March 17, 2021

JM Financial Products Limited: Ratings reaffirmed; [ICRA]AA (Stable)/PP-MLD[ICRA]AA (Stable) assigned to fresh borrowing programmes; Ratings reaffirmed and withdrawn for matured borrowing programmes

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible Debenture (NCD) Programme	3,565.30	3,565.30	[ICRA]AA (Stable); reaffirmed
NCD Programme	434.70	-	[ICRA]AA (Stable); reaffirmed and withdrawn
NCD Programme	-	434.70	[ICRA]AA (Stable); assigned
Long-term Market Linked Debentures (Principal Protected) {MLD (PP)} Programme	182.60	182.60	PP-MLD[ICRA]AA (Stable); reaffirmed
MLD (PP) Programme	67.40	-	PP-MLD[ICRA]AA (Stable); reaffirmed and withdrawn
MLD (PP) Programme	-	67.40	PP-MLD[ICRA]AA (Stable); assigned
Long-term Bank Lines (Term Loan)	1,325.00	1,025.00	[ICRA]AA (Stable); reaffirmed
Long-term Bank Lines (Unallocated)	615.00	915.00	[ICRA]AA (Stable); reaffirmed
Long-term Bank Lines (Cash Credit)	60.00	60.00	[ICRA]AA (Stable); outstanding
Commercial Paper (CP) Programme	2,500.00	2,500.00	[ICRA]A1+; outstanding
CP Programme (IPO Financing)	3,500.00	3,500.00	[ICRA]A1+; outstanding
Total	**12,250.00**	**12,250.00**	

**Instrument details are provided in Annexure-1*

Rationale

ICRA has withdrawn the ratings assigned to the Rs. 434.70-crore NCD programme and the Rs. 67.40-crore MLD (PP) programme of JM Financial Products Limited (JMFPL) as there is no amount outstanding against these rated instruments. The ratings have been withdrawn at the request of the company and as per ICRA's policy on the withdrawal and suspension of credit ratings.

The ratings factor in the demonstrated track record and established franchise of the JM Financial Group (the Group) in the domestic financial services industry, its diversified revenue stream and healthy financial profile with steady profitability and an adequate capitalisation level. While assigning the ratings, ICRA has taken a consolidated view of the Group (i.e. JM Financial Limited (JMFL) on a consolidated basis) due to the close linkages between the Group entities, given the common promoters and senior management team, shared brand name, and strong financial and operational synergies. Moreover, ICRA expects the financial, managerial and operational support from the Group to continue to be available to all key Group companies.

The strengths are partially offset by the exposure to the volatility in capital markets, the inherent risk profile of key segments like real estate and promoter funding, and the portfolio concentration in the wholesale lending segment (~87% of the total book as on December 31, 2020). The real estate sector has been facing a prolonged slowdown due to subdued sales and lack of funding access. The spread of the Covid-19 pandemic and the resulting nationwide lockdown further impacted the sector. While the pressure on the developers during the lockdown was mitigated due to the moratorium offered for their loan instalments under the Covid-19-related regulatory package announced by the Reserve Bank of India (RBI), a sustained pickup in sales across geographies is key for the developers over the medium term. JMFL's asset quality, though healthy, moderated in recent quarters with the gross non-performing assets (GNPAs) increasing to 1.79%[1] of the loan book as on December 31, 2020 from 1.56% as on December 31, 2019 and 1.65% as on March 31, 2020 (partly due to the base effect of a declining loan book). The special mention accounts-2 (SMA 2) also increased to 6.19%[1] of the loan book as on December 31, 2020 from 1.18% as on December 31, 2019 and 2.64% as on March 31, 2020. While the asset quality remains a key monitorable, the presence of adequate collateral and the Group's conservative underwriting norms, adequate risk management systems and proactive monitoring and resolution process provide comfort.

