAL IN THE NEWS





MR. SAMEER CHHABRA —

Executive Director, Private Wealth, JM Financial Ltd.


authored article was published in **ETMarkets** where he spoke about how prime residential assets remain the mainstream investment avenue for HNIs in India.

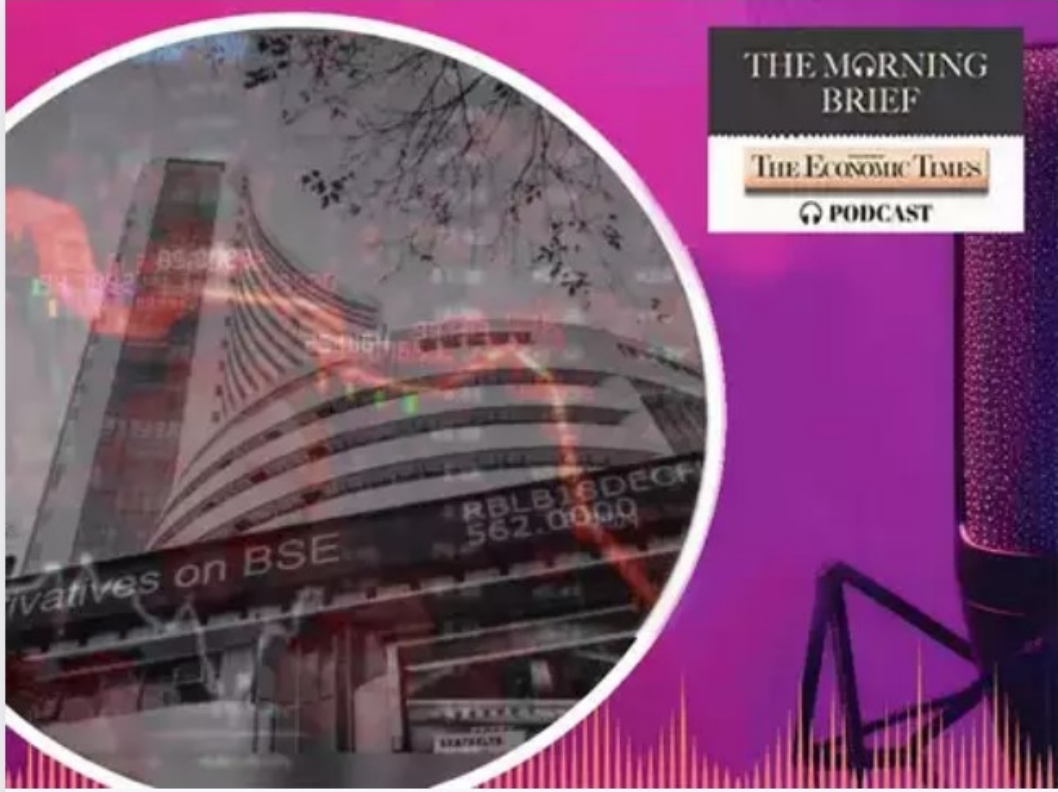


MR. SEEMANT SHUKLA —

Chief Business Officer, JM Financial Asset Management Ltd

interview appeared on **Zee Business** which covered his views on how the market is expected to react post election phase and asset allocation strategy for the next six months.

**THE MORNING BRIEF**
TUNE IN NOW FOR NEWS & VIEWS



THE MORNING BRIEF
THE ECONOMIC TIMES
PODCAST

MORNING BRIEF PODCAST (ET BUREAU)

How wall street algos are eating Indian options traders' lunch?

ANIRBAN CHOWDHURY AND NIKHIL AGARWAL | 24:26 MIN | MAY 16, 2024, 8:11 AM IST

In recent times, Indian holders of derivatives have faced significant financial losses, a concern that has caught the attention of the government and Finance Minister Nirmala Sitharaman. This situation intriguingly intersects with the Wall Street-based hedge fund Jane Street Group, which is currently embroiled in lawsuits involving two of its employees and rival Millennium Management Global Investment. In this episode of The Morning Brief from the Economic Times, hosts Anirban Chowdhury and Nikh...[Read More](#)

How wall street algos are eating Indian options traders' lunch?

00:17 24:26

MR. RAHUL SHARMA —

Director, Head- Technical & Derivative Research, JM Financial Services Ltd.

participated in a '**Morning Brief Podcast**' by The **Economic Times**, where he discussed complex issues, including the significant financial losses faced by Indian holders of derivatives in recent times, a concern that has drawn the attention of the government and Finance Minister Nirmala Sitharaman.



