



**JM Financial Limited**  
**39<sup>th</sup> Annual General Meeting**  
**August 6, 2024**



**DIRECTORS ATTENDING THE AGM:**

<b>MR. NIMESH KAMPANI</b>	CHAIRMAN
<b>MR. VISHAL KAMPANI</b>	NON-EXECUTIVE VICE CHAIRMAN
<b>MR. PRADIP KANAKIA</b>	INDEPENDENT DIRECTOR & CHAIRMAN OF THE AUDIT COMMITTEE
<b>MR. P S JAYAKUMAR</b>	INDEPENDENT DIRECTOR & CHAIRMAN OF THE NOMINATION AND REMUNERATION COMMITTEE
<b>MS. JAGI MANGAT PANDA</b>	INDEPENDENT DIRECTOR & CHAIRPERSON OF STAKEHOLDERS' RELATIONSHIP COMMITTEE
<b>MS. ROSHINI BAKSHI</b>	INDEPENDENT DIRECTOR
<b>MR. SUMIT BOSE</b>	INDEPENDENT DIRECTOR
<b>MR. ADI PATEL</b>	MANAGING DIRECTOR

**KEY MANAGERIAL PERSONNEL:**

<b>MR. NISHIT SHAH</b>	CHIEF FINANCIAL OFFICER
<b>MR. HEMANT PANDYA</b>	COMPANY SECRETARY

**Moderator:** Dear Shareholders, good evening and a very warm welcome to the 39th Annual General Meeting of JM Financial Limited held through video conferencing or other audio-visual facility. As a reminder, for the smooth conduct of the meeting, the Members will be in the mute mode, and audio and video will be opened when they will speak at the AGM as per the pre-registration. Please note that as per the requirements, the proceedings of the AGM will be recorded and available on the website of the Company. I now request Mr. Nimesh Kampani - Chairman of JM Financial Limited, to take over the proceedings. Thank you and over to you, Sir.

**Nimesh Kampani:** Good evening, shareholders. I, Mr. Nimesh Kampani – the Chairman of your Company extend a very warm welcome to all of you at the 39th Annual General Meeting of the Company. Hope you are all well and you are very safe. I wish to inform you that this Annual General Meeting is being held through video conferencing and other audio-visual means in accordance with the general circular issued by the Ministry of Corporate Affairs and in accordance with the applicable provisions of the Company’s Act 2013 (the “Act”) and the circular issued by the Securities and Exchange Board of India.

I would now like to introduce my fellow Board Members who had joined the AGM along with me from the Registered Office of the Company in Mumbai. Mr. Vishal Kampani – Non-Executive Vice Chairman; Mr. Pradip Kanakia – Independent Director and the Chairman of the Audit Committee; Mr. P S Jayakumar – Independent Director and the Chairman of the Nomination and Remuneration Committee; Ms. Roshini Bakshi – Independent Director; Mr. Sumit Bose – Independent Director; Mr. Adi Patel – Managing Director. Further Ms. Jagi Mangat Panda – Independent Director and the Chairperson of Stakeholder Relationship Committee has joined this AGM from Bhubaneswar. Mr. Navroz Udawadia, an Independent Director of the company could not attend the AGM due to his other prior commitments. We also have the key managerial person namely Mr. Nishit Shah – the Chief Financial Officer and Mr. Hemant Pandya – the Company Secretary attending the meeting from the registered office.

The representative of Statutory Auditor, Secretarial Auditor and Scrutiniser are also attending this meeting through video conferencing. As the required quorum for the meeting is present, I declare the meeting in order.

The Company has received 5 authorised representations in respect of 36,13,32,008 shares representing 37.81% of the paid share capital of the Company. The Statutory Register including the Register of Directors, the KMPs and their shareholding and the documents mentioned in the AGM notice, etc., are available during the AGM for online inspection by the Members. The annual report for the Financial Year 2023-24 inter alia containing the Notice of the 39<sup>th</sup> Annual General Meeting was sent electronically by e-mail to the Members in compliance with the MCA and SEBI circular.

With the consent of the Members attending the AGM through video conferencing, the Notice conveying the meeting, the Auditors Report and annexure there too, are taken as read. Kindly

note that the Statutory Auditors report on standalone and consolidated financial statement for the financial year ended March 31, 2024 and the Secretarial Audit report do not contain any qualifications, observations, adverse comments, reservation or remark and thus, with the permission of the Members, the said documents are being taken as read.

Remote voting facility. The Members are requested to note that there will be no voting by show of hands. In compliance with the applicable provisions of the Act, the Company had provided to its Members the facility to exercise their right to vote on all the business item to be transacted at this Annual General Meeting through remote voting between August 2, 2024 and August 5, 2024 in proportion of their shareholding as on the cutoff date being July 30, 2024.

Ms. Jayshree S. Joshi, Proprietor of Jayshree Dagli and Associate; Company Secretaries, Mumbai, has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner. Announcement, the facility for the e-voting is also made available during the AGM and will continue to remain open till 15 minutes after the closure of the meeting. The Members attending the AGM through video conferencing shall be able to exercise their right to vote through e-voting facility, provided they have not voted through remote e-voting earlier. I now announce that the e-voting facility has commenced and Members who have not voted can exercise the same.

Dear Members, on my behalf and on behalf of my fellow colleagues on the Board of the Company, I thank you all for joining this meeting today. We achieved a special milestone to the Financial Year 2023-24 as JM Financial Group marked its 50 years of operations. We express our heartfelt gratitude to you for your enduring commitment towards the company, your continued support and trust over the years has been instrumental in our journey.

As you would have observed from the year's Annual Report, the theme of the report is "Solid, Stable, Sustainable". At JM Financial, our foundation is built on the principles of "Stability, Performance and Trust". With the legacy spanning over the five decades, we have consistently delivered exceptional results and provided expertise to gain trust of our clients. Our solid track record is a testament of our commitment to excellence and our ability to navigate the complex financial landscape. Our journey of excellence rests on a foundation of a strong corporate governance, deep rooted values and visionary leadership.

As we look to the future, our deep-rooted principle continues to guide us. We understand that the financial world is rapidly evolving, bringing new opportunities and challenges. Our stability reflects our adaptability and resilience.

We are committed to fostering sustainable growth that benefits not only our clients, but also the communities we serve and the environment we inhabit. By integrating sustainable practices into our operations and investment strategies, we ensure our growth is responsible and inclusive. At JM Financial being a solid, stable and sustainable is more than just a team. It is the essence of who we are and how we operate.

I would now like to mention in brief the global and domestic macroeconomic scenario, uncertainties pertaining to the geopolitical issues between Israel and Gaza to supply side disruption in the Red Sea were amongst the major events that presented numerous challenges marked by volatility and uncertainty. India, however, displayed remarkable resilience, thanks to timely policy intervention by the Reserve Bank of India and the government's proactive fiscal measures and were pivotal in maintaining economic stability. Our equity market thrived, driven by macroeconomic stability and robust corporate earnings momentums underscoring the structural strength of India's economy.

Structural reforms and digital advancements have enhanced the efficiency of the financial ecosystem, positioning India as a key player in the global market. Amidst the backdrop of our business continued to demonstrate robust performance while maintaining stringent focus on governance and improving systems and processes through technology interventions. I am pleased to state that we reported the highest ever annual operating revenue in the Financial Year 2023-24. Our capital market business flourished with the Integrated Investment Bank segment delivering a return on equity of approximately 25%.

I would like to briefly take you through the financial performance for the Financial Year 2023-24:

The consolidated operating profit after tax and loan controlling interest in the Financial Year 2023-24 stood at Rs. 984 crores. During the Financial Year 2023-24, we have taken provision of Rs. 985 crores on certain corporate accounts in our distressed credit business. These provisions primarily include exceptional provision of Rs. 847 crore relating to one large account due to a change in resolution, strategy, plan and events subsequent to the balance sheet date. The impact of this provision, adjusted for tax and non-controlling interest stood at Rs. 574 crore for Financial Year 2023-24. Accordingly, our reported consolidated profit after tax and loan controlling interest for the Financial Year 2023-24 declined by 31% to Rs. 410 crores from Rs. 597 crores in the previous financial year. The Board of Directors of your company has recommended dividend of Rs. 2 per share for the Financial Year 2023-24 as compared to Rs. 1.80 per share paid during the previous year. The final dividend will be paid on or after August 7, 2024 if declared by the Members at the 39th AGM. The performance highlight of the group's various businesses have been mentioned in detail in the management discussion and analyst report, forming part of the annual report for the year 23-24.