The Group's capitalisation profile is healthy, with the leverage being lower than that of its peers, which provides it with financial flexibility as well as the ability to absorb losses, if needed. JMFL's consolidated net worth was Rs. 9,314 crore as on December 31, 2020, with a capital adequacy ratio (CRAR) of 41.4%. The company raised equity capital of Rs. 770 crore in June 2020 to shield itself from the uncertainties surrounding the pandemic and its impact on the economy. Supported by the capital raise, the Group's net gearing improved to 0.72 times as on December 31, 2020 from 1.04 times as on March 31, 2020. The Group made additional provisions (including a fair value loss) of Rs. 175.21 crore in Q4 FY2020 and Rs. 185.12 crore in 9M FY2021 (1.7% of average total assets on a cumulative basis) towards the potential impact of the pandemic, as assessed by the management, on the Group's business. Going forward, the Group's ability to manage its asset quality over the near-to-medium-term would remain critical. The ratings also take into account the risks associated with the distressed assets business, given the nature of the underlying assets, the focus on large ticket exposures, the protracted resolution process and the uncertainty associated with the same.

While assigning the ratings, ICRA has noted the continued challenges in resource mobilisation stemming from the current operating environment and the risk-averse sentiment of investors towards non-banks, particularly wholesale-oriented entities. The Group's elevated cost of funds, despite a ~30 bps decline in 9M FY2021 to 9.9% (it had increased by ~80 bps in FY2020), could have a bearing on the Group's profitability and growth potential. However, ICRA notes that the Group raised ~Rs. 370 crore of term loans and Rs. 1,392 crore of NCDs in 9M FY2021, and that the cost of incremental borrowings has been declining. Following the onset of the liquidity crisis for non-banking financial companies (NBFCs), there has been a change in the Group's debt maturity profile with the share of short-term debt declining to ~9% as on March 31, 2020 from ~27% as on March 31, 2019. The share of short-term debt has since increased to ~14% as on December 31, 2020, largely in line with the increase in short-term assets.

Given the prominence of the lending business in the Group's revenue profile, its ability to manage its asset and liability profile, particularly considering the current operating environment, would remain critical. ICRA takes comfort from the Group's adequate liquid assets and its ability to raise funds from the market when required, as demonstrated in the past. As on December 31, 2020, the Group had cash and cash equivalents of Rs. 3,716 crore (~36% of gross debt) and unutilised credit lines of Rs. 800 crore, covering the short-term debt repayments. Going forward, the Group's ability to generate adequate fee income and scale up its lending operations, while keeping the asset quality under check and maintaining a healthy profitability, capitalisation and asset liability profile, would remain critical from a credit perspective.

Key rating drivers and their description

Credit strengths

Established position of the Group in financial services industry – The Group is a diversified financial services entity with a presence in investment banking, retail and institutional equity broking, wealth management, investment advisory services, portfolio management, asset management, commodity broking, securities-based lending, corporate lending, real estate lending, private equity, and asset reconstruction. It is one of the leading entities in capital markets and related businesses with a key focus on investment banking and merchant banking operations and has been a part of many marquee deals. On a consolidated basis, the Group's revenue stream remains well diversified with the investment banking, wealth management & securities (IWS) business, mortgage lending, distressed credit and asset management businesses contributing 47%, 39%, 12% and 2%, respectively, in FY2020.

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[1] GNPAs would have been 3.57% of the loan book and SMA 2 would have been 4.41% of the loan book as on December 31, 2020 without considering the Supreme Court's stay order on the NPA classification of assets post the end of the moratorium on August 31, 2020

Diversification in business profile – The Group, which forayed into the non-capital market lending business in 2008, subsequently diversified its lending portfolio to wholesale mortgage, retail mortgage, and corporate lending. It forayed into the small and medium enterprises (SME) segment in FY2017 and housing finance in FY2018. Currently, the lending business has emerged as a key contributor to revenues. On an overall basis, the Group's loan book contracted by ~18% YoY to Rs. 10,407 crore as on December 31, 2020 from Rs. 12,662 crore as on December 31, 2019 (peak level of Rs. 17,108 crore as on September 30, 2018) due to the liquidity issues prevailing in the industry over the past nine quarters. With the decline in the granular capital markets loan book exceeding the decline in the portfolio, the share of wholesale loans in the total portfolio increased further. As on December 31, 2020, wholesale mortgage, corporate lending, capital markets lending, and retail mortgage accounted for 73%, 14%, 5% and 8%, respectively, of the loan book. The retail mortgage book, one of the focus areas for the Group, grew by ~24% YoY to Rs. 674 crore as on December 31, 2020. While lending has emerged as the largest business activity for the Group, the fee-based businesses continue to account for a sizeable share of the net operating income[2] (~43% in FY2020).

