

Khimji Kunverji & Co

(Registered)

Chartered Accountants

The Board of Directors

JM Financial Limited

Mumbai



**Limited Review Report of the Consolidated Financial Results of
JM Financial Limited, its Subsidiaries and Associates**

INTRODUCTION

1. We have reviewed the accompanying statement of unaudited Consolidated Financial Results (CFR) of **JM Financial Limited** (the Company) and its Subsidiaries and Associates ('the Group') for the quarter/half year ended September 30, 2013, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us, which has been initialed by us for identification purpose. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. The CFR have been prepared on the basis of separate financial statements and other financial information regarding components. Our responsibility is to issue a report on these un-audited CFR based on our review

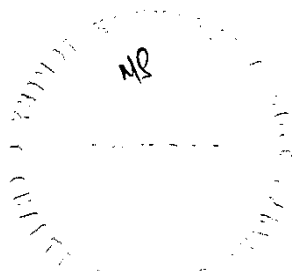
SCOPE OF REVIEW

2. We conducted our review 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). This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit; accordingly we do not express an audit opinion.
3. The CFR of the Group have been prepared by the management in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements and Accounting Standard (AS) 23, Accounting for Investments in Associates in Consolidated Financial Statements notified by the Companies (Accounting Standards) Rules, 2006.
4. Inter unit/company transactions have been eliminated based on information provided by the management.
5. Included in this CFR, are revenues of Rs 22,873.49 lac and Rs 49,897.19 lac for the three months and six months ended September 30, 2013 respectively, capital employed of Rs 178,094.55 lac and assets of Rs. 456,973.21 lac as on the said date of 7 subsidiaries, which have not been reviewed by us. Other auditors have reviewed these, whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of these entities, is based solely on reports of those respective auditors.
6. Included in this CFR are revenues of Rs 1,358.39 lac and Rs 2,049.25 lac for the three months and six months period ended September 30, 2013 respectively, capital employed of Rs 8,373.32 lac, assets of Rs 21,531.13 of 6 subsidiaries and Rs 47.30 lac and Rs 57.48 lac being profit of associate for the three months and six months period ended September 30, 2013 respectively, which are based on Management Certified Results and which are subject to consequential adjustments, if any, arising out of reviews by respective auditors.

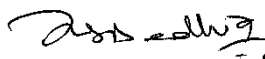
CONCLUSION

7. Based on our review conducted as above and read with paragraphs 4 and 6 above, nothing has come to our notice that causes us to believe that the accompanying statement of unaudited CFR prepared in accordance with applicable Accounting Standards notified by Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956, (which continues to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 issued by the Ministry of Corporate Affairs) and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Mumbai,
Dated: October 29, 2013



For and on behalf of
Khimji Kunverji & Co
Chartered Accountants
(Registration Number : 105146W)


Hasmukh B Dedhia
Partner (F 33494)

Sunshine Tower, Level 19, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013, India
T: +91 22 2439 1111 E: info@kkc.in W: www.kkc.in

Suite 52, Bombay Mutual Building, Sir Phirozshah Mehta Road, Fort, Mumbai 400 001, India

Khimji Kunverji & Co

(Registered)

Chartered Accountants

**Limited Review Report**

The Board of Directors
JM FINANCIAL LIMITED
 Mumbai

INTRODUCTION

We have reviewed the accompanying statement of un-audited financial results of **JM FINANCIAL LIMITED** (the Company) for the half year/quarter ended September 30, 2013 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us, which has been initialed by us for identification purpose. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these un-audited financial results based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with the Standard on Review Engagement (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). This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of Company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review conducted as above, nothing has come to our notice that causes us to believe that the accompanying statement of un-audited financial results prepared in accordance with accounting standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956, (which continues to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 issued by the Ministry of Corporate Affairs) and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material mis-statement.

For and on behalf of

Khimji Kunverji & Co
 Chartered Accountants
 (Registration Number : 105146W)

Hasmukh B Dedhia
 Partner (F 33494)