#### **Consolidated 1st Quarter Result for the Financial Year '25:**

I am pleased to report that the Board of Directors of the company at this meeting held today has approved the standalone and consolidated financial result for the first quarter ended June 30, 2024. The key highlights of the Consumer Financial proposal Company for the June quarters are [FY 25 – Q1 compared to FY 24 – Q1 (YoY)] total income stood at Rs. 1,094 crores as against Rs. 1,081 crore, profit before tax increased by 6% to Rs. 245 crores from Rs. 230 crores, net profit after tax and before non-controlling interest increased by 6% to Rs. 187 crores from Rs. 176 crores, net profit after tax, non-controlling interest and share of associate increased by 3% to Rs. 171 crores from Rs. 166 crores.

I take the opportunity to thank my colleagues on the Board for their valuable contribution during the year. I would also like to convey my deepest gratitude to all our employees, clients, shareholders and other shareholders for their continued support and cooperation. I also like to thank the Reserve Bank of India, Security and Exchange Board of India and other institutions, which are also involved with us in our regulatory function. I welcome your thoughts and feedback as we look forward to solid, stable and sustainable growth.

We are playing a video of our financial highlight for Financial Year 2023-24 and therefore a short video clipping and also short video clipping on CSR activities undertaken by JM Financial Group. I am sure you will be pleased to see the same. I would like to thank all of you for your time and attention. I now request moderator to play the video for Members viewing. Thank you.

**16.42-28.47 (Audio Visual Presentation)**

**Nimesh Kampani:**

I now request the Company Secretary to read out the ordinary and special business as stated in the notice of the meeting.

**Hemant Pandya:**

Thank you, Sir. I will read out the business as stated in the Notice.

**Item 1:** Adoption of audited standalone financial statements together with the reports of Board of Directors and auditors thereon.

**Item 2:** Adoption of audited consolidated financial statements together with the report of auditors thereon.

**Item 3:** Declaration of dividend for the Financial Year 2023-24.

**Item 4:** Appointment of Mr. Adi Patel, a Director retiring by rotation and being eligible, offers himself for reappointment.

**Item 5:** Appointment of KKC & Associates LLP as the Statutory Auditors of the company for the period of five (5) consecutive financial years commencing from the conclusion of this AGM until the conclusion of the 44<sup>th</sup> AGM and authorise Board of Directors to fix their remuneration.

**Item 6:** Approval for entering into material related party transactions with JM Financial Credit Solutions Limited for an aggregate amount of Rs. 500 crore from the conclusion of Thirty Ninth (39<sup>th</sup>) AGM until the conclusion of Fortieth (40<sup>th</sup>) AGM of the Company to be held in the Financial Year 2025-26.

**Item 7:** Approval for entering into material related party transactions with JM Financial Asset Reconstruction Company Limited for an aggregate amount of Rs. 750 crores from the conclusion of Thirty Ninth (39<sup>th</sup>) AGM until the conclusion of Fortieth (40<sup>th</sup>) AGM of the Company to be held in the Financial Year 2025-26.

**Item 8:** Approval for entering into related party transactions with JM Financial Products Limited for an aggregate amount of Rs. 750 crores from the conclusion of the Thirty Ninth (39<sup>th</sup>) AGM till the conclusion of Fortieth (40<sup>th</sup>) AGM of the Company to be held in the Financial Year 2025-26.

**Item 9:** Approval for entering into material related party transactions with JM Financial Services Limited for an aggregate amount of Rs. 750 crores during the Financial Year 2024-25, including and up to the AGM to be held in the Financial Year 2025-26.

**Item 10:** Approval for related party transactions between the subsidiaries of the Company as outlined in the said resolution.

**Item 11:** Approval for material related party transactions between the Company and INH Mauritius 1, a related party of JM Financial Credit Solutions Limited as outlined in the said resolution.

**Item 12:** Approval for material related party transaction to sell equity shares of JM Financial Asset Reconstruction Company Limited held by the Company to JM Financial Credit Solutions Limited.

I now request the Chairman Sir, to take over the proceedings of the meeting.

**Nimesh Kampani:** May I now request the Moderator to invite the Members who have registered themselves as a speaker to speak in seriatim.

**Moderator:** Thank you very much. Ladies and Gentlemen, we will now begin with the question and answer session. In order to give all the registered speaker Members an opportunity to speak at the meeting, each speaker Member will be allotted 3 minutes each. Members may note that in order to avoid repetition, all questions will be answered after all the registered speaker Members have spoken. We request everyone to remain connected while we bring the speaker shareholders online.

**Moderator:** Our first speaker shareholder is Bimal Kumar Agarwal. Please accept the prompt on your screen to join as panelist and unmute your audio and video.

**Bimal Kumar Agarwal:** Good afternoon to everyone. And good day to everyone. Because it is a video conference, I know people are joining from all over the world. First of all, I thank the Company Secretary and his team for sending me the link and also the moderator for announcing my name. As the share price has escalated so much I got no question to ask and our Company should do very well in future. That is all from me. Thank you very much. And who are your competitor in this business? That is all from me. Thank you. Always continue with video conference since all the people from anywhere can join the meeting. That is all from me. Thank you very much.

**Moderator:** Thank you. Our next speaker shareholder is Ms. Lekha Shah. Please accept the prompt on your screen to join as panelist and unmute your audio and video.

**Lekha Shah:** Respected Chairman Sir, Board of Directors and my fellow Members, good afternoon and regards to everyone, Lekha Shah from Mumbai. First of all, I would like to welcome our new Company Secretary, Hemant bhai. Also, I would like to thank our Company Secretary, Hemantji for giving me the opportunity and for smooth process where I am able to be in front of all in AGM. I got the AGM notice and I am delighted to say AGM report is so beautiful, full of colors, facts and pictures in place. Also, it is really useful with lot of information. Thank you, Chairman Sir, for explaining us well about the Company. Congratulations for excellent work, Sir. Sir, I pray to God, 2024 comes with great prosperity for our Company. Thanks for the dividend, Sir. Chairman, Sir, I hope the Company will continue video conference meeting in future. Again, I thank Hemant bhai for the best performance and always outstanding support for all my doubts. Hence, I have no questions today, Chairman Sir, I totally agree with my previous speaker, Bimal Kumar Agarwal. Please continue video conference meeting in future. So, I strongly and wholeheartedly support all the resolutions for today's meeting. Thank you so much, Sir.

**Moderator:** Thank you very much. Our next speaker shareholder is Mr. Satish Shah. Please go ahead. Kindly accept the prompt and join as panelist and unmute your audio and video.

**Satish Shah:** Director Sir and all management Members, my name is Satish Shah: In your message, you made us understand about the Company very well, done better than video. You said everything in detail. What is the effect of the recent budget on the Company? What is your dividend policy? The CS team has done very well, they have given us all details and gave the link on time, gave us speaker number. The investor service is great. Thank you. I support all the resolution.

**Moderator:** Thank you very much. Our next speaker shareholder is Mr. Himanshu Upadhyay. Kindly accept the prompt and join yourself as a panelist. Himanshu, kindly unmute your audio and video and proceed.