MR. SAMEER BHISE —

Financials Research Analyst, JM Financial Institutional Securities Ltd.

interview appeared on **CNBC TV18** which covered his views on banking sector.

MARQUEE RESEARCH REPORTS



27 May 2024

India | India Strategy

India Strategy

General Election 2024: Policy continuity seen intact

Amid concerns over policy continuity, we expect the BJP to comfortably retain its majority in the ongoing Lok Sabha general elections. The strategy of setting ambitious targets has worked in favour of the BJP, as it has become a major talking point. The opposition's focus on local issues has been successful in gaining mindshare and is likely to convert to votes. The extent of damage in Karnataka will decide the tilt towards populist policy, going forward; we are building in a loss of 3-5 seats in the state. Among the major states, we expect votes to swing in Maharashtra (-8 seats), West Bengal (+4) and Tamil Nadu (+5 seats). Based on our assessment of major states on Pan India basis, we see a net incremental loss of ~4 seats to 299 for BJP in our base case while our bear and bull case seat tally is in a narrow range of 290 to 310. Policy continuity will ensure opportunities in Defence and Cap goods space while valuation comfort is available in Private Banks and Consumers. Unlike in the past, we expect large caps to outperform SMIDs in this post election cycle.

- **BJP set to comfortably retain majority:** Our assessment of the political landscape during the on-going general elections indicates that the BJP will comfortably retain its seat majority. We observed that the BJP's strategy of setting an ambitious seat target became a talking point in absence of a strong wave, as was the case in 2014 and 2019; we believe this strategy was tactfully aimed at warding off complacency among BJP and NDA (National Democratic Alliance) cadres. The opposition's focus on local issues, vis-à-vis the BJP's macro narrative, has succeeded in gaining mindshare among voters and is likely to convert to votes. Our state-wise analysis of BJP's seats indicate that, on a pan-India basis, we see net incremental loss of ~4 seats for BJP at 299 (Ex 8) in the base case; our bear and bull case seat tally lies in a narrow range of 290 to 310.
- **Swing expected in Maharashtra and Tamil Nadu:** While the undercurrent of local issues raised by the opposition is noticeable this time, we believe that the impact is likely to be felt more in states like Karnataka and Haryana, reflecting in lower seats for the BJP. Our interaction with locals indicates that BJP's political experiment in Maharashtra did not go down well with voters. A section of the voters labelled the split in the Shiv Sena and the NCP (nationalist Congress Party) as unethical; if this sympathy wave plays out, it is likely to favour the Shiv Sena (Uddhav Thackeray) faction and help the MVA (Maha Vikas Aghadi) alliance secure a majority of the Lok Sabha seats in the state. The BJP's target of securing double-digit seats in Tamil Nadu looks optimistic due to lack of local infra vs. DMK; we are building in 5 seat wins in the state. Our assessment of lower margin (<20K votes) seat wins across India revealed that out of 52 seats, BJP had the highest (23) such seat wins while 9 seats fell in the Congress's stable; we believe that there is high probability of flipping in these seats.
- **Continued fiscal prudence depends on extent of dent in Karnataka:** We believe that the improvement in macro variables and the government's focused approach on infrastructure development, while being fiscally prudent, has gained investors interest in recent years. Hence the market is concerned with the likelihood of regime change and its impact on macro-economic equilibrium maintained by the policies of the incumbent government. Unlike the narrative on inflation, The Reserve Bank of India's (RBI) effective monetary policy led to sharp moderation in core inflation to 3.4%. But the growth in non-agri wages not keeping up with inflation has been one of the reasons for the rural distress (Ex 8 & 9). At a state level, we believe that the populist measures in Karnataka could be effective in helping the Congress gain vote share among women. The chances of the Centre turning fiscally imprudent, going forward, will depend on how large the dent is in Karnataka; we are building in 3-5 seat losses for the BJP.
- **Dips should be bought into with focus on large caps:** We did not find a clear trend in the relation between voter turnouts and results in the past. Based on our analysis of volatility Index (VIX) during past elections, we believe that VIX has peaked in this cycle. Although SMIDs have outperformed Nifty in the past, we prefer large caps this time due to valuation comfort. On a sectoral level, we find valuation comfort in private banks and consumption space. As policy continuity is in our base case, we expect healthy gains to follow election results on 4th June, and we believe any dips should be bought into. After the elections, the markets will shift their focus on to the Union Budget, which is likely to be tabled in July.

Hitesh Suvama

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Anuj Kotewar

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Key Highlights:

- BJP set to comfortably retain majority with net increment loss of ~4 seats in our base case.
- Oppositions focus on local issues likely to convert to votes
- Highest incremental votes seen in Tamil Nadu while Maharashtra expected to leave a major dent
- BJP wins 299 seats in our base case while our bear and bull case are in the narrow range of 290 to 310 seats.

