

JM FINANCIAL LIMITED

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

(Rupees in Crore)

Sr. No.	Particulars	Quarter Ended			
		30.06.2020	31.03.2020	30.06.2019	Year Ended 31.03.2020
		Unaudited	(Refer Note 8)	Unaudited	Audited
1	Income				
(a)	Revenue from Operations				
	(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
		686.80	835.89	850.50	3,432.03
(b)	Other Income	4.31	4.69	6.07	21.52
	Total Income	691.11	840.58	856.57	3,453.55
2	Expenses				
(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
	Total expenses	506.94	625.56	554.20	2,360.03
3	Profit before tax (1-2)	184.17	215.02	302.37	1,093.52
4	Tax expenses				
(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
	Total tax expenses	45.21	50.97	107.71	315.98
5	Net Profit for the period / year (3-4)	138.96	164.05	194.66	777.54
6	Add :- Share in profit / (loss) of associate	0.65	(1.09)	0.37	0.41
7	Net Profit after tax and Share in profit / (loss) of Associate (5+6)	139.61	162.96	195.03	777.95
8	Other Comprehensive Income (OCI)				
	(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
	Total Other Comprehensive Income	0.11	6.28	(0.64)	8.68
9	Total Comprehensive Income (7+8)	139.72	169.24	194.39	786.63
10	Net Profit attributable to (7):				
	Owners of the company	93.61	130.56	127.29	544.98
	Non-controlling interests	46.00	32.40	67.74	232.97
11	Other Comprehensive Income attributable to (8):				
	Owners of the company	0.14	6.25	(0.62)	8.78
	Non-controlling interests	(0.03)	0.03	(0.02)	(0.10)
12	Total Comprehensive Income attributable to (9):				
	Owners of the company	93.75	136.81	126.67	553.76
	Non-controlling interests	45.97	32.43	67.72	232.87
13	Paid up equity share capital (Face value Re.1/- per share)	95.19	84.12	84.09	84.12
14	Other Equity (excluding revaluation reserves)				5,502.21
15	Earning Per Share (EPS)				
	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					
SEGMENTWISE DETAILS ON CONSOLIDATED BASIS FOR THE QUARTER ENDED JUNE 30, 2020					
(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	
Segment Revenue					
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
Total Segment Revenue		705.85	860.12	873.47	3,518.50
Less: Inter - segmental revenue		(14.74)	(19.54)	(16.90)	(64.95)
Total Revenue		691.11	840.58	856.57	3,453.55
Segment Results (Profit before tax)					
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
Total Results		184.17	215.02	302.37	1,093.52
Segment Assets					
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
Total Segment Assets		21,212.94	20,693.08	23,516.02	20,693.08
Segment Liabilities					
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
Total Segment Liabilities		12,243.64	12,611.09	15,604.99	12,611.09
Segment Capital Employed					
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
Total Capital Employed		8,969.30	8,081.99	7,911.03	8,081.99

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	Income				
(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
	Total revenue from operations	29.91	88.89	29.76	256.55
(b)	Other income	1.40	1.80	1.28	46.52
	Total Income	31.31	90.69	31.04	303.07
2	Expenses				
(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
	Total expenses	21.05	23.84	41.49	146.62
3	Profit / (Loss) before tax (1-2)	10.26	66.85	(10.45)	156.45
4	Tax expenses				
(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
	Total tax expenses	#	11.14	(0.74)	29.14
5	Net Profit / (Loss) for the period / year (3-4)	10.26	55.71	(9.71)	127.31
6	Other Comprehensive Income				
(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
	Total other Comprehensive Income	(0.08)	0.12	(0.01)	(0.29)
7	Total Comprehensive Income (5+6)	10.18	55.83	(9.72)	127.02
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	Earning Per Share (EPS)				
	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 and the websites of BSE Limited and National Stock Exchange of India Limited viz., www.bseindia.com and 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

Place: Mumbai
Date: July 30, 2020

Vishal Kampani
Managing Director
(DIN: 00009079)