**Himanshu Upadhyay:** I have sent a list of questions, but I will read few of them. So, we have spoken about being optimistic on our integrated investment banking, retail mortgage and Platform AWS businesses, but nothing about our wholesale funding ARC and FIF business. Should we assume that they are not core to the organisation? Secondly, we have stated that we want to pivot wholesale credit business to syndicating transactions, but can it be scaled to a size of Rs. 15,000 crores loan book and where it can contribute, let us say Rs. 400 crore type of bottomline which was there in the previous cycle in next many years? The next question is if we aspire to reach the previous heights in this wholesale business, what capabilities would we need to develop and what progress have we made to remodel this business? And similar question is also on the FIF business because some of these changes will be happening on FIF and ARC businesses also? Fourth, we have stated that risk adjusted returns have reduced in the wholesale business, but what we see is a lot of competition has also stopped doing the business and the challenge of good builders not taking the loans as sales velocity is good, seems to be a cyclical challenge. Hence, it is not the low risk

adjusted return, currently a temporary challenge? Next question again on this wholesale and FIF funding business, where business is going to remodel. Will the underwriting process and follow up for these businesses remain the same or there will be challenges here also when you are remodeling the whole business model? Sixth one, can you give an idea of how and what are we doing to scale fee and commission generating businesses. We have stated that those are our top priorities, but in terms of steps, what you are taking to increase or grow that portion of the business will be helpful. We have stated that we want to have Rs. 6,000 crores AUM in the retail mortgage side from Rs. 3,000 crores in 3 years. We have not seen one full cycle also in this business or a matured stage, are not we being too aggressive in this side of the business? Next is on M&A activity what we were trying to do. Every financial institution will have a core set of people to develop a culture and on that culture that trust develops in the market. When you are evaluating one of the companies for acquisitions or merger, what were you thinking about these aspects and what were the reasons for not going for that M&A activity? Next is, are we interested in inorganic growth opportunities and what type of businesses we would not like to acquire. Again, I am saying we do not or what we will not be acquiring, so that would be helpful? And next is, we have seeded many other businesses like BondsKart, Dwello etc., small businesses, what is the thought process here and can these be of a scale where they can make an impact on the profits of our company? And how do we select businesses we want to enter or do? So, these were some of my questions. Detailed reply will be helpful. Thanks.

**Moderator:** Thank you very much. Our next speaker shareholder is Mr. Vinod Agarwal. Kindly accept the prompt and join as panelist and unmute your audio and video.

**Vinod Agarwal:** Respected Chairman, Mr. Nimesh Kampaniji, MD - Adi Patel, Vice Chairman – Vishal Kampani, CFO - Nishit Shah, CS – Hemant Pandya. Sir, the working of the Company has been good as the PAT was down from Rs. 597 crore to Rs. 410 crores, mainly due to a one off in the JM Financial ARC company which had an impact of about Rs. 890 crores due to some one large resolution plan going there or being rescheduled. Sir, otherwise our Company has been performing well up now we got 4000 employees and even our CSR activities and I am going to the report are so good Sir. In Bihar, you have done Eye Hospital, you are doing it two mobile health units, you are running every day and Project Bachpan for children and all. Sir, very good work you are doing, Sir, and I wish the Company all the best. The assets under management (AUM), the loan book, all which I am seeing in front page of annual report the private wealth management of Rs. 68,105 crore, the loan book, Rs. 12,917 all are very good. So, I can read the figures from the annual report, but that is not the place of reading as they are in front of you, Sir, but I compliment the management and everyone for doing the good work and giving good results to the Company. Signing off Vinod Agarwal from Mumbai. Thank you.

**Moderator:** Thank you very much. Our next speaker shareholder is Rajendra Seth. Please go ahead. Rajendra Seth, kindly unmute your audio and video and proceed with your question. Rajendra Seth, kindly accept the prompt, kindly unmute your line.



- Rajendra Seth:** I am Rajendra Seth from Thane, Maharashtra. I am very happy with the great performance delivered. Only one question, will we be ever be taking interest in investment in Tier 3 and Rural areas? Please could you tell me about it. I support all the resolution and wish you all the best. Thank you for giving the opportunity. Company Secretary team is also doing a great job. Thank you for them too.
- Moderator:** Thank you very much. Our next speaker shareholder is Meenal Bang. Kindly accept the prompt. Meenal Bang. Kindly accept the prompt, kindly unmute your audio and video.
- Meenal Bang :** Am I audible?
- Moderator:** Yes Maam.
- Meenal Bang :** Yeah. Yes. Hi I am Meenal Bang.
- Moderator:** We lost the connection for the speaker shareholder. We move on to next speaker shareholder. Our next speaker shareholder is Anil Parekh. Kindly unmute your audio and video.
- Anil Parekh:** Nimesh Bhai how are you? I hope you are good. We have not met for a long time. It seems difficult in VC. If you can keep the physical AGM that would be great. I have not seen your smiling face for so long time. And I am glad that your son is leading from the front. I am very much happy that he has taken all the charge in his command and I would only say that under his vision and determination we will grow further. Chairman, Sir, I would like to thank our CS team, particularly Hemant bhai and Rajesh bhai and all. They are doing excellent investor relationships and they will be good asset to the Company. Thank you Hemant bhai for doing so good investor relations. Chairman Sir, once again, this is a marvelous year for us and we have reached income of Rs. 4,832 crores and PAT of Rs. 410 crores. We have our locations in our overseas and 215 cities, all round performance, all-in-one all the credit ratings are A+ and AA stable, so that is very good, Sir. That shows your commitment towards the Company and towards the shareholder. Chairman Sir, I have nothing to say about financials. It is very detailed given in the annual report. I am thankful to Hemant bhai for taking each and every minute details to mention it. I would only say that under your dynamic leadership, we will still further grow at a faster pace and we will be becoming one of the finest financial institutions in India. Thanking you all for allowing me to speak and I hope you will think of physical meeting since we have not met since last many years. Thank you, Sir.
- Moderator:** Thank you very much. Our next speaker shareholder is Hodayun Pouredahi, registered, however, has not joined the AGM meeting. We move on to our next speaker shareholder registered Our next speaker shareholder is Rajendra Prasad Joshi. Rajendra Prasad, kindly unmute.
- Rajendra Prasad Joshi:** Nimesh Kampani, Chairman Sir and Vice Chairman Vishal Kampani Sir and other eminent Directors present in the today's AGM, Sir good afternoon to all of you, Sir, Sir, myself, Rajendra Prasad Joshi, shareholder speaking from my residence at Mumbai. Sir, first of all, I was very

happy to see your presentation giving all the activities of the CSR, just now we have given in the AGM. Sir, nice, you are doing a very good service for the society. I wish that you will continue the same way. Secondly, Chairman Sir, I am very much thankful to CS, Company Secretary Shri Hemant Pandya and his team for sending me the annual report well on time. Sir, our CS team is functioning excellently. Mr. Rajas Kulkarni is doing a very good work. He is always on call and replying our queries. I also appreciate Mr. Hemant Pandya. He is very polite and cordial in nature. Sir, I wish him all the best for his career in our Company as Company Secretary. Chairman Sir, our compliments to you and your whole JM team for strong financial performance, resulting in the highest ever quarterly revenues and operating profit for the Q3 Financial Year '24. Our Company has also reported highest ever annual operating revenue this year. Sir, I am very much optimistic of Company's bright future and sustainable growth under the visionary leadership of Shri Nimesh Kampani and Shri Vishal Kampani. Sir, I am very much hopeful and I am very sure that you and Vishal Kampani is handling our Company's matters in an excellent way. I would like ask some of the questions. Sir, which business vertical is highly profitable with better future prospects? Second question is, what are our organic and inorganic growth plans in pipeline? And thirdly, Sir what is our Company's strategy to fight out the acute competition in the market scenario? With this, I thank you very much, Chairman Sir and Company Secretary for giving me this opportunity to speak from this platform. And I also strongly support all the resolutions of today's meeting. Thank you very much, Sir.

**Moderator:** Thank you very much. Our next speaker shareholder is Mr. Bharat Shah, registered, however, has not joined the meeting. We move on to our next speaker shareholder. Our next speaker shareholder is Smita Shah. Kindly accept the prompt and join as panelist and unmute your audio and video.

**Smita Shah:** Dear Chairman Sir, Shri Nimesh bhai, Vice Chairman Shri Vishal bhai, MD Shri Adiji Patel and all management Members, thank you to each one of you. I would like to welcome our New MD Adiji. Also welcome Hemant Pandya Sir too. Hemant Sir is a hard working person and he performs his duty very well. He called us and sent us hard copy, so I thank him for that. I would like to say that, please continue the same way as our ex-Company Secretary Prasanthji maintained a good relation with shareholders. So, like Prasanthji and Dimpleji, you too please keep going forward. Another one is Ajith bhai, we cannot forget him too. He delivers a great service always. So, I thank all the secretarial team. And I congratulate Mr. Nimesh bhai as our Company is completing 50 years. Vishal bhai and all, after seeing all of your photos in the profile, I congratulate and thank everyone. Today, I see your smile faded a little. Please smile and make us smile. Our book value and revenue and everything is increasing. Your CSR activity is excellent. Rs. 1.80 dividend given last time, you have given dividend of Rs. 2 per share this year. Thank you for that. We all have belief in you. We believe we will do great in future. There is no question to you. All our support is with you. So, as usual I support all the resolution. For 5 years I have been seeing you, I would like to tell that you didn't remember us while celebrating Golden jubilee, why Sir? Why this distance? If you did physical meeting, we could have met you face-to-face. It is good to see you in person. So, if possible, before Diwali or after Diwali, please arrange a get together. We would like to see you in person. And Nimesh bhai, we are

small investors, so we connect with you all through the year and in future also. So, all my wishes for a great future. Wish you success in future. My prayers. My only request is for get-together. Our support is with you.