Place: Mumbai,
 Dated: October 29, 2013





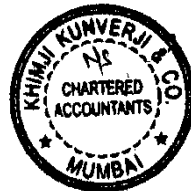
JM FINANCIAL LIMITED
CONSOLIDATED FINANCIAL RESULTS

PART I - STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2013

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2013	30.06.2013	30.09.2012	30.09.2013	30.09.2012	31.03.2013
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from operations						
	(a) Fees & commission	5,402.45	7,661.40	4,620.70	13,063.85	10,027.12	21,915.35
	(b) Brokerage	2,531.15	2,072.76	2,740.80	4,603.91	5,593.22	10,761.41
	(c) Interest and other income on fund based activities	11,341.36	13,729.35	11,325.50	25,070.71	21,623.35	47,049.45
	(d) Other operating income	5,321.94	4,606.34	5,673.05	9,928.28	11,524.85	23,363.65
	Total income from operations	24,596.90	28,069.85	24,360.05	52,666.75	48,768.54	1,03,089.86
2	Expenses						
	(a) Employee benefits expense	4,920.87	5,681.29	4,738.51	10,602.16	9,587.29	19,799.84
	(b) Sub-brokerage, fees & commission	1,868.62	2,021.01	2,754.84	3,889.63	5,277.54	10,043.86
	(c) Operating and other expenses	3,144.33	2,418.73	2,025.78	5,563.06	4,596.75	10,078.29
	(d) Depreciation and amortisation expense	365.98	333.44	260.26	699.42	522.24	1,216.50
	Total expenses	10,299.80	10,454.47	9,779.39	20,754.27	19,983.82	41,138.49
3	Profit from operations before other income and finance costs (1-2)	14,297.10	17,615.38	14,580.66	31,912.48	28,784.72	61,951.37
4	Other income	169.76	121.41	143.35	291.17	781.27	1,132.78
5	Profit from ordinary activities before finance costs (3+4)	14,466.86	17,736.79	14,724.01	32,203.65	29,565.99	63,084.15
6	Finance costs	7,640.59	9,828.32	9,204.14	17,468.91	18,266.46	37,691.52
7	Profit from ordinary activities before tax (5-6)	6,826.27	7,908.47	5,519.87	14,734.74	11,299.53	25,392.63
8	Tax expense	1,907.49	2,333.17	1,807.74	4,240.66	3,755.05	7,493.04
9	Net Profit from ordinary activities after tax (7-8)	4,918.78	5,575.30	3,712.13	10,494.08	7,544.48	17,899.59
10	Extraordinary items	-	-	-	-	-	-
11	Net Profit after tax (9+10)	4,918.78	5,575.30	3,712.13	10,494.08	7,544.48	17,899.59
12	Less :- Share of Minority interest	295.52	400.93	411.97	696.45	778.48	1,594.14
13	Add :- Share in Profit of Associates	417.16	379.15	72.01	796.31	136.77	1,986.45
14	Net consolidated profit (11-12+13)	5,040.42	5,553.52	3,372.17	10,593.94	6,902.77	18,291.90
15	Paid up equity share capital (Face value Re.1/- per share)	7,546.50	7,543.82	7,513.69	7,546.50	7,513.69	7,516.15
16	Reserves excluding revaluation reserves						1,90,079.76
17	Earning Per Share (EPS)						
	Basic EPS (in Rs.) (Not annualised)	0.67	0.74	0.45	1.40	0.92	2.44
	Diluted EPS (in Rs.) (Not annualised)	0.66	0.72	0.45	1.38	0.91	2.43

PART II - SELECT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2013

A PARTICULARS OF SHAREHOLDING							
1	Public shareholding						
	No. of shares	23,68,60,503	23,52,26,787	23,17,48,095	23,68,60,503	23,17,48,095	23,23,20,272
	Percentage of holding (%) (as a % of total share capital of the Company)	31.39%	31.18%	30.84%	31.39%	30.84%	30.91%
2	Promoters and promoter group shareholding						
	(a) Pledged / Encumbered						
	No. of shares	Nil	Nil	Nil	Nil	Nil	Nil
	Percentage of shares (%)	-	-	-	-	-	-
	(b) Non-encumbered						
	No. of shares	51,77,89,265	51,91,54,902	51,96,20,702	51,77,89,265	51,96,20,702	51,92,94,390
	Percentage of shares (%) (as a % of total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	Percentage of holding (%) (as a % of total share capital of the Company)	68.61%	68.82%	69.16%	68.61%	69.16%	69.09%
B INVESTOR COMPLAINTS		Quarter Ended 30th September, 2013					
	Pending at the beginning of the quarter	0					
	Received during the quarter	11					
	Disposed off during the quarter	11					
	Remaining unresolved at the end of the quarter	0					



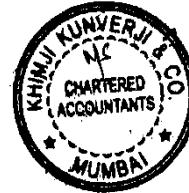
[Signature]



