

**INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM
CONSOLIDATED FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF
JM FINANCIAL ASSET RECONSTRUCTION COMPANY LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **JM FINANCIAL ASSET RECONSTRUCTION COMPANY LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group") for the half year ended September 30, 2020 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Group's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. The Statement includes the results of the Trusts formed for distressed credit business as listed in Annexure A.
5. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listed Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the matter in which it is to be disclosed, or that it contains any material misstatement.

**Deloitte
Haskins & Sells LLP**

6. We draw attention to Note 4 to the Statement, which describes that the potential impact of the COVID 19 pandemic on the Group's results are dependent on future development, which are highly uncertain.

Our conclusion is not modified in respect of this matter.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
Firm Registration No. 117366W/ W-100018

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Neville Minoo
Daruwalla
Date: 2020.10.19
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Neville M. Daruwalla
Partner
Membership No. 118784
UDIN 20118784AAAAAV7550

Mumbai, October 19, 2020



Annexure A: List of Trusts

JMFARC- BOI 2009 I TRUST
JMFARC- DB ICICI TRUST
JMFARC- DB SBI TRUST
JMFARC- DB DCB TRUST
JMFARC- JORD SUUTI TRUST
JMFARC- PASUPATI SASF TRUST
JMFARC- CENTRAL BANK TUBE TRUST
JMFARC- UTI TUBE TRUST
JMFARC- YARN 2010 TRUST
JMFARC- SASF TUBE TRUST
JMFARC- UCO BANK MARCH 2011 TRUST
JMFARC- TEXTILE 2013 TRUST
JMFARC- CORP TEXTILE 2013 TRUST
JMFARC- CROP APPAREL 2013 TRUST
JMFARC- CENTRAL INDIA 2013 TRUST
JMFARC- DENA BANK MARCH 2014 TRUST
JMFARC- GELATINE MARCH 2014 TRUST
JMFARC- ICICI BANK JULY 2014 TRUST
JMFARC- AXIS BANK CEMENT MARCH 2015 TRUST
JMFARC- ICICI BANK CEMENT JUNE 2015 TRUST
JMFARC- UNITED BANK CEMENT SEPT 2015 TRUST
JMFARC- ICICI GEOMETRIC TRUST
JMFARC- AXIS BANK FEBRUARY 2016 TRUST
JMFARC- INDIAN BANK I MARCH 2016 TRUST
JMFARC- OBC CEMENT MARCH 2016 TRUST
JMFARC- AXIS IRSI II MARCH 2016 TRUST
JMFARC- SBI GEOMETRIC OCTOBER 2016 TRUST
JMFARC- IRIS CASH 2016 TRUST
JMFARC- TATA CAPITAL DECEMBER 2016 TRUST
JMFARC- IDBI MARCH 2017 TRUST
JMFARC- BOB 2008 TRUST
JMFARC- SME RETAIL 2011 TRUST
JMFARC- IOB II MARCH 2011 TRUST
JMFARC- CORP I 2013 TRUST
JMFARC- CORP II 2013 TRUST
JMFARC- RETAIL JUNE 2011 TRUST
JMFARC- RETAIL AUG 2011 TRUST
JMFARC- IRIS IIFL MAY 2017 TRUST
JMFARC- ALHB BANK TEXTILE JUNE 2017 TRUST
JMFARC- ALHB BANK JUNE 2017 TRUST
JMFARC- FEDERAL BANK JUNE 2017 TRUST
JMFARC- IRIS CASH JULY 2017 TRUST
JMFARC- WOODS OCTOBER 2017 TRUST
JMFARC- FABRICS AUGUST 2018 I TRUST
JMFARC- IRIS CASH MARCH 2018 TRUST
JMFARC- METALLICS JULY 2018 TRUST
JMFARC- FEDERAL BANK MARCH 2013 TRUST
JMFARC- FABRICS MARCH 2019 I TRUST