**Bharat Shah:**

I am Bharat Shah, Sir you have drove this company for many years and given great return for shareholders and now we are going to complete 50 years, so I pray to god that we grow 3x or 4x more. So, I thank all of the family Members. Sir, my request is please given bonus every 1 or 2 years. Last bonus when did you give, please tell. CSR activity is great. Please tell the future program for the next 5 years. The new secretary Hemant bhai is handling the investor relations responsibilities effortlessly . He personally called us to ensure that we have received annual report for the year and the speaker shareholder links etc. I thank him and we have with us Prashant bhai, Ajit bhai, and Shantiji, Siddiqaji, I wish all of them for a great success. They solve everything and take us forward. Since 50 years we have completed, please arrange a get together. That is my request. Please conduct hybrid meeting next time. You have always said that shareholder is our family Member, so please meet with us May you have good health, wish you success. I support all the resolution. Thank you.

**Moderator:**

Thank you very much. Our next speaker shareholder is Aspi Bhesania request you to kindly join as panelist.

**Aspi Bhesania:**

Chairman, Sir, I am Aspi from Bombay. Thanks for giving me an opportunity to speak. Sir, why no physical AGM? As requested by others, you should hold a physical AGM from next year. I would like to know how many people have joined from overseas. So, they cannot come and because of that, you are keeping an online meeting, Sir, please request the moderator to announce the speaker number, because otherwise we don't know when to be ready for speaking. Because it is already past 5 o'clock and only 12 speakers are over. So, I welcome Mr. Adi Patel as MD from joint MD. I also welcome our new CFO, Mr. Nishit Shah and I also welcome Mr. Hemant Pandya as Company Secretary. Sir, this is 39th AGM whereas page 10, it is mentioned about Golden Jubilee celebration, how Golden Jubilee in 39 years, if you can explain. Sir, page 6 AUM loan book etc., is shown. Please give previous figures also so that we can compare the growth. Sir, congrats on highest consolidated revenue. Sir, when can we achieve highest consolidated profit of Rs. 773 crores? Sir, there is exceptional loss of Rs. 847 crore in ARC eating two-third of our annual profit. I hope you will ensure that such losses don't occur again. Sir, SEBI and RBI regulatory action was not good. Sir, buyback is ending on 30th September, so I request you to go for a small buyback before 30th September rather than giving a dividend, you can slash the dividend a bit, but go for a buyback because buyback is tax efficient in the hands of the shareholders. Thank you very much and all the best for the future.

**Moderator:**

Thank you very much. Our next speaker shareholder is Kriti Jayantilal Shah, however, has not joined.

We move on to our next speaker shareholder. Our next speaker shareholder is Sharad Shah, registered, however, has not joined the meeting.

Our next speaker shareholder is Davinder Kaur, registered, however, has not joined the meeting.

Our next speaker shareholder is Hitesh Doshi from Nirzar Enterprises, registered, however, has not joined the meeting.

Our next speaker shareholder is Satish Doshi from Nirzar Securities LLP , registered, however, has not joined the meeting. Our next speaker shareholder is Dhruvesh Sanghvi. Kindly accept the prompt and join as panelist.

**Dhruvesh Sanghvi:**

Thank you for the opportunity and I have a couple of questions. So, if you can just give the sense of what is the outcome of the RBI audit related to the capital market funding and what are the remedial steps and generally how does the procedure go ahead in such situations and what is the kind of time that it takes to resolve and if not resolved, what are the implications, financial or non-financial in this area, along with the timelines? Second is, I hope that management is considering quarterly concall. I just wanted to give that as a suggestion. I also wanted to understand that because now we are pivoting away from all the lending businesses and there will still be some lending associated to the investment banking activities. But if within that capital market lending is not allowed, what does happen to the kind of book that we may achieve over the next 3-4 years? Will we have a Rs. 4,000-Rs. 5,000 crores lending book in some other format or no, the need of funds beyond Rs. 2,000-Rs. 3,000 crores is not there if the capital market financing activity is not taken into consideration? In terms of AIF business, I think we are moving towards the fee based AIF businesses and majorly distribution, but will JM be co-lending in all these AIF vehicles and what is the structure like? Is it like we are going to be asset managers and try to pool capital from multiple people the way mutual funds work and many other AIFs work today? And what kind of yields can happen here and what is the size required to achieve any meaningful result in the AIF business? And Sir, last part again, this is slightly philosophical considering 6-7 years of investing with JM with nearly or very poor outcomes and it is not nailing you anywhere, but just trying to as a shareholder, well wisher and also to probe your thoughts that every time I find that we are behind in making a decision in terms of something new which is starting in the industry, whether it is, either we are first and we leave it away like the way we did with mutual funds in the past or the entire private credit space, AIF, the wealth management, everywhere we are only catching up, the digital onboarding, which was not even started before 2020. So, where are we missing? Is it that the Board is so qualified? You are the pioneers in this industry, all the connects are available to you so easily. Why is this foresight or execution being missed consistently? And is it a situation where we will not be able to cope up in any other place because every time when we speak internally with our friends, our colleagues in the industry, the general opinion is that JM is apart from the investment banking where the senior Kampaniji and of course Vishal and all the team has done a phenomenal job, but nowhere else we have been able to make any serious leadership that we ideally were supposed to make because there was definite right to win in your case. And I want your thoughts and maybe if you can touch more upon it rather than just pass it on in one or two statements, and how are we correcting it? And one more, again, this is not a complaint, but an observation after being associated for 6-7 years is the overall culture within the employees in the organization, what I find is people are

just very relaxed. People are extremely satisfied and nowhere in the other financial company I have seen so much satisfaction on the employee front. And due to which the sales hunger is somewhere missing is what I feel as a shareholder who has been associated for a long time. So, yes, these are the mix of observations cum questions and some thoughts if you can just throw some light wherever you can. Thank you.

**Moderator:** Thank you very much. Our next speaker shareholder is Dinesh Bhatia. Requesting you to kindly join as panelist, unmute your audio and video and proceed with the question.

**Dinesh Bhatia:** Thank you for all our management team. I congratulate You are doing a great job in taking Company forward which is very visible by our stock price. The market price of our share which is of face value of Rs. 1 it has closed at Rs. 98 today, this shows the progress of our Company. And the Company which progresses their share prices keeps on increasing. I would also say that secretary department is very excellent. As you guys always wish that your shareholders should be benefited same way your secretary department keeps on informing us and telling us to come to the meeting. This is very satisfying thing for us that they treat us very well. Otherwise, everything else is great. There is nothing to ask but I want to ask one thing that in my family we have a major problem with hospital treatment and in that I have lot of expenses. I will provide all the certificates if you need so if you can let me know whom I should meet and if you can help me with some donation through your finance department. Thank you for giving me an opportunity to speak. I am Dinesh Bhatia from Mumbai. Thank you and all the best.

**Moderator:** Thank you very much. Our next speaker shareholder, Celestine Mascarenhas. Ma'am, I may request you to kindly join as panelist, unmute your audio and video and proceed with your question please.

