

July 6, 2024

BSE Limited
Department of Corporate Services
1st Floor, New Trading Ring
Rotunda Building, P J Towers
Dalal Street, Fort,
Mumbai – 400 001

National Stock Exchange of India Limited
Exchange Plaza
Plot No.C-1, G Block
Bandra-Kurla Complex
Bandra (East)
Mumbai – 400 051

Security Code: **523405**

Symbol: **JMFINANCIL**

Dear Sirs,

Sub: Disclosure under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”)

Pursuant to Regulation 30 read with Schedule III to the Listing Regulations, we wish to inform that the Board of Directors (the “**Board**”) of the Company, at its meeting held today, has, *inter alia*,

- i. approved the proposal for acquisition of up to 13,84,087 equity shares representing 48.96% of the equity share capital of JM Financial Credit Solutions Limited (“**JMFCSL**”), a material subsidiary of the Company, from INH Mauritius 1 (“**INH**”), subject to the receipt of the necessary approvals as may be required, in one or more tranches (“**Proposed Acquisition**”) and for entering into the necessary definitive agreement(s) between the parties. The Tranche 1 acquisition shall comprise of acquiring up to 12,15,296 equity shares representing 42.99% of the equity share capital of JMFCSL for a consideration of approximately Rs. 1282 Crore. Post completion of the Proposed Acquisition of Tranche 1, the shareholding of the Company in JMFCSL shall increase from 46.68 % to 89.67%;

and

- ii. approved the proposal for sale of up to 57,09,32,034 equity shares held by the Company, representing 71.79% of the equity share capital of JM Financial Asset Reconstruction Company Limited (JMFARC), a subsidiary of the Company, to JMFCSL, subject to the receipt all the necessary approvals as may be required, for a cash consideration of approximately Rs. 856 Crore (“**Proposed Sale**”) and for entering into the necessary definitive agreement(s) between the parties. Post completion of the Proposed Sale, the shareholding of the Company in JMFARC shall become ‘Nil’ and accordingly, it will cease to be a direct subsidiary of the Company.

JM Financial Limited

Corporate Identity Number: L67120MH1986PLC038784

Regd. Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.

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The required disclosure to be made pursuant to the SEBI Circular no. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, in this regard, for the Proposed Acquisition and Proposed Sale is enclosed and marked as ***Annexure A and Annexure B*** respectively.

The above meeting commenced at 12:00 noon and concluded at 1:45 p.m.

We request you to kindly take the aforesaid disclosure on your record.

Thank you.

Yours truly,
For **JM Financial Limited**

Hemant Pandya
Company Secretary & Compliance Officer

Encl.: as above

Disclosure pursuant to the SEBI Circular no. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023

Sr. No.	Particulars	Details
1.	Name of the target entity, details in brief such as size, turnover, etc.	JM Financial Credit Solutions Limited (“ JMFCSL ”), a material subsidiary of the Company.
2.	Whether the acquisition would fall within related party transaction(s)?	Yes
	Whether the promoter/promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arm’s length”.	No
3.	Industry to which the entity being acquired belongs	Financial Industry (Non-Banking Financial Company).
4.	Objects and impact of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	The Proposed Acquisition provides the Company the ability to leverage its talent pool to significantly scale up the distribution and syndication businesses across asset classes. The Company’s share in the consolidated profits shall increase and accordingly shall have enhanced control of JMFCSL including capital allocation and distribution of profits.
5.	Brief details of any governmental or regulatory approvals required for the acquisition	The aforesaid proposal is subject to receipt of all the approvals including regulatory approvals, if and to the extent required.
6.	Indicative time period for completion of the acquisition	3 – 6 months (approximately)
7.	Consideration - whether cash consideration or share swap or any other form and details of the same	Cash Consideration.
8.	Cost of acquisition and/or the price at which the shares are acquired	Approximately Rs. 1282 Crore for the Tranche 1 acquisition.

9.	Percentage of shareholding/control acquired and/or number of shares acquired	<p>Post completion of the Proposed Acquisition of Tranche 1</p> <p>Pre-acquisition - 46.68 % Post – acquisition – up to 89.67%</p> <p>Post completion of entire Proposed Acquisition:</p> <p>Pre-acquisition - 46.68 % Post – acquisition – up to 95.64%</p>
10.	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	<p>Brief Background:</p> <p>JMFCSL is registered with the RBI as a Systemically Important Non-Deposit taking NBFC. Further, in accordance with the Scale Based Regulations issued by RBI, it is classified as a Middle Layer NBFC (NBFC-ML).</p> <p>Date of Incorporation: May 15, 1980</p> <p>Turnover:</p> <p>FY 2023-24: Rs. 1,304.82 Crore FY 2022-23: Rs. 1,172.54 Crore FY 2021-22: Rs. 1,136.10 Crore</p> <p>Country in which the acquired entity has presence: India</p>

Annexure - B

Sr. No.	Particulars	Details
1.	The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division or undertaking or subsidiary or associate company of the listed entity during the last financial year;	<p>The consolidated total income of JMFARC for the financial year ended March 31, 2024 was Rs. 343.91 Crore</p> <p>Percentage of the consolidated income contributed by JMFARC was 6.08% to the total consolidated income of the Company.</p> <p>The consolidated net worth of JMFARC as on March 31, 2024 was Rs. 595.48 Crore.</p> <p>Percentage of the consolidated net worth contributed by JMFARC was 4.16% to the total consolidated net worth of the Company.</p>
2.	Date on which the agreement for sale has been entered into	The Share Purchase Agreement will be executed on July 6, 2024.
3.	The expected date of completion of sale/disposal	3 - 6 months (approximately), as the aforesaid proposal is subject to receipt of all the approvals including regulatory approvals, if and to the extent required.
4.	Consideration received from such sale/disposal	Approximately Rs. 856 Crore
5.	Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof;	<p>The proposed shares are being acquired by JMFCSL, a material subsidiary of the Company.</p> <p>Currently, JMFCSL holds 9.98% of the equity share capital of JMFARC.</p>
6.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arm’s length”	<p>Yes.</p> <p>The value of the transaction is at arm’s length arrived at as per extant regulations.</p>
7.	Whether the sale, lease or disposal of the undertaking is outside Scheme of Arrangement? If yes, details of the same including compliance with regulation 37A of LODR Regulations.	Not Applicable.

8.	Additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the listed entity with respect to such slump sale.	Not Applicable.
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