Adequate capitalisation and low leverage at Group level – The Group's capitalisation remains adequate with a consolidated net worth (including non-controlling interest of the Group and net of goodwill on consolidation) of Rs. 9,314 crore and a CRAR of 41.4% as on December 31, 2020 (Rs. 7,993 crore and 38.7%, respectively, as of March 31, 2020). The total borrowings at the consolidated level declined to Rs. 10,384 crore as on December 31, 2020 from Rs. 13,410 crore as on December 31, 2019 (peak debt of Rs. 17,794 crore as on September 30, 2018).

The Group had raised equity capital of Rs. 1,380 crore from external investors during FY2018-FY2019, thereby supporting the overall capitalisation levels and helping it maintain a low leverage. JMFL raised Rs. 770-crore equity through the qualified institutional placement (QIP) route in Q1 FY2021, which further enhanced the Group's capitalisation profile. The consolidated gearing was low at 1.11 times as on December 31, 2020 (1.47 times as on March 31, 2020) compared to 1.71 times as on December 31, 2019. The Group's capitalisation profile remains healthy, with lower leverage compared to peers, and provides adequate cushion against losses, if required. With the Group adopting a conservative approach towards wholesale lending and planning to increase its focus on retail lending, the leverage is expected to remain low over the near term. Over the medium term, the management intends to maintain the gearing under 3 times for the real estate lending business and 2 times for the distressed credit business.

Adequate profitability indicators – The Group's total income declined marginally to Rs. 3,454 crore in FY2020 from Rs. 3,499 crore in FY2019 owing to a moderation in the performance of the asset management business and the distressed assets business. JMFL reported a consolidated net profit (net of non-controlling interest) of Rs. 545 crore in FY2020 with adequate return on assets (RoA)[3] of 3.6% (3.7% in FY2019). The return on equity (RoE)[3] moderated to 10.2% in FY2020 from 12.8% in FY2019. In 9M FY2021, the Group's total income declined by 8.7% YoY primarily because of the decline in the loan book. The net interest margins (NIMs), which remained stable at 6.6% in FY2020 with the transmission of the increase in the cost of funds to the borrowers, improved to 7.6% in 9M FY2021 as the average cost of borrowings moderated to 9.9% in Q3 FY2021 from 10.2% in Q4 FY2020. While the declining loan book and higher provision expenses (including the provisions for the estimated Covid-19 impact on the business) constrained the profitability of the lending business, robust fee income and higher gains from fair value changes supported the Group's profitability in 9M FY2021. JMFL reported a consolidated net profit of Rs. 413 crore in 9M FY2021 (Rs. 414 crore in 9M FY2020) with RoA[3] of 3.6% and RoE[3] of 8.9%.

Credit challenges

Fund-raising challenges for non-bank financiers impacting business; ability to maintain asset and liability profile remains critical – The operating environment for NBFCs and housing finance companies (HFCs), especially entities with sizeable real estate exposure, has remained challenging since September 2018. The risk-averse sentiment of lenders/investors towards real estate lenders has constrained the ability of NBFCs and HFCs, including JMFL, to mobilise long-term resources from diversified sources. The cost of funds increased by ~80 bps YoY in FY2020 (moderated by ~30 bps in 9M FY2021). This, coupled with the

[2] Net operating income = Revenue from operations (excludes net gain on derecognition of financial assets and investments carried at fair value) less finance cost and sub-brokerage, fee and commission expense

[3] RoA and RoE are as per ICRA's calculations

subdued macro-economic and operating environment, has impacted JMFL's ability to grow the lending business and the margins (even for the non-real estate lending businesses). While the Group raised long-term funds of ~Rs. 3,700 crore in FY2020, the same was largely used for meeting debt repayment obligations and reducing commercial paper (CP) borrowings. The Group raised ~Rs. 370 crore of term loans and Rs. 1,392 crore of NCDs in 9M FY2021. ICRA notes that the Group has tied up sizeable 10-year money during the current quarter and has also raised term money from a mutual fund.