SEGMENTWISE DETAILS ON CONSOLIDATED BASIS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2013

Rupees in Lakh

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30.09.2013	30.06.2013	30.09.2012	30.09.2013	30.09.2012	31.03.2013
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Segment Revenue						
A Investment banking and securities business	11,127.70	11,647.59	9,369.06	22,775.29	19,724.68	42,905.35
B Fund based activities	12,143.19	15,276.96	13,750.37	27,420.15	26,163.27	55,175.07
C Alternative asset management	523.22	513.72	514.76	1,036.94	1,538.23	2,735.67
D Asset management	619.70	635.26	673.70	1,254.96	1,392.56	2,888.90
E Others	7,688.80	868.26	4,514.01	8,557.06	5,062.33	6,108.49
Total Segment Revenue	32,102.61	28,941.79	28,821.90	61,044.40	53,881.07	1,09,813.48
Less: Inter - segmental revenue	(7,335.95)	(750.53)	(4,318.50)	(8,086.48)	(4,331.26)	(5,590.84)
Total Revenue	24,766.66	28,191.26	24,503.40	52,957.92	49,549.81	1,04,222.64
Segment Results						
A Investment banking and securities business	2,198.32	1,817.30	337.54	4,015.62	1,031.14	4,735.64
B Fund based activities	4,454.61	5,465.25	4,742.70	9,919.86	8,904.52	18,252.54
C Alternative asset management	281.98	287.57	295.27	569.55	758.01	1,630.22
D Asset management	52.51	52.09	35.33	104.60	103.34	222.77
E Others	(161.15)	286.26	109.03	125.11	502.52	551.46
Total Results	6,826.27	7,908.47	5,519.87	14,734.74	11,299.53	25,392.63
Segment Capital Employed						
A Investment banking and securities business	71,282.87	70,804.24	79,201.78	71,282.87	79,201.78	68,704.56
B Fund based activities	95,995.79	99,174.48	88,227.04	95,995.79	88,227.04	95,187.82
C Alternative asset management	11,956.23	14,277.86	13,460.85	11,956.23	13,460.85	14,081.16
D Asset management	11,715.61	11,615.79	11,406.82	11,715.61	11,406.82	11,553.52
E Unallocated	32,265.70	24,168.32	16,478.30	32,265.70	16,478.30	23,105.18
Total Capital Employed	2,23,216.20	2,20,040.69	2,08,774.79	2,23,216.20	2,08,774.79	2,12,632.24



Handwritten signature or initials.



STAND-ALONE FINANCIAL RESULTS

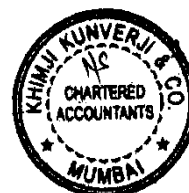
PART I - STATEMENT OF STAND-ALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2013

Rupees in Lakh

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2013 Unaudited	30.06.2013 Unaudited	30.09.2012 Unaudited	30.09.2013 Unaudited	30.09.2012 Unaudited	31.03.2013 Audited
1	Income from operations						
	(a) Dividend	6,509.14	-	4,234.96	6,509.14	4,234.96	4,234.96
	(b) Other operating income	370.85	296.83	278.06	667.68	587.78	1,131.85
	Total income from operations	6,879.99	296.83	4,513.02	7,176.82	4,822.74	5,366.81
2	Expenses						
	(a) Employee benefits expense	376.40	112.49	92.92	488.89	185.62	427.43
	(b) Operating and other expenses	80.64	78.89	75.50	159.53	130.28	287.42
	(c) Depreciation and amortisation expense	10.91	8.57	6.51	19.48	13.03	26.35
	Total expenses	467.95	199.95	174.93	667.90	328.93	741.20
3	Profit from operations before other income and finance costs (1-2)	6,412.04	96.88	4,338.09	6,508.92	4,493.81	4,625.61
4	Other income	2.75	25.39	0.99	28.14	239.59	251.93
5	Profit from ordinary activities before finance costs (3+4)	6,414.79	122.27	4,339.08	6,537.06	4,733.40	4,877.54
6	Finance costs	2.58	1.89	0.77	4.47	1.60	2.91
7	Profit from ordinary activities before tax (5-6)	6,412.21	120.38	4,338.31	6,532.59	4,731.80	4,874.63
8	Tax expense	68.40	54.32	50.20	122.72	333.02	393.24
9	Net Profit from ordinary activities after tax (7-8)	6,343.81	66.06	4,288.11	6,409.87	4,398.78	4,481.39
10	Extraordinary items	-	-	-	-	-	-
11	Net Profit after tax (9+10)	6,343.81	66.06	4,288.11	6,409.87	4,398.78	4,481.39
12	Paid up equity share capital (Face value Re.1/- per share)	7,546.50	7,543.82	7,513.69	7,546.50	7,513.69	7,516.15
13	Reserves excluding revaluation reserves						1,54,428.55
14	Earning Per Share (EPS)						
	Basic EPS (in Re.) (Not annualised)	0.84	0.01	0.57	0.85	0.59	0.60
	Diluted EPS (in Re.) (Not annualised)	0.83	0.01	0.57	0.84	0.58	0.59