**Celestine Mascarenhas:** Chairman, Mr. Nimesh Kampani; Vice Chairman - Vishal Kampani; MD - Mr. Adi Patel, other Members of the Board, my dear fellow shareholders, I am Mrs. C. E. Mascarenhas. I am speaking from Mumbai. First of all, I thank the Company Secretary, Mr. Hemant Pandya, and his team, especially Mr. Kulkarni, who sent me an annual report and also registered me as a speaker at my request and also this platform. Only thing the numbers were not given, so we had to just sit in front of the screen all the while, anyway, it is worth it. Then coming to the place and attending the physical annual meet which is travelling in this rain and all is a real hassle. So, I would say, you keep hybrid or you keep this virtual because though we don't get much to interact, but it is worth it. Thank you so much. Now our working is very good. Our annual report is really beautiful, with lots of pictures of all the activities what is going in the company, especially the 50th year celebration. Very good pictures, I am very happy, then lots of information and at the same time self-explanatory adhering to all the norms of corporate governance. Our working is very good revenue up, dividend of Rs. 2 per share is commendable, even market capitalization is good. I endorsed the view of the earlier shareholder also give buyback before September because otherwise even if you give dividend it adds up after this present government everything is adding in your income and it goes to a very high slab and all that capital gains, say short term, long term, which was not there earlier, has all come into and actually what we get ultimately at

the end of the day nothing is remaining. This is what, so it is better if you do it before September what other shareholders said. Now, congratulations for the award and accolades as given on page 51, very good CSR work. I appreciate very much. Now, I come to my queries, number one, have we listed the ESG on any dedicated ESG platform, if so, domestic or international and what is our rating score? Second question is, how many total employees' average age and the attrition level? I come to the third question which already another person had asked, but I have got a different way, we are ranked as number one in the IPO and QIP on Page 27. Recently, there was a ban of IPO financing. What is the status now, whether that is all removed or still it is there? My next question is, we have real estate consulting services, how much revenue we have earned and the margin we get? Five is, our private wealth AUM stands at Rs. 68,105 crores. That is 21% growth Y-o-Y. Any thought of demerging and listing it as a separate entity like many other companies and unlocking the shareholder value? Sixth is, do we have reverse mortgage funding, especially for senior citizens? Last but not the least, future road map for the next five years, any CAPEX plan for organic-inorganic growth and which vertical you people feel will be the biggest growth drivers for the future? With this, I support all the resolutions. I look my company is solid, stable and sustainable and I wish you all very good health because health is wealth. With this, thank you very much. God bless you. Now, Mr. Mascarenhas, he also wants to say, he is also a shareholder.

**Mr. Mascarenhas:** I am a registered shareholder. And with your permission, can I proceed?

**Nimesh Kampani:** Yes.

**Aloysius Mascarenhas:** Thank you very much. Respected Chairman Sir, very distinguished Members of the Board and my fellow shareholders, good evening to you all. My name is Aloysius Mascarenhas. I am a proud shareholder of this prestigious company. I am holding shares of this Company for the last 25 to 30 years. I am seen the ups and down of this Company and now the growth story is very good. And we are going in the right lines and there is lot of IPOs which are coming. I would like to know what is our market share? How much are we feeling in this IPOs as a merchant banker and getting good revenue. And my only question now is about the recent budget. How it has affected us? Whether it is positive or negative to our profitability? Rest all many questions have been asked by my predecessor shareholders and many may ask now in long after me. So, I end my speech. Wishing you personally, all the Board members and more importantly all the employees, all the very best in the days and years to come. With this, Sir, thank you very much for patient hearing. Thank you. God bless you. Good luck, goodbye and good health. Thank you.

**Moderator:** Thank you very much. Our next speaker shareholder is Hiranand Kotwani, kindly accept the prompt and join as panelist and unmute your audio and video.

**Hiranand Kotwani:** Namaste, Nimeshji, Namaste, Vishal. It is a good reason. I have waited for long to see that outcome will be, how many people talk for relevancy. All are respected for certain in this meeting, but even though those are respected, would not be asking the relevant question with the balance sheet, just asking the other things. Comparing to the point gentlemen, you said in

your balance sheet page 30, there are so many particularly 15 times the amount in more than 5,62,000, one of the major was your advisor to the HDFC Bank and giant investor institutions, how much we earn from these transactions? If you can elaborate Rs. 5.62 lakh crore. So, many question has been asked, Mr. Upadhyay has taken one or two question, I will not repeat because the time is an important. And one thing I want to clear that is, so many subsidiaries, in foreign also. You all give the service to the NRI or our organization giving service to the foreign national also. There is an organization of JM at Mauritius, even America. What type of business we do, how much foreign exchange in the year gone by and how the future in this year your business there, because we are booming, even though one or two days, there was a high and low and we see that new low will come within few days and again we will bounce back, what is your call in this regard because the global event are unfold and you are visionary as your father. I know this industry since 42 years. Because I know Mr. Harshad Mehta and gentlemen, one of the great old men at Champaklal. So, what is the vision and mission our business will continue? What headwind will come, particularly one thing which I have read in your some step down subsidiary, what is the relevancy of that? In NCLT one case was there, one stepped down subsidiary was there. What is the relevancy of that? Is there is any trouble, a hit came to you merge with one entity. And stock option, you say the stock options to your employee, what are the rates you give these shares to employees like around 6,00,000 was given this year, what is the criteria? Is it time bound that you give to the shares to the employee because some options are open. Nothing more to it, just can do it. Good wishes in the future resolution and give the reward to the investor. It was like great ups and downs because long way to go. Thank you. Good luck.

**Moderator:** Thank you very much. Our next speaker shareholder is Dileep Kumar Jain. Kindly accept the prompt and join as panelist and unmute your audio and video and proceed with your question.

**Dileep Kumar Jain:** Namaskar Vishal Sir, Nimesh bhai, I am Dileep Kumar Jain from Jaipur, Pink city. It is good seeing the results for this year. The achievements of having AUM around Rs. 68,000 crores in private wealth management is extra ordinary, the target to have AUM of Rs. 6,000 crore in our retail mortgage business by FY27 all are looking very good. Rest everyone has said. So, I do not want to repeat. I just want to convey my warm wishes for the upcoming festivals to the management and Board members. One request is, we are doing great and getting good profit, so please arrange a memento to shareholders. We will feel proud. Thank you.

**Moderator:** Thank you very much. Our next speaker shareholder is Mr. Anil Mehta. Kindly accept the prompt and join as panelist and unmute your audio and video.

**Anil Mehta:** Thank you. Good evening. This is Anil Mehta, attending this meeting from my residence at Mumbai with my all the family members, they are also the shareholders of the Company. We have a few questions, Sir. The question number one, with the increase of globalisation, what has the Company done to increase the international breadth of knowledge and experience on the Board? My second question, how does the management monitor inter-company transactions? Question number three, what are the major opportunities and challenges facing the Company and how does the management plan to respond? Question 4, what are the principal objectives in

the Company's business plan for the next 5 years? Question 5, how does the Company assess its liquidity and availability of the funding sources for operations? And the last question, what is the Company doing to improve the shareholder's revenues? With this, we are supporting all the resolution and thanks to the Secretarial Department for their cooperation and support in nature. All the best. Thank you.

**Moderator:** Thank you very much. We have the line for Meenal Bang reconnected. I will request Meenal Bang to kindly unmute the prompt and join as panelist and unmute your audio and video.

**Meenal Bang:** Good evening. I have joined from Mumbai. I have a couple of questions. I will go one by one. The first question is, as we look at the past 10 years of our performance, what are the things we think we have executed well on which we ensure we think we could have done better? The second question is what are the key learnings of our organization from last 8-10 years across business functions? The third question is our organizational structure is quite top heavy. There are around 30 to 35 Managing Directors across business function. How do we integrate so many opinions and suggestions and I would feel it would be very difficult from a decision making standpoint. Can you just please share your perception on the same? The next question is similar to the above context. Do we see scope to simplify organizational structure? The next couple of questions are on the syndication business that we are looking to build. Where did this idea come from and how does it work? What would be our niche in this area? The next question is, can you please simplify the business model that we are looking at building in this syndication business and the last question is, given that private credit alternative segments are still at a nascent stage and the regulatory environment is still evolving. So, how are we ensuring that in the long run, we don't face any major regulatory hiccups in this business? Thank you.