Following the onset of the liquidity crisis for NBFCs, there has been a change in JMFL's debt maturity profile. As on March 31, 2020, the share of short-term debt in the total borrowings was ~9% compared to ~27% as on March 31, 2019. The same, however, increased to ~14% as on December 31, 2020. ICRA notes that these short-term liabilities, predominantly in the form of CP and short-term loans, are largely matched by assets with similar maturity such as capital market and trading assets. Given the rising prominence of the lending business, the Group's ability to manage its asset and liability profile would remain critical. ICRA takes comfort from the Group's adequate liquid assets (cash and liquid investments) of Rs. 3,716 crore and undrawn bank lines of Rs. 800 crore as on December 31, 2020, and its ability to raise funds from the market when required, as demonstrated in the past.

High concentration and inherent credit risk in wholesale segment; moderation in asset quality in current fiscal – The Group's loan portfolio largely comprises wholesale lending (~87% of the total book as on December 31, 2020), which includes real estate, promoter funding and corporate loans. The concentration in the wholesale segment could result in a sharp deterioration in the asset quality in case of slippages. The risks are further aggravated by the pandemic-induced stress on the operating environment, which was already facing challenges due to the continued slowdown in the real estate sector and the liquidity squeeze faced by developers and financiers. While residential real estate sales have picked up since Q3 FY2021, a sustained pickup in sales across geographies is key for the sector over the medium term.

The Group's asset quality, though healthy, moderated in recent quarters with the GNPAs increasing to 1.79%[4] of the loan book as on December 31, 2020 from 1.56% as on December 31, 2019 and 1.65% as on March 31, 2020 (partly due to the base effect of a declining loan book). SMA 2 also increased to 6.19%[4] of the loan book as on December 31, 2020 from 1.18% as on December 31, 2019 and 2.64% as on March 31, 2020.

In ICRA's view, the Group's asset quality indicators remain comfortable despite the moderation in recent quarters. The Group's ability to maintain a healthy asset quality in the near term, with the pandemic-linked regulatory forbearance having ended, will be critical from a credit perspective. The presence of adequate collateral and the Group's conservative underwriting norms, adequate risk management systems, and proactive monitoring and resolution process provide comfort. ICRA also draws comfort from the Group's leverage being lower than that of its peers, which provides it with the ability to absorb losses if needed.

Risks associated with distressed assets business given the nature of underlying assets, uncertainty associated with resolution process and large ticket exposures – The Group, through JM Financial Asset Reconstruction Company Limited (JMFARC), is one of the prominent players in the asset reconstruction business, with distressed credit assets under management (AUM) of Rs. 10,915 crore as on December 31, 2020. JMFARC focusses on the large single borrower corporate segment, which is riskier than the retail segment on account of the larger ticket size, higher complexity involved in the transactions and the resolution process, and the high degree of engagement required with promoters. This, along with the inherent risks in the industry given the nature of the underlying asset class and the company's strategy of focussing on resolution through the revival of operations and debt restrictions, can result in a protracted process. The presence in the corporate and SME portfolios consisting of multiple borrowers provides some diversification to the AUM.

Liquidity position: Adequate

As on December 31, 2020, JMFL had cash and cash equivalents of Rs. 3,716 crore and unutilised bank lines of Rs. 800 crore. The Group's liquidity profile is adequate in comparison to its near-term maturities. The Group used the liquidity buffer to buy back its bonds from the secondary market. JMFL had raised equity funds of Rs. 770 crore in June 2020, which strengthened its

[4] GNPAs would have been 3.57% of the loan book and SMA 2 would have been 4.41% of the loan book as on December 31, 2020 without considering the Supreme Court's stay order on the NPA classification of assets post the end of the moratorium on August 31, 2020

liquidity profile. While the Group had offered moratorium benefits to its customers as per the RBI's Covid-19 relief package, it did not avail a moratorium for any of its borrowings. As per the asset-liability statements for the key lending entities in the Group as on December 31, 2020, the cumulative cashflow position remains comfortable for the near term.

Rating sensitivities

Positive factors – ICRA could upgrade the ratings if the Group posts a substantial and sustained improvement in its business performance, characterised by well-diversified growth in the lending portfolio with an increase in granularity, healthy growth in fee-based income and improvement in profitability while maintaining the current capital structure and asset quality.