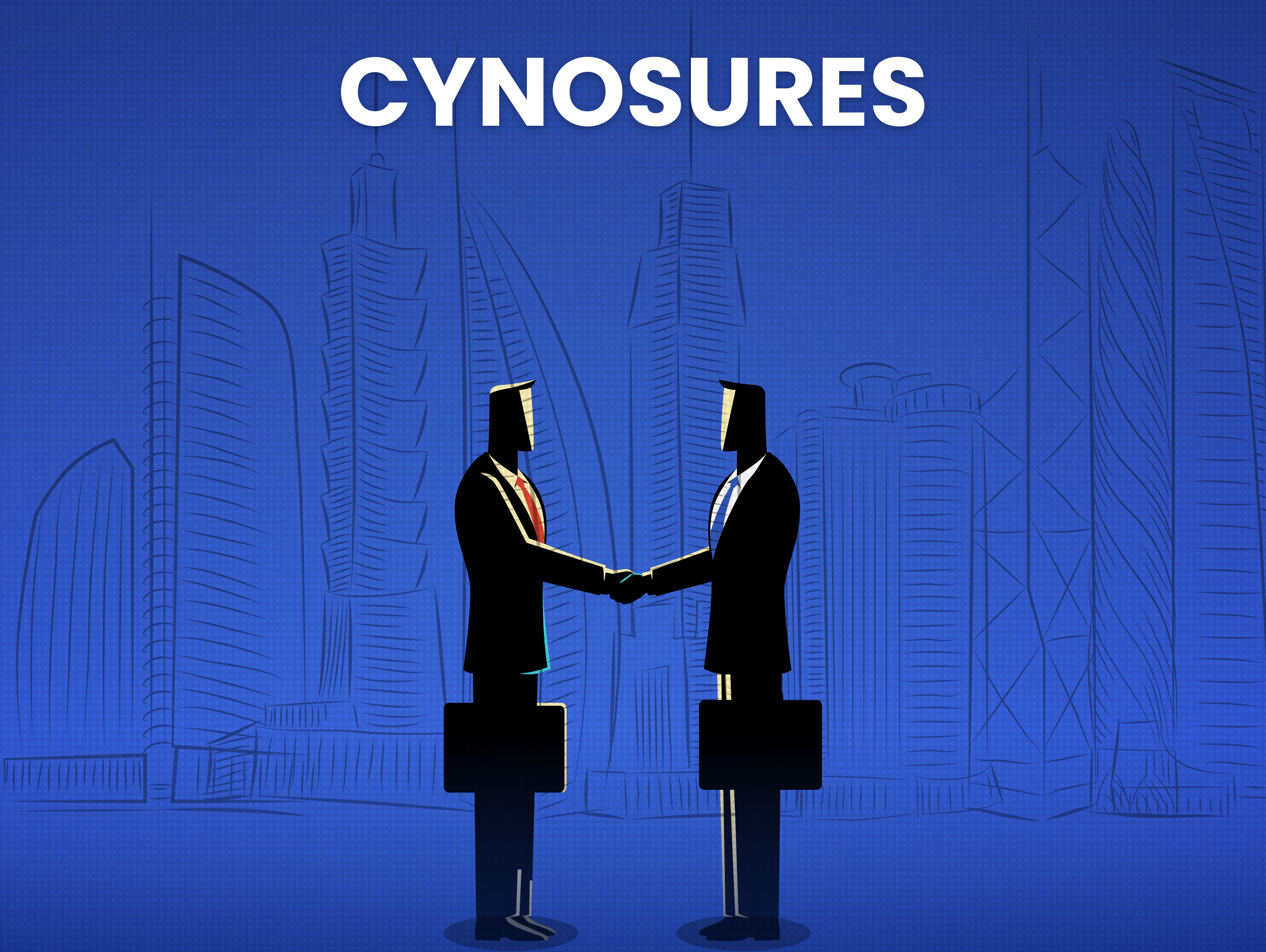
JM Financial Research is also available on:
Bloomberg - JMFR <GO>,
Thomson Publisher & Reuters,
S&P Capital IQ, FactSet and Visible Alpha

Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

JM Financial Institutional Securities Limited

India Strategy

CYNOSURES



Deals of the month



Rustomjee

May 2024

JM Financial delivers INR 800 Cr QIP of Keystone Realtors Ltd. (Rustomjee) as the Left Lead Coordinator & Book Running Lead Manager