PART II - SELECT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2013

A PARTICULARS OF SHAREHOLDING							
15 Public shareholding							
	No. of shares	23,68,60,503	23,52,26,787	23,17,48,095	23,68,60,503	23,17,48,095	23,23,20,272
	Percentage of holding (%) (as a % of total share capital of the Company)	31.39%	31.18%	30.84%	31.39%	30.84%	30.91%
16 Promoters and promoter group shareholding							
(a) Pledged / Encumbered							
	No. of shares	Nil	Nil	Nil	Nil	Nil	Nil
	Percentage of shares (%)	-	-	-	-	-	-
(b) Non-encumbered							
	No. of shares	51,77,89,265	51,91,54,902	51,96,20,702	51,77,89,265	51,96,20,702	51,92,94,390
	Percentage of shares (%) (as a % of total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	Percentage of holding (%) (as a % of total share capital of the Company)	68.61%	68.82%	69.16%	68.61%	69.16%	69.09%
B INVESTOR COMPLAINTS							
		Quarter Ended 30th September, 2013					
	Pending at the beginning of the quarter	0					
	Received during the quarter	11					
	Disposed off during the quarter	11					
	Remaining unresolved at the end of the quarter	0					



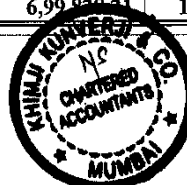
Handwritten signature or initials.



STATEMENT OF ASSETS AND LIABILITIES

Rupees in lakh

Particulars	Consolidated		Stand-alone	
	As at	As at	As at	As at
	30.09.2013	31.03.2013	30.09.2013	31.03.2013
	Unaudited	Audited	Unaudited	Audited
<u>EQUITY AND LIABILITIES</u>				
Shareholders' funds				
(a) Share Capital	7,546.50	7,516.15	7,546.50	7,516.15
(b) Reserves and Surplus	2,08,643.29	1,96,931.63	1,61,394.19	1,54,428.55
(c) Money received against share warrants	554.69	-	554.69	-
(d) Capital Reserve on Consolidation	780.86	610.61	-	-
	2,17,525.34	2,05,058.39	1,69,495.38	1,61,944.70
Share Application Money	2.05	-	2.05	-
Minority Interest	15,806.06	15,036.33	-	-
Non-current liabilities				
(a) Long-term borrowings	30,145.13	42,539.78	-	-
(b) Deferred tax liabilities (net)	9,198.55	9,537.20	11,014.87	11,017.16
(c) Other long-term liabilities	306.45	4.20	136.45	104.20
(d) Long-term provisions	4,467.67	4,531.30	23.38	23.44
	44,117.80	56,612.48	11,174.70	11,144.80
Current liabilities				
(a) Short-term borrowings	2,08,288.71	3,57,139.70	-	-
(b) Trade payables	23,594.74	21,068.61	64.91	55.28
(c) Other current liabilities				
Current maturities of long term borrowings	16,400.00	27,050.00	-	-
Others	10,170.16	11,758.38	496.81	332.65
(d) Short-term provisions	758.34	6,104.32	26.15	3,792.62
	2,59,211.95	4,23,121.01	587.87	4,180.55
Total	5,36,663.20	6,99,828.21	1,81,260.00	1,77,270.05
<u>ASSETS</u>				
Non-current assets				
(a) Fixed assets	9,750.24	2,691.65	175.69	139.28
(b) Goodwill on consolidation	10,115.19	7,462.48	-	-
(c) Non-current investments	42,377.20	49,784.24	1,47,045.22	1,47,045.22
(d) Long-term loans and advances	1,33,901.54	1,11,614.00	14,927.03	15,006.25
(e) Other non-current assets	-	-	780.15	382.74
	1,96,144.17	1,71,552.37	1,62,928.09	1,62,573.49
Current assets				
(a) Current investments	36,131.21	7,006.39	-	-
(b) Debt securities held as stock in trade	30,263.39	59,776.27	-	-
(c) Assets held for arbitrage activities	-	50,236.66	-	-
(d) Trade receivables	15,743.35	18,051.85	-	-
(e) Cash and bank balances	85,067.36	1,41,940.15	16,890.24	13,373.38
(f) Short-term loans and advances	1,69,933.32	2,49,264.56	52.02	64.87
(g) Other current assets	3,380.40	1,999.96	1,389.65	1,258.31
	3,40,519.03	5,28,275.84	18,331.91	14,696.56
Total	5,36,663.20	6,99,828.21	1,81,260.00	1,77,270.05