Negative factors – The ratings or the outlook could be revised if the asset quality deteriorates significantly with the reported GNPAs increasing above 5% on a sustained basis or if there is an increase in the vulnerability of the wholesale loan book/asset reconstruction business. Pressure on the ratings could also emerge if the challenges in funding access for NBFCs continue for a prolonged period with the Group not being able to maintain its current scale of lending operations. A significant deterioration in the profitability, a reduction in the fee-based income and weakening of the capitalisation profile would also be credit negatives.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA's Credit Rating Methodology for Non-Banking Finance Companies Consolidation and rating approach ICRA Policy on Withdrawal and Suspension of Credit Rating
Parent/Group Support	Not applicable; while assigning the ratings, ICRA has taken a consolidated view of the Group (JMFL - Consolidated), given the high operational and managerial linkages between the Group companies and the shared brand name.
Consolidation/Standalone	To arrive at the ratings, ICRA has considered the consolidated financial profile of JMFL. As on March 31, 2020, JMFL had nine subsidiaries, six stepdown subsidiaries, one partnership firm (with two of JMFL's subsidiaries as partners) and one associate company. Details of these companies are provided in Annexure-2.

About the company

JMFPL is a non-deposit accepting systemically important, non-banking financial company (NBFC-ND-SI) registered with the Reserve Bank of India (RBI). It is a 99.44% subsidiary of JMFL, the flagship company of the Group. JMFPL caters to individuals, corporates and SMEs, and operates under various verticals namely structured financing, real estate financing, capital market financing, retail mortgage and financial institution financing. The company forayed into the housing finance business through its 99% subsidiary, JM Financial Home Loans Limited (JMFHL), to diversify its product mix. JMFHL was granted a licence to operate as a housing finance company by National Housing Bank (NHB) in FY2018.

JMFPL had a loan book of Rs. 3,189 crore as on December 31, 2020 (Rs. 3,679 crore as on March 31, 2020), a 23% decline compared to Rs. 4,137 crore as on December 31, 2019. The loan book declined post the crisis in September 2018, impacted further by the uncertainties in the macro-economic and credit environment and the recent Covid-19 pandemic. Over the past few quarters, the company has been focussing on reducing its leverage and shoring up its on-balance sheet liquidity to meet uncertainties. It held liquidity of Rs. 790 crore (excluding undrawn credit lines of Rs. 211 crore) as on December 31, 2020, which constituted ~27% of the total borrowings. The liquidity is held in the form of liquid mutual funds and bank balances and is adequate to meet the near-term debt repayments. As on December 31, 2020, the loan book consisted of corporate loan/structured finance (42%), real estate (25%), capital markets (15%), and retail mortgage and financial institution financing book (18%). JMFHL had a loan book of Rs. 363 crore as on December 31, 2020, which consisted of home loans (71%), loan against properties (19%) and loans to educational institutions (11%).

JMFPL has been reporting steady profitability over the years. The company reported a net profit of Rs. 160 crore on a total income of Rs. 841 crore in FY2020 compared to a net profit of Rs. 204 crore on a total income of Rs. 934 crore in FY2019. In 9M FY2021, the company reported a decline in the total income and profits because of the reduction in the scale of lending operations. It reported a net profit of Rs. 113 crore on a total income of Rs. 519 crore in 9M FY2021 compared to a net profit of Rs. 139 crore on a total income of Rs. 655 crore in 9M FY2020. As on December 31, 2020, JMFPL reported a net worth of Rs. 1,804 crore, with a capital adequacy ratio of 32.7% and a gearing of 1.64 times. JMFPL's net gearing (net debt to equity) was relatively low at 1.23 times as on December 31, 2020.

The company reported GNPAs of 0.04% as on December 31, 2020 as it did not classify the delinquent borrowers as NPA after August 31, 2020, in line with the Supreme Court's interim order directing lending institutions for an account classification standstill post August 31, 2020. The gross stage 3 assets were 1.64% of the loan book as on December 31, 2020 (0.12% as on March 31, 2020). As on December 31, 2020, JMFPL carried a provision for expected credit loss on financial assets of Rs. 150.42 crore (Rs. 95.06 crore as on March 31, 2020), which includes an estimated potential impact due to the pandemic of Rs. 76.97 crore.