Transaction Summary

| | |
|------------------|-----------------------|
| QIP Size | INR 800 Cr (USD 96Mn) |
| Dilution (%) | ~10% |
| SEBI Floor Price | INR 682.51 |
| Issue Price | INR 660.00 |

Key Investors

Quant MF

ADIA

Birla Insurance

Bandhan MF

SBI Life

IPru Life

Lion Global

Bajaj Allianz

MSIM

SBI General

Famycare

Wells Capital

High Quality Book

48%

IC

25%

MF

15%

Others

11%

FFI

#1

JM Financial leads the Equity Capital Markets landscape in India and has successfully completed over 120 transactions since January 2021 by grossing ~INR 2,63,351 Cr

JM Financial Limited

Corporate Identity Number: L67120MH196PLC038784 SEBI Registration Number: INM00010361 (Merchant Banker) Regd. Office: 7, Floor, Crangy, Aposahab Marathe Marg, Prabhadevi, Mumbai 400 025. T: +91 22 6630 3030 F: +91 22 6630 3223 www.jmf.com

Note: This communication is not a solicitation to make any investment or investments. JM Financial Ltd. and/or its affiliates or officers accept no liabilities for any loss or damage of any kind arising out of any action taken in reliance thereon.

Rustomjee

JM Financial delivers INR 800 Cr QIP of Keystone Realtors Ltd. (Rustomjee) as the Left Lead Coordinator & Book Running Lead Manager.

HOME CREDIT

May 2024

Home Credit Group agrees to sell 100% of its India business

JM Financial Limited acted as the Exclusive Financial Advisor to Home Credit Group

Deal Highlights

- Home Credit Group executed definitive documents to sell 100% stake in Home Credit India Finance Private Limited ("HCIN") to a group of investors led by TVS Holdings Limited
- HCIN is one of the leading player in consumer financing with an AUM of ~Rs 5,535 Cr. as of March 31, 2024. The Company has a strong network of over 50,000 points-of-sale spread over 625 cities across India
- The transaction is subject to RBI, CCI and other requisite approvals

JM Financial – Exclusive Financial Advisor to Home Credit Group

- JM Financial's deep access to the relevant strategic buyer set and understanding of the evolving retail lending space helped identify the right partner for the Home Credit Group
- The transaction is a strong testament to JM Financial's M&A deal making capability in the FIG space

#1

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Home Credit Group

JM Financial Limited acted as an Exclusive Financial Advisor to Home Credit Group.

tbo.com

May 2024

JM Financial delivers INR 1,708 Cr IPO (Including Pre IPO) of TBO Tek as Book Running Lead Manager

Transaction Summary

| | |
|--|--|
| IPO Size | INR 1,551 Cr (~USD 186 Mn) |
| Pre IPO Size | INR 157 Cr (~USD 19 Mn) |
| Primary / Secondary | INR 400 Cr (~USD 48 Mn) / INR 1,308 Cr (~USD 157 Mn) |
| IPO Price | INR 920 |
| IPO Market Cap (at Issue Price) | ~INR 9,990 Cr ~USD 1,197 Mn |
| Subscription (QIB / HNI / Retail / Employee / Overall) | c. 125x 51x 27x 8x 48x |

Key Anchor Investors

Norges

SBI MF

FMR

ADIA

Nippon MF

FIL

Nomura AM

Blackrock

Kotak MF

Nippon MF

IOCI Pru MF

GSAM

Mirae MF

Axis MF

White Oak

Neuberger Berman

Anchor Investor Split

42%

FIL

47%

MF

11%

Insurance Co.

#1

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TBO.COM

JM Financial delivers INR 1,708 Cr IPO (including Pre IPO) of TBO.COM as Book Running Lead Manager.

May
2024



JM Financial Limited acted as the financial advisor to Shriram Finance, Valiant Partners & Shriram Housing Finance

Transaction Highlights:

- Shriram Finance Limited ("SFL") entered into definitive agreements for sale of its housing finance subsidiary Shriram Housing Finance Limited ("SHFL" or "Company") to Warburg Pincus, a leading global growth investor.
- Warburg Pincus will acquire the stake from SFL, private equity firm Valiant Partners ("Valiant") and minority sellers for a total consideration of Rs. 4,630 Crores.
- SHFL is one of India's leading players in the affordable housing segment with a pan-India network of 155 branches across 16 states. The Company reported an AUM of Rs 13,762 Crores as of March 31, 2024, which has grown at a 56% CAGR over the last 4 year period.
- The transaction is subject to regulatory approvals