**Moderator:** Thank you very much. Our next speaker shareholder is Sharad Shah, requesting you kindly unmute.

**Sharad Shah:** With good efforts I could join because you said I have not joined the meeting. Finally, I had sent the mail and then I got it from moderator and she made me to join and on my iPad my name is there. She said you can join only on audio. I said okay, let me speak whatever I want. Sir, now as I was saying good afternoon, but now it is evening Sir and main thing that Chairman speech, you said the Q1 results are very good. So, I am very happy, Sir. And basically I recall page number 247, and this is a standalone report and it is excellent. When I refer page number 329, it is consolidated report and basically it is affected because of the exceptional intents and the fact. So, the performance is lower and the PAT is only Rs. 30.75 crores, at the same time our employment cost is Rs. 795.44 crore. So, it is something that shareholders cannot accept, Sir. And another thing, what I have seen in the page number 125, Sir, the net debt equity ratio is 1.04. So, it looks like that the debt is very high. And when I refer page number 7, it says number of employees are 4000 and when I refer page number 291, it says only 290. So, what is correct that I would like to know? When I refer page number 36, this particular question is also asked somebody, loan against property, but whether we do and a reverse mortgage which is very popular in USA that is not very clear. So, if you can clarify I will be very happy, Sir. And purpose



of joining this meeting is that I will tell you now. I refer page number 27. You have done Tata Technologies IPO, you are Book Running Lead Managers (BRLM) for Tata Technologies IPO and before I have read the RHP and I have written to Prachee Dhuri, then Company and RTA and Prachee Dhuri had confirmed to me that as written in RHP on Page # 459, the allotment to the Tata Motors shareholders is proportionate. And even RTA has confirmed and after that in December, the Tata Motors workout what is proportionate. But while doing the allotments they have not done allotment as per RHP and last 6 months, I am complaining to them and even with Chandrasekhar, I told him finally because he is not able to reply my question because he is at fault. So, what happens? Finally I have to write to him on 15th July that you are a dummy Chairman of Tata Group of Companies because when you made the mistake and when issue comes out correctly, I am really happy with your Prachee Dhuri. She could find out and before the issue opens on 24th November, issue was opened. She has written to me on 22<sup>nd</sup> that allotment should be proportionate and really I appreciate your staff, your Company for guiding people, taking interest of the people, you are not only IPO number one people, but you whatever you see you investor writes to you before IPO, you correctly guide, but it is the and even the Tata Motors people call me in their office, but they could not raise the issue and finally I have to write to the Chairman of Tata Sons that you cannot reply, you cannot accept your mistake and it looks like that you are a dummy Chairman of the Company. Thank you very much for giving me the opportunity. Thank you very much, Sir.

**Moderator:** Thank you very much. Ladies and gentlemen, that was the last speaker shareholder for the day. I now hand the conference to the management. Sir, go ahead.

**Vishal Kampani:** The first question was from Bimal Kumar Agarwal, who are our competition? So, we have many segments of business. So, we have competitors across different segments and generally it would be some of the banks and the bank subsidiaries, which are involved in broking and investment banking and asset management and then there will be standalone players who are involved in same businesses, investment banking, broking as well as asset management. And on the lending side, there are a lot of specialist private equity backed housing finance companies that compete with our retail home loans business and on the wholesale side of the business, again we compete with banks, we compete with AIFs and also foreign banks, through their local branches as well as the international funds that they come and invest in the wholesale side of the business.

The next speaker was Lekha Shah and there was no question. Satish Shah had asked question on dividend policy. Our dividend policy is between 20% and 25% of our profit and we will maintain that kind of consistency.

The next question was from Himanshu Upadhyay on mutual fund. I think the mutual fund business has done extremely well. Our current AUM per July has crossed Rs. 10,000 crores. We started building the business again on the retail side of the business, almost 18 months ago with new management and 18 months ago, I think our AUM was not even Rs. 2,000 crores. So, we have seen a 5X growth in AUM. And we are very excited with the future growth prospects on the mutual fund business.

The next question was from Vinod Agarwal on ARC. The ARC provision is a one off provision due to Ind AS lot of the assets that we were working on were revised upwards many years ago depending on the free cash flow and the amount of capital, we would be able to generate, our returns will be generated from the capital invested over time. Because of the two waves of COVID, the returns that we generated with the final outcome of the sale of the assets were not as per the valuations which we had recorded as per Ind AS and therefore we had to take a technical write down. A large part of it is in one asset and yes, we do not see any of this kind of exceptional item repeating in the future.

Shareholder number 7 was Meenal Bang. You joined later, but we received your list of questions and I will answer them one by one. So, I think your first question is on last 10 years performance. All the things we have executed well and we could have done better. I will answer the second question on what we could have done better. We could have done a lot better on the asset management business. We could have scaled it earlier and faster. We started around, as I said, 18 months to 24 months ago and I think we should have invested more in the asset management and retail side earlier. On the other businesses, I think we have executed most of them very well. And as you know that the wholesale lending businesses have gone through a turbulent time right from IL&FS to COVID related issues, and I think we have come out very strong and come out very well from them. Despite the heavy amount of provisioning that we have done over the years, our organization as a group has still been very profitable and has been paying dividends, which is a very clear sign of very good execution. Execution has to be looked at, not only in good times, but execution also has to be looked at in challenging times. And it is in challenging times when how you execute and how you manage the external environment as well as the internal environment is very critical and I must say the team at JM Financial in the last 5 years, which has been a challenging time, has done extremely well on the wholesale credit side.

On the investment banking and wealth management and broking side, we have done very well. All of our revenues are at all time high last year and God willing if the markets continue with the momentum that we have seen in the last 3 years, then we should again have all time higher revenues and profits in that business this year. Key learnings of our organization last 8 to 10 years across business function, it is a good question, a very philosophical kind of question. There are lots of learnings. We have to on one hand think about, how, where should we be very conservative in the business, where should we not be conservative in the business, for example, again when we look at our wholesale credit businesses, I think we got a bit conservative before the IL&FS crisis and that actually helped us. So, when some people tell us that, oh, it should be aggressive in terms of lending, I think being conservative at that stage turned out to be very positive because we had not envisioned the kind of issues we could have faced with IL&FS and COVID. So, a key learning is that do not get measured always by what your competitor is doing and how fast your competition is growing. Your competition could have different sources of capital. They could have different motivations or they could be private equity backed and they may have a very different risk appetite from yours. And if you are always benchmarking yourself to try and beat competition without keeping all of these factors in mind, that could mean trouble for your business. So, I think understanding how your business is, how your culture is, what is

your Company's risk appetite and how you can manage your asset and liabilities is more important than really always focusing on the competitive aspect, especially on the lending side of the businesses. And on the fee based side, I think the businesses are exceedingly well as I said, we have improved our market share in almost every single business, right from investment banking to broking to wealth management. And we hopefully will do the same for asset management over the next few years.

Organizational structure actually is not top heavy, we are a highly people driven business and for the growth that we are seeing over the next 5-7 years, I must say that 30-35 Managing Directors are not enough, we will see that number scale even bigger over the next couple of years. And I think it is important to have senior people in fee based businesses. These people are the key sort of relationship people who manage all of our client base. Our client base is largely institutional and corporate and very promoter heavy. And so it is very important to have the right senior people who win business for us and manage these relationships for us.

In the above context, do we see scope to simplify organizational structure? Yes, we always looking at scope to simplify organizational structure and if there are tax efficient ways and if there are good reasons to do that which will create more shareholder value, we will be always open to that.

Couple of questions on syndication business that we are looking to build, I think there are some questions around the syndication business even from other shareholders. So, I will just answer that right now. So, it addresses even the questions that come in the future. So, the backdrop on why we have pivoted to off balance sheet model versus on balance sheet model is important for all shareholders to understand. I did explain the same in our conference call earlier in May for our annual results. So, let us understand what we were doing in the wholesale credit business. So, we have 4 businesses. We have the corporate and promoter lending/the bespoke finance business, which works very closely with our investment bank and is focused on giving credit facilities and arranging credit facilities for all of our corporate clients and promoter clients. Then, we have the real estate finance where we do a host of activities, right from land finance, accrual finance, loan against property as well as construction finance and we also do structured credit for real estate developers. Then, we have the distressed credit business, which is housed in our ARC, which again is extremely specialized business and is very risky and requires a lot of attention in terms of how we identify cash flows and how we identify the risk, any underwriting assets and the fourth of course is funding financial institutions and promoters of financial institutions for both their equity requirements and as well as the continuous lines of financing they need on balance sheet. Now, these businesses rely on a good amount of structuring, a good amount of expertise. And what we have seen in the last couple of years is that the capital markets side of this business is gaining a lot of scale and the banking and NBFC side of the business from both regulatory perspective and a liability perspective is facing challenges.