Deloitte
Haskins & Sells LLP

JMFARC- FABRICS SEPT 2018 I TRUST
JMFARC- FABRICS SEPT 2018 II TRUST
JMFARC- PNB IRIS II SEPTEMBER 2018 TRUST
JMFARC- FABRICS JUNE 2018 TRUST
JMFARC- FABRICS JUNE 2019 II TRUST
JMFARC- FABRICS JUNE 2019 III TRUST
JMFARC- FABRICS DECEMBER 2019 I TRUST
JMFARC- MARCH 2018 TRUST
JMFARC- METALLICS FEBRUARY 2018 TRUST
JMFARC- METALLICS NOVEMBER 2018 TRUST
JMFARC- METALLICS DECEMBER 2018 TRUST
JMFARC- KTK METALLICS DECEMBER 2018 TRUST
JMFARC- FABRICS SEPTEMBER 2020 TRUST

JM FINANCIAL ASSET RECONSTRUCTION COMPANY LIMITED
STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR HALF YEAR ENDED SEPTEMBER 30, 2020

Sr. No.	Particulars	(₹ in crore)		
		Half year Ended		Year Ended
		30.09.2020 Unaudited	30.09.2019 Unaudited	31.03.2020 Audited
(I) Revenue from operations				
(i) Interest Income		59.98	106.68	180.67
(ii) Fees and Incentives		78.82	105.75	208.75
(iii) Net gain on fair value changes		42.92	4.05	15.18
(iv) Net gain on derecognition of financial instruments carried at amortised cost		-	-	2.04
		181.72	216.48	406.64
(II) Other Income		1.41	2.68	6.86
(III) Total Income (I+II)		183.13	219.16	413.50
(IV) Expenses				
(i) Finance Costs		134.55	136.71	269.39
(ii) Impairment on financial instruments		1.04	6.19	16.75
(iii) Employee benefits expense		12.20	16.77	19.71
(iv) Depreciation and amortization expense		1.52	1.69	3.24
(v) Others expenses		5.93	9.47	23.64
Total Expenses		155.24	170.83	332.73
(V) Profit before tax (III-IV)		27.89	48.33	80.77
(VI) Tax Expense:				
Current tax		2.43	27.29	47.35
Deferred tax		4.48	(7.97)	(17.24)
Tax adjustment of earlier years (net)		-	-	2.98
Total tax expenses		6.91	19.32	33.09
(VII) Profit after tax (V-VI)		20.98	29.01	47.68
(VIII) Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
- Actuarial (losses) on post retirement benefit plans		#	(0.05)	(0.01)
- Income tax on the above		#	0.02	#
Other Comprehensive Income		#	(0.03)	(0.01)
(IX) Total Comprehensive Income (VII+VIII)		20.98	28.98	47.67
(X) Net Profit attributed to:				
Owners of the Parent Company		20.04	26.24	42.26
Non - Controlling Interests		0.94	2.77	5.42
(XI) Other Comprehensive Income attributed to:				
Owners of the Parent Company		#	(0.03)	(0.01)
Non - Controlling Interests		-	-	-
(XII) Total Comprehensive Income attributed to:				
Owners of the Parent Company		20.04	26.21	42.25
Non - Controlling Interests		0.94	2.77	5.42
(XIII) Paid up equity share capital (Face value Rs.10/-per share)		344.64	344.64	344.64
(XIV) Other Equity (excluding revaluation reserves)				1,105.37
(XV) Earnings per equity share				
Basic EPS (in ₹) (Not annualised)		0.50	0.76	1.23
Diluted EPS (in ₹) (Not annualised)		0.50	0.71	1.23

Denotes amount less than ₹50,000/-



JM Financial Asset Reconstruction Company Limited

(Formerly known as JM Financial Asset Reconstruction Company Private Limited)

Corporate Identity Number : U67190MH2007PLC174287

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

T: +91 22 6630 3030 F: +91 22 6630 3344 www.jmfinancialarc.com

JM FINANCIAL ASSET RECONSTRUCTION COMPANY LIMITED
STATEMENT OF CONSOLIDATED UNAUDITED BALANCE SHEET AS AT SEPTEMBER 30, 2020

(₹ in crore)