**Notes:**

- 1) The above un-audited financial results of the Company have been reviewed by the Audit Committee and on its recommendation have been approved by the Board of Directors at its meeting held on October 29, 2013.
- 2) The Consolidated Financial Results (CFR) are prepared in accordance with the principles and procedures for the preparation and presentation of Consolidated Financial Results as set out in the Accounting Standard (AS) 21 on "Consolidated Financial Statements" and AS 23 on "Accounting for Investments in Associates in Consolidated Financial Statements" prescribed by Companies (Accounting Standards) Rules, 2006 (as amended). The financial statements of CR Retail Malls (India) Limited, in which the group was holding economic interest were so far not consolidated in accordance with the provisions of AS 21 since the same was intended to be held temporarily till its disposal. The financial statements of the said company from the quarter under review have been consolidated since it has been decided to hold the economic interest in the said company.
- 3) The Company has received an aggregate amount of Rs.5,54,68,547/- as consideration towards the issue and allotment of 1,16,46,939 Warrants being 25% of the issue price of Rs. 19.05 per Warrant/Equity Share. The said amount has been deployed in bank fixed deposit pending its utilization.
- 4) On a stand-alone basis, the Company is a Core Investment Company which in the context of AS 17 on "Segment Reporting" is considered as the only segment. However, on a consolidated basis, the Company has identified four reportable segments, namely, (i) Investment banking & securities business, (ii) Fund based activities, (iii) Alternative asset management and (iv) Asset management.
- 5) On a stand-alone basis, the dividend income, if any, arising in different quarters, may not be comparable.
- 6) Consolidated as well as Standalone un-audited financial results will be made available on the Company's website viz., www.jmfl.com and 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 Lakh

Particulars	Quarter Ended			Half year Ended		Year Ended
	30.09.2013 Unaudited	30.06.2013 Unaudited	30.09.2012 Unaudited	30.09.2013 Unaudited	30.09.2012 Unaudited	31.03.2013 Audited
Total Income	6,882.74	322.22	4,514.01	7,204.96	5,062.33	5,618.74
Profit before tax	6,412.21	120.38	4,338.31	6,532.59	4,731.80	4,874.63
Profit after tax	6,343.81	66.06	4,288.11	6,409.87	4,398.78	4,481.39

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

For and on behalf of the Board

Nimesh Kampani
Chairman & Managing Director

Place: Mumbai
Date: October 29, 2013





PRESS RELEASE
For Immediate Publication

JM Financial announces unaudited financial results for the quarter and half year ended September 30, 2013.

Mumbai, October 29, 2013: The Board of Directors of JM Financial Limited, at its meeting held today, considered and approved the unaudited financial results for the quarter and half year ended September 30, 2013.

Consolidated Results – Key Highlights:

FY 14 – Q2 compared to FY 13 – Q2

- Total income increased by 1.07 % to Rs. 247.67 crore from Rs. 245.03 crore.
- The profit before tax increased by 23.67 % to Rs. 68.26 crore from Rs. 55.20 crore
- Net profit after tax, minority interest and share of associates rose by 49.47 % to Rs. 50.40 crore from Rs. 33.72 crore.

The Earnings per share and Diluted Earnings per share, for the quarter ended September 30, 2013 is Re. 0.67 and 0.66 respectively (not annualised).

FY 14 – H1 compared to FY 13 – H1

- Total income increased by 6.88 % to Rs. 529.58 crore from Rs. 495.50 crore.
- The profit before tax increased by 30.40 % to Rs. 147.35 crore from Rs. 113.00 crore
- Net profit after tax, minority interest and share of associates rose by 53.47 % to Rs. 105.94 crore from Rs. 69.03 crore.

The Earnings per share and Diluted Earnings per share, for the half year ended September 30, 2013 is Re. 1.40 and 1.38 respectively (not annualised).