Let me just explain that a little in more detail. So, if you see before the IL&FS crisis prices, there were a lot of banks and NBFCs who were growing the wholesale side of the business quite

aggressively and it was very profitable. We started this business almost more than a decade ago. We also entered into a partnership with some very marquee shareholders including Vikram Pandit and that business saw a very good run for 4-5 years. And then when we saw the situation unfolding in terms of times getting difficult, real estate sales slowing down as well as a slowdown in the general economy, we realized that the original estimates that we had made for recoveries in bad times from bad assets in this business is actually a much more stretched timeline than we had envisaged earlier. So, for example, if we envisaged that on a bad asset, we would take, say, 6 months to 12 months for recovery. The actual recovery timelines are more than 24 to 30 months and this adds a lot of deadweight cost on capital. Point number 2, when things become difficult in the wholesale credit business, the liability cost goes up substantially. So, for example, if you are borrowing at 8.5% and when things get difficult, the liability costs can go up to almost 10.5%-11%. I am just giving an example because this is the kind of fluctuation we have seen in this business. So, what happens is you get squeezed from both ends when you have NPAs and your NPA recovery is delayed. You have deadweight cost of assets sitting on your books which are earning no returns. And second, when your liability costs go up, even though you have a good book which is running well, your returns get squeezed and we did not anticipate when we were building this business at a difficult time. This can blow out a lot of the return on assets that you expect you will still be able to earn and therefore we made a strategic pivot. We also realized that the recovery infrastructure in India is still not in terms of very efficient, well oiled and top class like you see in the Western economies and western markets. In the US and UK, for example, most recovery processes are completed within 12 months and the banks are paid out, or the financiers are paid out. This is not the case in India. So, we realized at the same time that there is a large amount of capital that is moving in the capital markets and very quickly is willing to take risk on assets like this, in the form of alternative investment funds or in the form of private equity and hedge funds sitting internationally who are able to absorb this kind of risk. And this form of capital is not subject to capital requirements because they are more financing funds in nature where they don't have a debt equity requirement and they are able to hold assets for 3 to 4 to 5 years and not see the volatility which one sees on an NBFC or a bank balance sheet. And this volume of money has been steadily increasing in the last couple of years. So, when we wrote down a new business plan with our partners as well as our teams, we figured that we have a great understanding in all of these four segments. Our corporate and bespoke business was always driven through a syndication model for the last couple of years and they have done very well. They have been earning extremely good fees on a syndication model. So, we figured that if the volume of money is going to be larger in the capital market space versus the banking and finance space and there is a squeeze on the P&L and actually resulting in very low ROAs in the business and therefore low ROEs. It makes sense that we pivot using our capital market expertise and a core understanding of structuring and lending on the wholesale side to a syndication led model, a syndication led model where we will sell down a lot of the risk that we are able to originate and underwrite from our balance sheet to people who want to hold this risk long term in their portfolios and that is the ongoing pivot and our action plan is that in this year, this year is a year of consolidation where our loan book will come down substantially because we are not extending new loans as a project financier, but we are structuring, we continue to structure and advise clients to place a lot of their credit requirements

in these capital markets. So, that is simply the pivot. The profitability from this business is very good, is very robust because a significant portion of the profit will come from fee based income and not fund based income. And therefore over time as we scale the syndication business, you will see much stronger ROAs and a lot less cyclical return on equity. So, I just thought I will give a full perspective on what we are trying to do here. It addresses even some of the questions asked by the other shareholders on the same topic.

Rajendra Joshi, your question was what vertical is most profitable. Yes, for us our equity broking and our investment banking business is the most profitable business. And that is because we have taken a significant amount of provisions on our wholesale credit business, specifically in real estate. We don't anticipate further provisions in that starting from next year. I think this year will be the flag end of the provisioning cycle. Again this year, we need to provide only because our loan book is coming down because we are not doing new loans. Otherwise, there is no real need to provide from asset security perspective, it is only to manage the percentage NPA. But I think from next year onwards you will even see a lot of profitability come through from a private credit syndication business. Question on how to fight competition, it is a jungle out there, right, so you have to fight every day.

Next question is from Smita and Bharat Shah on when the last bonus was given. The last bonus was on 8 September 2008. The bonus ratio was raised to 3:2 shares and there was also a split on the same date from Rs. 10 to Rs. 1.

Aspi's question was on 39 years and why not 50. It is because the business was started by a holding company JMFICS and the business actually is 50 years old. From this entity perspective, which is listed, it is 39th year, but from a business perspective, we finish 50 years.

Then we had, I think Sharad Kumar, you have some questions. I think your first question is on consolidated affected by exceptional tax performance lower than previous year. I think the PAT of Rs. 410 crores is after the one off provision that we have made and therefore it is lower and there is only one exceptional provision as I explained in the ARC which has been taken into account and this was our largest account and we don't have any other accounts of this size. And therefore, we do not expect this kind of exceptional provision to come again. And without these additional provisions, the profit after tax would have been Rs. 984 crores. I think 4000 employees on page 291 versus some other number, I think 290. I think you are comparing the consolidated group employees versus the standalone entity. The standalone entity has 290. When you consolidate all our subsidiaries, then the number is 4000.

Net debt equity is very high, 1.04. No, actually it is very low. For a financial institution, debt equity ratio of 1.04 actually is extremely low. It could be different for a manufacturing or a commodity company, but we are a financial services company and these sort of average debt to equity for banks would be almost 8x to 10x and for other NBFCs would be anywhere between 3-5x. So, we would be one of the lowest debt equity and not highest in the industry.

And this reverse mortgage, reverse mortgage actually is a design product for senior citizens in the US for earning income, which is very different from loan against property. Loan against property is largely made for business reasons where people need working capital SMEs needs working capital for their businesses and therefore they pledge their offices or their homes to avail those facilities. So, it is not like-to-like comparable.

I think Dhruvesh you have asked a lot of these same questions in our analyst call in May and I hope I had satisfactorily answered all of those questions then, but I will still answer some of these again, just for your benefit. So, I think, yes. the Group's IB is very strong, and I think Group's Broking also is very strong. The Group's Wealth Management also is very strong and I think in each of those businesses, we have done exceedingly well. Yes, we could be late to investing in asset management, but the results that we have seen in the last 6-8 quarters have been tremendous, which speaks very highly of our brand strength, specifically in retail and HNI in India. Very few AMCs have scaled in equity corpus form less than Rs. 500 crores to Rs. 8,000 crores today in a span of 8-9 quarters. So, I think very strong performance there.

And on digital onboarding, I think yes, we can be considered a late entrant in terms of digital onboarding. But if you remember that pre-COVID, none of the digital companies were making money and I wish I had a futuristic sort of anticipation that COVID would come and after COVID there would be a boom in Demat accounts in the country and that digital would completely go crazy. So, I think if you see the kind of inflection that happened due to COVID in the online and the space of digital onboarding has been unprecedented and there is no physical brokerage in the country who had thought of this or dreamt of this. Having said that, we are taking very good steps. I think a product link at its top class. If you look at the ratings on any App Store, it is higher than most other apps. And we are very excited about a slow and steady progress in terms of making sure that we maintain that app rating. At the same time, we will see our inflection point sometime over the next year to 2 years where this will be a very good sort of stable onboarding for online customers and a great place for them to be able to do business. At the same time, we have been seeing some changes from the regulator here, which are curbs on option trading. Very frankly we welcome them because there is a bit of euphoria when it comes to options and futures trading in the market and needs to cool down. This will also increase brokerage rates by discount brokers across the Board from October 1st and most discount brokers have publicly talked about that again which should help the business build of our digital broking. Currently, we are investing close to Rs. 80- 90 crores a year in this business. We have done that over the last 2 years and I think we will continue doing the same over the next 2 years. On the asset management side, we have invested close to Rs. 70- 80 crores in the last 2 years and I think we will invest an additional Rs. 35- 40 crores this year and a similar amount next year. And we are very confident that these investments will turn into very strong scaled profitable businesses by the year 2027.

Your point on employees is well noted, though I don't get this feedback and I really don't know where you get this feedback from but happy to take it offline from you and again I explained the whole concept of why we are moving to a model which is based more on syndication and less

on balance sheet risk as there are again some regulatory changes also in terms of increase in provisions and regulators not being comfortable with NBFCs doing land financing, which used to be almost 20%-25% of our books. There are a lot of points which I had explained in my May half yearly call, which I think you can refer the call, and you will get most of those answers. Yes, we are moving to a quarterly call from this year and we have a quarterly call scheduled tomorrow for 4 PM. I am sure you have got the invite.