Sr. No.	Particulars	As at September 30, 2020	As at March 31, 2020
		Unaudited	Audited
	ASSETS		
(1)	Financial Assets		
(a)	Cash and cash equivalents	46.49	266.67
(b)	Bank Balance other than (a) above	0.76	0.76
(c)	Trade Receivables	184.07	153.74
(d)	Loans	576.02	525.93
(e)	Investments	1,111.06	1,164.22
(f)	Other Financial assets	2,321.53	2,016.16
		4,239.93	4,127.48
(2)	Non-financial Assets		
(a)	Current tax assets (net)	30.98	26.79
(b)	Deferred tax assets (net)	5.36	10.17
(c)	Property, Plant and Equipment	21.71	23.20
(d)	Other Intangible assets	0.04	0.07
(e)	Other non-financial assets	2.50	1.82
		60.59	62.05
	TOTAL ASSETS	4,300.52	4,189.53
	LIABILITIES AND EQUITY		
	LIABILITIES		
(1)	Financial Liabilities		
(a)	Payables		
	(i) total outstanding dues of micro enterprises and small enterprises	-	0.08
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2.08	2.72
(b)	Debt Securities	1,728.91	2,058.25
(c)	Borrowings (Other than Debt Securities)	924.92	508.22
(d)	Other financial liabilities	52.47	64.65
	Total Financial Liabilities	2,708.38	2,633.92
(2)	Non-Financial Liabilities		
(a)	Current tax liabilities (net)	-	6.25
(b)	Provisions	4.67	2.00
(c)	Other non-financial liabilities	23.39	8.58
	Total Non-Financial Liabilities	28.06	16.83
(3)	EQUITY		
(a)	Equity Share capital	344.64	344.64
(b)	Other Equity	1,125.97	1,105.37
	Equity attributable to owners of the Parent Company	1,470.61	1,450.01
(c)	Non Controlling Interests	93.47	88.77
	Total Equity	1,564.08	1,538.78
	TOTAL LIABILITIES AND EQUITY	4,300.52	4,189.53



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JM FINANCIAL ASSET RECONSTRUCTION COMPANY LIMITED
Annexure I - Additional Information

- 1 Details of payment of principal and interest/ premium of the Non-Convertible Debentures as required under regulation 52(4)(d) and Regulation 52(4)(e) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 are as under :

ISIN and Tranche	Previous Due/ Payment Date (April 2020 to September 2020)		Principal		Interest	
	Principal	Interest	Next Due Date	Amount (₹ In Lakh)	Next Due Date	Amount (₹ In Lakh)
INE265J07092 - Option A**#	20-04-2020	20-04-2020	N.A.	N.A.	N.A.	N.A.
INE265J07084 - Option B **#	08-05-2020	08-05-2020	N.A.	N.A.	N.A.	N.A.
INE265J07159**#	02-09-2020	02-09-2020	N.A.	N.A.	N.A.	N.A.
INE265J07159**#	02-09-2020	02-09-2020	N.A.	N.A.	N.A.	N.A.
INE265J07209 - Option A**#	12-05-2020	12-05-2020	N.A.	N.A.	N.A.	N.A.
INE265J07217 ^#	30-04-2020	30-04-2020	N.A.	N.A.	N.A.	N.A.
INE265J07258 - Option A^#	25-08-2020	25-08-2020	N.A.	N.A.	N.A.	N.A.
INE265J07308^#	04-09-2020	04-09-2020	N.A.	N.A.	N.A.	N.A.
INE265J07191 - Option B **	-	-	25-05-2021	1,400.00	N.A.	N.A. (Zero Coupon)
INE265J07191**	-	-	25-05-2021	2,100.00	N.A.	N.A. (Zero Coupon)
INE265J07191**	-	-	25-05-2021	500.00	N.A.	N.A. (Zero Coupon)
INE265J07225**	-	-	15-07-2021	2,800.00	N.A.	N.A. (Zero Coupon)
INE265J07233**	-	-	12-08-2021	1,900.00	N.A.	N.A. (Zero Coupon)
INE265J07241 - Option A**	-	-	15-09-2021	5,000.00	N.A.	N.A. (Zero Coupon)
INE265J07225 - Option B**	-	-	15-07-2021	1,000.00	N.A.	N.A. (Zero Coupon)
INE265J07266 - Option B**	-	-	27-09-2021	13,000.00	N.A.	N.A. (Zero Coupon)
INE265J07233 - Option C**	-	-	12-08-2021	1,150.00	N.A.	N.A. (Zero Coupon)
INE265J07266 - Option A**	-	-	27-09-2021	2,000.00	N.A.	N.A. (Zero Coupon)
INE265J07282 - Option B	-	-	31-08-2021	2,500.00	31-08-2021	256.25
INE265J07233 - Option C**	-	-	12-08-2021	1,950.00	N.A.	N.A. (Zero Coupon)
INE265J07274 - Option D**	-	-	15-09-2021	10,000.00	N.A.	N.A. (Zero Coupon)
INE265J07290**	-	-	29-09-2022	5,000.00	N.A.	N.A. (Zero Coupon)
INE265J07274 - Option A**	-	-	15-09-2021	2,000.00	N.A.	N.A. (Zero Coupon)
INE265J07266 - Option B**	-	-	27-09-2021	1,000.00	N.A.	N.A. (Zero Coupon)
INE265J07324 - Option A	-	-	29-03-2022	15,000.00	29-03-2021	1,725.00
INE265J07316 - Option B	-	-	29-05-2022	15,000.00	29-03-2021	1,725.00
INE265J07332^	-	-	06-11-2020	5,000.00	06-11-2020	777.19
INE265J07340^	-	-	11-01-2021	5,000.00	11-01-2021	778.69
INE265J07365 - Option A	-	-	02-08-2021	10,000.00	02-02-2021	625.10
INE265J07357 - Option B	-	-	02-02-2022	25,000.00	02-02-2021	1,562.74
INE265J07381^	-	-	09-12-2021	10,000.00	09-12-2021	1,919.67
INE265J07373 - Option C	-	-	02-08-2022	15,000.00	02-08-2021	1,875.00