In 9M FY2021, JMFPL raised Rs. 550-crore longer-tenure NCDs across investor categories from 1.5 years to 10 years and Rs. 80-crore longer-tenure term loans. In FY2020, the company had raised Rs. 640 crore through the public issuance of NCDs with the tenure ranging from 2 to 10 years. The NCDs were primarily subscribed by retail and high net worth individuals. This has helped the company diversify its sources of borrowing and its investor base. The long-term sources of borrowing formed ~88% of JMFPL's total borrowings as on December 31, 2020.

Key financial indicators of JMFPL

JMFPL	FY2019	FY2020
Total income (Rs. crore)	934	840
Profit after tax (Rs. crore)	204	160
Net worth (including non-controlling interest; Rs. crore)	1,560	1,707
Loan book* (Rs. crore)	5,225	3,735
Total assets* (Rs. crore)	6,155	5,478
Return on assets (%)	3.1%	2.8%
Return on net worth (%)	13.5%	9.8%
Gross gearing (times)	2.9	2.1
Gross NPA (%)	0.07%	0.12%
Net NPA (%)	0.06%	0.08%
CRAR (%)	25.5%	31.9%

***Source**: JM Financial Products Limited and ICRA research; All ratios are as per ICRA calculations*

** Gross of impairment loss allowance*

JM Financial Group

JM Financial is an integrated and diversified financial services group. Its primary businesses include (a) IWS, including fee and fund-based activities for its clients, (b) mortgage lending, which includes both wholesale mortgage lending and retail mortgage lending (home loans, educational institution lending and loan against property), (c) distressed credit, which includes the asset reconstruction business, and (d) asset management, which includes the mutual fund business.

JMFL is the holding company for the operating companies in the Group and is also engaged in investment banking and the management of private equity funds. As on December 31, 2020, the consolidated loan book stood at Rs. 10,407 crore (Rs. 11,531 crore as on March 31, 2020), distressed credit business assets under management (AUM) at Rs. 10,915 crore (Rs. 11,489 crore as on March 31, 2020), wealth management assets under advice (AUA) at Rs. 56,757 crore (Rs. 44,883 crore as on March 31, 2020) and mutual fund quarterly average AUM (QAAUM) at Rs. 3,700 crore (Rs. 6,109 crore as on March 31, 2020). The Group is headquartered in Mumbai and has a presence in 518 locations spread across 166 cities in India. The equity shares of JMFL are listed in India on the BSE and the NSE.

In FY2020, JMFL reported a consolidated net profit (net of non-controlling interest) of Rs. 545 crore on a total income of Rs. 3,454 crore compared with a consolidated net profit of Rs. 572 crore on a total income of Rs. 3,499 crore in FY2019.

Key financial indicators of JM Financial Group

JMFL (Consolidated)	FY2019	FY2020	9M FY2021*
Total income (Rs. crore)	3,499	3,454	2,386
Profit after tax[5] (Rs. crore)	572	545	413
Net worth (including non-controlling interest; Rs. crore)[6]	7,229	7,993	9,314
Loan book (Rs. crore)	14,107	11,531	10,407
Total assets[6] (Rs. crore)	22,588	20,693	21,348
Return on assets (%)	3.7%	3.6%	3.6%
Return on net worth (%)	12.8%	10.2%	8.9%
Gross gearing (times)	1.94	1.47	1.11
Gross NPA (%)	0.68%	1.65%	1.79%
Net NPA (%)	0.55%	1.13%	1.16%
CRAR (%)	31.90%	38.70%	41.40%

Source*: Company, ICRA research; * Provisional numbers; All ratios as per ICRA calculations*

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

[5] Including share in profit of associates and net of non-controlling interest
[6] Net of goodwill on consolidation