Commenting on the results, Mr. Nimesh Kampani, Chairman, JM Financial Group said,

"The uncertain economic environment has put a lot of stress on the financial sector. The Indian markets have been caught in the headwinds of global uncertainty like the impending tapering of easy liquidity by US Fed and increasing political uncertainty on the domestic front.

The new Governor of the RBI, Dr Raghuram Rajan, has begun taking steps in line with his stated objective of controlling inflation by maintaining a tight monetary policy. He has also emphasised the need to boost financial savings.

We maintained the pace of overall business but were extremely focused on asset quality. The falling volumes in secondary markets and increasing skew towards F & O segments put pressure on broking business. The NSEL episode further dampened the business mood among non-institutional investors."

Business Update

Investment banking and securities business:

During the quarter, the Investment banking business closed the public issue of Non-Convertible Debentures of Shriram Transport Finance Co. Ltd. for Rs. 736 crore. We also announced the open offer by Diageo and United Spirits to public shareholders of Pioneer Distilleries, where we acted as Manager to the open offer. Transactions announced earlier such as tender offer by Aditya Birla Nuvo Limited to public shareholders of Pantaloons Fashions & Retail Limited as part of the scheme of demerger of Pantaloon format business from Future Retail Limited, where we acted as advisors to Aditya Birla Nuvo, closed during the quarter



The Institutional Equities business continues to focus on greater client servicing. We held our Asia conference in August which was attended by 60 investors and 15 corporates and was well received by investors and corporates alike.

In equity brokerage business, the major focus was on advisory based services where brokerage yields are higher. We have a presence in 263 locations spread across 114 cities through a network of branches and franchisees.

In the wealth management business, we retained our focus on providing complete financial and custody solutions to high net worth families and advising large corporate treasuries for their investments and fund raising requirements. Our wealth management business assets under advice stand at around Rs. 18,700 crore as on September 30, 2013. During the quarter, focus for corporate clients was on mobilization of Fixed Income investments through various products like Short Term Funds, Income Funds, Structured Fixed Maturity Plans, Commercial Papers, Certificate of Deposits and Bonds. For High Net worth clients focus was on mobilization of Equity Advisory Assets, Real Estate and related products.

In the distribution business, we continued our focus on mobilization of mutual funds, public issues, fixed deposits and corporate bonds. We have a large network of over 8,500 active IFAs who are distributing various financial products across the country. During the quarter we have mobilised more than Rs. 800 crore in fixed deposit schemes and fixed income products of various companies.

Fund based activities:

The quarter ended September 2013 was one of the most challenging quarters. The pressure created due to monetary policies adopted by the RBI was clearly evident as the rates shot up overnight in short term money market which further resulted into pressure on liquidity. Overall funding book stood at Rs. 2,486 crore. The treasury book for the fixed income securities stood at Rs. 303 crore. The margin earned on assets funded has improved on quarter on quarter basis due to increase in the lending rate.

The Indian Banking sector is grappling with a high level of NPAs. With the expectation that a sizeable proportion of restructured assets will slip into NPAs in the coming years, the distressed assets market should provide more opportunities. The Quarter saw a high level of activity from Banks, announcing a number of portfolio auctions. However, deal closure for stressed asset acquisition remained a challenge and we could only close one deal. Resolution was steady owing to multiple strategies initiated across assets.

Alternative Asset Management:

The combined AUM / AUA of the Private Equity Fund and Real Estate Fund stood at around Rs.1,300 crore at the end of the quarter.

The Private Equity Fund and the Real Estate Fund continue to work closely with portfolio companies in helping them grow their businesses as well as in seeking exit opportunities.

Asset Management:

The average AUM of JM Financial Mutual Fund for the quarter ended September 30, 2013 stood at Rs. 6,235 crore. The average AUM under Equity schemes was at Rs. 443 crore and under Debt Schemes was at Rs. 5,792 crore.

-ends-



The Unaudited financial results are attached. Both, the press release and unaudited financial results are available on our website www.jmfl.com

About JM Financial

JM Financial is an integrated financial services group offering a wide range of capital market services to its corporate and individual clients. The Group's businesses include investment banking, institutional equity sales, trading, research and broking, private and corporate wealth management, equity broking, portfolio management, asset management, commodity broking, fixed income broking, non-banking finance products, private equity and asset reconstruction. For more information, log on to www.jmfl.com

For further information, please contact:

Harshad Apte

Corporate Communications

Tel.: +91 22 6630 3477

Email: harshad.apte@jmfl.com

Manish Sheth

Group Chief Financial Officer

Tel.: +91 22 6630 3460

Email: manish.sheth@jmfl.com

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.