** Zero coupon NCD issued at Face Value. Principle amount is excluding premium to be paid at the time of maturity

^ Market linked Debentures

Redeemed during the period ended September 30, 2020

The Group has paid interest/ premium and principal on Non-Convertible Debentures on due dates.

30.09.2020

- 2 Debt Equity Ratio (Nos. of times) of the Group: 1.80
(Equity excludes non controlling interest and Debt includes the debt component of compulsory convertible debentures)
- 3 Capital Redemption Reserve (₹ in Crore) of the Group: Nil
- 4 Net Worth (₹ in Crore) of the Group: 1,470.61
- 5 Material deviation, if any, in the use of the proceeds from the issue of Non Convertible Debt Securities: None
- 6 The Non-Convertible Debentures are secured by way of mortgage of freehold land and hypothecation and/or pledge of certain identified Security Receipts and/or Priority Loans given by the Group.
- 7 Details of Credit rating and change in credit rating for the Parent Company is given here under:

Rating particulars	Rating Agency	Rating assigned
Commercial Paper Programme	ICRA Limited	ICRA A1+ (Upto limit ₹ 300 crore)
Non-Convertible Debentures	CRISIL Limited	CRISIL A1+ (Upto limit ₹ 300 crore)
	ICRA Limited	ICRA AA - / Stable (Upto limit ₹ 1414.70 crore)
Bank Loan facility	CRISIL Limited	CRISIL AA- / Stable (Upto limit ₹ 800 crore)
	ICRA Limited	ICRA AA - / Stable (Upto limit ₹ 500 crore)
Long Term Principal Protected Market Linked Debentures Programme	CRISIL Limited	CRISIL AA- / Stable (Upto limit ₹ 200 crore)
	ICRA Limited	PP - MLD [ICRA] AA - Stable (Upto limit ₹ 600 crore)

Note:

- i) During the period April 1, 2020 to September 30, 2020, there is no change in credit ratings of the Group.