JM Financial : Financial advisor to SFL, Valiant and SHFL

- JM Financial successfully ran a tight time-bound process maintaining competitive interest from multiple parties and ultimately helping the sellers in finalizing the deal with Warburg Pincus
- In a multi-bank transaction, JM Financial demonstrated its superior understanding of the business, picked the right investor set, and leveraged its relationships at all levels for execution of the transaction
- The transaction is the largest all cash buy-out transaction in the affordable housing segment till date
- With this announcement, JM Financial continues its dominance in the M&A and PE Advisory space, especially in the FIG sector

Client Testimonial

JM Team provided invaluable strategic guidance throughout the process. They were highly responsive, proactive in managing complexities, and ensured a smooth transaction for all parties

- Ravi Subramanian, MD & CEO, SHFL

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Godrej Family Arrangement

April
2024

JM Financial acted as the financial advisor to the Jamshyd Godrej Family and Smita Godrej Family

Key Highlights

- On April 30, 2024, the members of the Godrej Family have entered into a Family Settlement Agreement in order to record the terms of a family arrangement to align and synchronize the ownership of shares in various companies belonging to the Godrej Group with the management of the respective companies.
- The Godrej group primarily comprises of Godrej & Boyce managed by Jamshyd Godrej Family and Smita Godrej Family and listed companies viz. Godrej Industries, Godrej Consumer Products, Godrej Properties, Godrej Agrovet and Astec Lifesciences managed by the Adi Godrej Family and Nadir Godrej Family.
- This deal is one of the largest family arrangements in the country involving the prestigious Godrej Group.
- This deal is a testimony to JM Financial's credentials and our ability to handle complex transactions, and provide customized solutions in family arrangements and promoter group restructurings.

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Shriram Housing Finance

JM Financial Limited acted as the financial advisor to Shriram Finance Ltd, Valiant Partners & Shriram Housing Finance Ltd. This transaction is the largest all cash buy-out transaction in the affordable housing segment till date.

Godrej

JM Financial acted as the financial advisor to the Jamshyd Godrej Family and Smita Godrej Family. This transaction is one of the largest family arrangements in the country involving the prestigious Godrej Group.


AT A FLASH






JM Financial Asset Management Ltd. hosted a gratitude event 'Aabhar' —

JM Financial Asset Management Ltd. hosted a gratitude event 'Aabhar' at Delhi, Ahmedabad, Bangalore and Baroda to honour the valued members of their distributor network who were early adopters and partnered with them in the initial stages of their journey.





**Nurturing Potential,
Harvesting Growth**


Presenting
JM Small Cap Fund

(An open ended equity scheme predominantly
investing in small cap stocks)


NFO opens on
27th May, 2024

NFO closes on
10th June, 2024


Why Invest in JM Small Cap Fund?




Aims to invest in high growth companies, which are servicing domestic consumers benefitting from the growth of Indian economy.



Focuses on softer aspects like corporate governance, management quality and their execution.



Process driven stock selection and portfolio construction along with well-defined protocols for risk management.




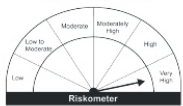
Cumulative work experience of over 130 years of the Equity Investments/Research team, with demonstrated ability of stock selection, particularly in the mid and small space.

Invest Now

Product Label

- Long Term wealth creation
- An open ended equity scheme that aims for capital appreciation by investing predominantly in equity & equity related securities of small cap stocks

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.
*The product labelling assigned during the New Fund Offer is based on internal assessment of the Scheme Characteristics or model portfolio and the same may vary post NFO when actual investments are made.

Investors understand that their principal will be at Very High Risk

Benchmark riskometer is at Very High Risk

**Mutual Fund investments are subject to market risks,
read all scheme related documents carefully.**

Launch of JM Small Cap Fund —

JM Financial Asset Management Ltd. introduced a JM Small Cap Fund, an open-ended equity scheme primarily focusing on small-cap stocks. The new fund offer (NFO) of this scheme will be open for subscription from May 27th to June 10th, 2024.

MAKING A DIFFERENCE





Empowering youth through sports —

The Future Start Sports Academy (FSSA), the sports initiative of JM Financial Foundation, participated in the U13 and U17 categories in State Youth League. In a U17 league match against Vishal Bihar United from Muzaffarpur, the FSSA team achieved a remarkable victory by scoring nine goals unanswered by their opponents, resulting in a comprehensive 9-0 score line at the fulltime. Prinshu Soren from the FSSA team scored five goals in the match.

The State Youth League, an initiative by the All India Football Federation, aims to provide a platform for young talents in India to exhibit their skills and nurture their potential across various age brackets including U13, U15, and U17. The Bihar State Sports Authority organized the first edition of the Bihar State Youth League in May.

This victory stands out as FSSA's most significant win in a state-level competition.



www.jmfl.com

FOLLOW US ON:     

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