Now, we come to Himanshu Upadhyay. You had some questions. So, I have already sort of answered the question on the wholesale funding business, we are not exiting the business. We are actually just pivoting to a more syndicated model where we will have much lower leverage in that business and we will make up a lot of the ROA in that business by syndication and fees. So, I hope you have been able to answer that question from the earlier sort of explanation.

Your question on if we aspire to reach the previous highs in wholesale business, what capabilities, we already have the capabilities, we do not need to rebuild or remodel the capabilities, we will only be adding more people on the syndication and distribution front, but the capabilities already exist within our firm. Yes, I already explained how the risk adjusted returns have reduced, so you have got that answer.

Question 5 is underwriting process. Again, the underwriting process does not change. As I mentioned on my many half yearly calls before that we have significantly strengthened the underwriting process both for the distress credit business as well as the real estate credit business and those will help us tremendously in underwriting new deals for syndicating wholesale credit. How we are doing and what we are doing to scale fee and commission generating business, which is question 6, yes, we are investing in people, people is most important and I must say that there is a challenge. It is not easy today in a booming market to get the right quality of talent and also the right sort of compensation levels, but we are doing our best. We have made significant progress in strengthening our physical as well as digital infrastructure. As I said we are investing close to almost Rs. 80 to Rs. 90 crores every year in digital and almost a similar amount if we take physical and asset management as well as physical for our retail broking and distribution businesses. So, significant investments are already ongoing last 2 years and as I said, we will continue this year and next year. The Company has set an AUM target of Rs. 6,000 crores in retail mortgage from Rs. 3,000 crores. But this target is for 4 years out. I think it is reasonable. There is a lot of growth in the affordable housing finance space and we are quite confident that in the next 3-4 years, we should be able to achieve Rs. 6,000 crores AUM target.

Indostar, I think Indostar was not an issue on culture. They were a good company and they were a good business. It was an issue on valuation and that is the reason why that transaction did not go through or we wanted a lower valuation as compared to the shareholders of Indostar who wanted a higher valuation for that business. Are we interested in any inorganic opportunities and what type of businesses? Yes, we will always be open to looking at inorganic opportunities, but I must say that the multiples in the business on private transactions today are extremely high and we will shy away from paying any premium, any significant premium for any business. As I

said, we are already investing a lot in growing organically and at least for the next 2 years, I think that will be our focus.

We have seeded many other businesses like BondsKart and Dwello. Can these be of scale? I am happy to report that Dwello has almost achieved a Rs. 30 crores revenue, very granular business which has been built over the last 5 years. And for the quarter of June 2025, they have broken even with a positive cash flow and a positive profit. And we look forward to further profitability and scale in the business. BondsKart is a very small business, but a very important addition for taking bonds to retail India and we will continue investing in that. It is not a lot of investment, it is just a couple of crores in a year at max, but I think it is a very big differentiator.

I think Dinesh, you had some hospital help. We will take it offline.

Celestine Elizabeth, I think ESG listing and score, I don't think we have any ESG listing internationally, but we will keep your suggestions and comments in mind. You talked about a demerger of some of our businesses, I think as I said the next 2 years we are investing more in the asset management, wealth management, broking and investment banking space and that will add a significant amount of scale to a already nicely scaled business that we have. And also you will see the pivot on the private credit side where we move to a more syndication based platform working with AIFs as well as other partner institutions who want to be investors in private credit. So, I think it is really about consolidating that business, bringing down our leverage in the wholesale business, scaling home loans and investing more and scaling asset management, wealth and investment banking, and I think it would be appropriate to see there is a demerger or an organizational sort of structure change if required after 2 years. And all I can say is that we will positively discuss it and view it at that point in time with the Board and the Board will take the decision in the interest of the business at that point. I think today we will continue to just invest and scale these businesses more.

Mr. Kotwani, you had a question on fees, I am sorry to say that we do not disclose fees on our transactions because one is our clients will not like it and second it is competitive information. We don't want our competitors to know how much money we are making on what transactions. So, we cannot disclose account by account fees. Then, the stock options are all given at Re. 1 per share in the holding company and now we have a stock option plan for our subsidiaries which is home loans as well as JM Financial Services where we have wealth and broking and also the mutual fund which is the asset management. And there has been a long request from all of our partners that all of our employees and the key management professionals that they want stock options specifically in the businesses that they run and we have rolled out those plans for, as I said, all three, wealth and broking, asset management and home loans separately in those companies.

So, there is one more question on biggest vertical for the future from Celestine Elizabeth, the biggest vertical will be our wealth management and asset management and broking business, followed by our investment bank.



Then you have Anil Mehta, questions on international Board member. I think we already have an international Board member. He unfortunately could not join the AGM as he was getting married over the weekend, so the good reason to excuse him, but he brings a lot of international experience both from a investment perspective as well as geopolitical perspective. His name is Navroz Udawadia and he is from London. We have another Board Member, Roshini Bakshi who is present here today from Singapore, who also brings a lot of experience of her business in India as well as what she sees in the Southeast Asia and the broader Asia region. So, we already have two members who are not based in India and add tons of experience from the international side for our business here.

How do you monitor intercompany transactions? Yes, all the intercompany transactions are monitored by our controllers group and all of them report into our Group CFO and he is kept posted on a regular basis on all intercompany transactions that happen. And the audit committee also looks at all the other intercompany transactions on a quarterly basis and approves all of them.

I think question on the challenges in the business, I think challenges for us have been last 4-5 years have been recovery. As I mentioned earlier that even our best of estimates are being able to recover from tricky assets over 6-12 month period has become almost 24-36 months. And a lot of senior management time, including my time, Adi Patel and many others has gone into managing the balance sheet and managing recoveries. And I think we are sort of at the fag end of it this year. Other challenges in the business always will be markets will always be how regulators think and how we should think in terms of how regulators want the business to pan out and that risk is top of our mind as you know that we have had some action from RBI and SEBI, I am happy to say that our teams are cooperating extremely well with the regulators and we are hoping that very soon we should hear some positive feedback from RBI on at least the ban on our loan against shares being lifted. IPO funding as a business has been discontinued. I think the format in which RBI and SEBI would want us to be in that business, create some challenges in terms of being able to operate and we completely take on board the comments and suggestions from SEBI and RBI and I have respectfully agreed to close down the IPO funding business. It was not a big contributor to us in that sense, but it was an important business from acquiring new clients in the retail business. But I think we will use our digital mediums both Blinkx as well as Bonds kart to get more customers and try and replace that loss of new client addition which is happening through IPO funding through our online sort of activities.

And your question on liquidity, I think we have a tremendous amount of liquidity. We have seen that liquidity plays a very important role in challenging times in India and we have repeatedly seen over the last 6-7 years that in terms of crisis, the only thing that helps how liquid one is. And so we have always managed a lot of liquidity on our balance sheet and even as of 30th June, our liquidity is almost in the excess of Rs. 3,000 crores. Your question on how to improve shareholder relations, I am very happy to hear your thoughts. You can write to us and we will evaluate the same. I think I have covered all questions. Thank you.

**Nimesh Kampani:** So, the Members are requested to note the e-voting facility, which will continue to remain open on NSDL platform till 15 minutes after the closure of the meeting. I therefore request the Members who have not voted so far to cast their vote. The consolidated result for remote e-voting and e-voting facility will be declared after receipt of Scrutiniser report and the same will be intimated to stock exchanges and will be uploaded on the website of the company and NSDL. I now thank all the Members who participate in the AGM through video conferencing and their cooperation for a smooth conduct of this meeting. The meeting will stand concluded at the end of 15 minutes from now. Thank you all shareholders. Thank you very much. I now close the meeting except the 15 minutes from now you can vote if you are not yet voted. Thank you.

**Moderator:** Thank you very much.

Dear Members, as instructed by the Chairman, we request all the Members participating in the AGM and who have not yet cast their votes to do so in the remaining period of 15 minutes. Thank you.

**15 minutes for e-voting starts**

**Moderator:** Dear Members, the time for e-voting has elapsed. All Members who participated in the Annual General Meeting have been given adequate time and opportunity to vote at the AGM. Accordingly, the proceedings of the AGM conclude. We thank you all for participating in the AGM and e-voting.

The meeting closes.

Thank you.