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JM FINANCIAL ASSET RECONSTRUCTION COMPANY LIMITED
STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR HALF YEAR ENDED SEPTEMBER 30, 2020

Notes:

- 1 The above results have been reviewed and recommended for Board approval by the Audit Committee and approved by the Board of Directors at the meeting held on October 19, 2020.
- 2 The above financial results have been prepared as per format prescribed in Regulation 52 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015. Information as required by Regulation 52(4) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 is as per Annexure 'I' attached.
- 3 The group operates in a segment of distressed credit business and all other activities are incidental to its main business activities as per requirement of Ind AS- 108 on Operating Segment. The reportable business segment is in line with the segment wise information which is being presented to the Chief Operating Decision Maker.
- 4 The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. The Group has, based on current available information, estimated impact on the cash flows in respect of security receipts and also applied management overlays as per the policy approved by the Board of Directors for the purpose of determination of fair value of security receipts and determination of impairment of loans carried at amortised cost.
Given the uncertainty over the potential macro-economic impact, the Group's management has considered internal and external information upto the date of approval of these consolidated financial results. Accordingly, the fair value of security receipts and provision for expected credit loss on loans given to entities covered under the resolution plan recognized as at September 30, 2020 is after considering the potential impact on account the pandemic. Based on the current indicators of future economic conditions, the Group expects to recover the carrying amount of these financial assets.
The extent to which the COVID-19 pandemic will impact the Group's consolidated financial results will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Group. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these consolidated financial results and the Group will continue to closely monitor any material changes to future economic conditions.
- 5 Also refer Statement of Unaudited Consolidated Balance Sheet as at September 30, 2020.

For JM Financial Asset Reconstruction Company Limited

VISHAL
NIMESH
KAMPANI

Vishal Kampani
Director
(DIN - 00009079)

Place: Mumbai
Date: October 19, 2020

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Minoo
Daruwalla

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by Neville Minoo
Daruwalla
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October 19, 2020

To,
JM Financial Asset Reconstruction Company Limited
7th Floor, Energy, Appasaheb Marathe Marg,
Prabhadevi,
Mumbai - 400025

Dear Sir/Madam,

Sub: Certificate of Debenture Trustee under Regulation 52(5) of SEBI (LODR) Regulations, 2015 for September 30, 2020

In compliance of the requirements of Chapter V, Regulation 52, Sub – Regulation (4) and (5) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for Non – Convertible Debentures we would like to state as under:

We, Vistra ITCL (India) Limited, are acting as a Debenture Trustee for the Secured, Rated, Listed, Redeemable, Non-Convertible Debentures raised up to Rs. 1433 Crore issued under various Tranches from time to time by JM Financial Asset Reconstruction Company Limited.

With reference to above, we have received the following documents and have noted its contents without verification.

1. Independent Auditor's Report on Financial Results dated October 19, 2020.
2. Statement of Unaudited consolidated financial results for the half year ended September 30, 2020.
3. Annexure – I – Additional Information as required under regulation 52(4) of SEBI (LODR) Regulations, 2015.

This certificate has been signed and issued by us based on document (mentioned above) provided by you.

Thanking you

Sincerely,

For Vistra ITCL (India) Limited



Authorized Signatory
Place: Mumbai

Registered office:

The IL&FS Financial Centre,
Plot C- 22, G Block, 7th Floor
Bandra Kurla Complex, Bandra (East),
Mumbai 400051

Tel +91 22 2659 3535
Fax: +912226533297
Email: mumbai@vistra.com
www.vistraitcl.com

Vistra ITCL (India) Limited

Corporate Identity Number (CIN):U66020MH1995PLC095507



Ref No.449/STCL/DT/2020-21

Date: 20th October 2020

To,

JM Financial Asset Reconstruction Company Limited

7th Floor, Cnergy, Appasaheb Marathe Marg,
Prabhadevi, Mumbai 400 025

Sub:- Certificate u/s 52(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for the half year ended 30th September 2020.

Dear Sir/ Madam,

We are acting as Debenture Trustee for the Non Convertible Debentures (NCDs) of Rs. 100 Crore issued by JM Financial Asset Reconstruction Company Limited ("Issuer"). Pursuant to Regulation 52(4) read with Regulation 52(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Issuer is required to submit its half yearly financial results with a certificate of Debenture Trustee, that the Debenture Trustee has noted the contents furnished by the issuer as per the Regulation 52(4).

In pursuance thereof we hereby confirm that we have received the aforesaid information vide your email dated October 19, 2020 along with the relevant/ necessary supporting and we have noted the contents of the financial results furnished by the issuer as per the Regulation 52(4) of the Regulations.

**Yours faithfully,
For SBICAP Trustee Company Limited**


Authorized Signatory