Rating history for past three years

	Instrument	Rating (FY2021)					Chronology of Rating History for the past 3 years				
		Type	Amount Rated (Rs. crore)	Amount Outstanding as on Mar 15, 2021 (Rs. crore)	Current Rating	Earlier Rating	Date & Rating in FY2020			Date & Rating in FY2019	Date & Rating in FY2018
					Mar 17, 2021	Feb 26, 2021 Jan 15, 2021 Aug 06, 2020 Apr 13, 2020	Mar 04, 2020 Jan 20, 2020	Aug 06, 2019 Jul 31, 2019 Jul 02, 2019	Jun 03, 2019 May 17, 2019 Apr 17, 2019 Apr 01, 2019	Jan 23, 2019 Jan 14, 2019 Oct 05, 2018 Sep 04, 2018 Jul 27, 2018 Jul 02, 2018 May 10, 2018 Apr 18, 2018	Mar 09, 2018 Feb 05, 2018 Jan 15, 2018 Dec 08, 2017 Dec 04, 2017 Nov 07, 2017 Oct 17, 2017 Oct 10, 2017 Jul 26, 2017 Jul 06, 2017
1	NCD Programme	Long Term	3,565.3	2,369.7	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
2	NCD Programme	Long Term	434.7	-	[ICRA]AA (Stable); withdrawn	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
3	NCD Programme	Long Term	434.7	-	[ICRA]AA (stable)	-	-	-	-	-	-
4	MLD (PP) Programme	Long Term	182.6	125.0	PP-MLD [ICRA]AA (Stable)	PP-MLD [ICRA]AA (Stable)	PP-MLD [ICRA]AA (Stable)	PP-MLD [ICRA]AA (Stable)	PP-MLD [ICRA]AA (Stable)	PP-MLD [ICRA]AA (Stable)	PP-MLD [ICRA]AA (Stable)
5	MLD (PP) Programme	Long Term	67.4	-	PP-MLD [ICRA]AA (Stable); withdrawn	PP-MLD [ICRA]AA (Stable)	PP-MLD [ICRA]AA (Stable)	PP-MLD [ICRA]AA (Stable)	PP-MLD [ICRA]AA (Stable)	PP-MLD [ICRA]AA (Stable)	PP-MLD [ICRA]AA (Stable)
6	MLD (PP) Programme	Long Term	67.4	-	PP-MLD [ICRA]AA (stable)	-	-	-	-	-	-
7	Bank Lines (Cash Credit)	Long Term	60.0	-	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
8	Bank Lines (Term Loan)	Long Term	1,025.0	825.0	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	-	-	-	-
9	Bank Lines (Unallocated)	Long Term	915.0	-	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	-	-	-	-
10	CP Programme	Short Term	2,500.0	668.0	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
11	CP Programme (IPO Financing)	Short Term	3,500.0	1,300.0	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	-	-	-

Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website click here

Annexure-1: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE523H07833	NCD	Jul 20, 2017	0.00%	Sep 02, 2020	14.7	[ICRA]AA (Stable); reaffirmed and withdrawn
INE523H07866	NCD	Sep 28, 2017	8.80%	Sep 28, 2020	120.0	[ICRA]AA (Stable); reaffirmed and withdrawn
INE523H07874	NCD	Nov 15, 2017	8.81%	Nov 13, 2020	300.0	[ICRA]AA (Stable); reaffirmed and withdrawn
INE523H07882	NCD	Nov 21, 2017	0.00%	Apr 30, 2021	173.9	[ICRA]AA (Stable)
INE523H07916	NCD	Dec 08, 2017	0.00%	Apr 06, 2021	54.6	[ICRA]AA (Stable)
INE523H07940	NCD	Feb 07, 2018	9.34%	Apr 23, 2021	209.8	[ICRA]AA (Stable)
INE523H07999	NCD	Sep 07, 2018	364-day T-bill linked	Jun 30, 2022	150.0	[ICRA]AA (Stable)
INE523H07AB3	NCD	Sep 14, 2018	0.00%	Aug 11, 2021	16.5	[ICRA]AA (Stable)
INE523H07AC1	NCD	Sep 14, 2018	0.00%	Sep 13, 2021	40.0	[ICRA]AA (Stable)
INE523H07AD9	NCD	Sep 14, 2018	0.00%	Apr 04, 2022	65.0	[ICRA]AA (Stable)
INE523H07AE7	NCD	Sep 27, 2018	0.00%	Sep 29, 2022	45.0	[ICRA]AA (Stable)
INE523H07AR9	NCD	Oct 18, 2019	10.00%	Oct 18, 2022	50.0	[ICRA]AA (Stable)
INE523H07BD7	NCD	Jul 01, 2020	9.00%	Jun 30, 2023	100.0	[ICRA]AA (Stable)
INE523H07BE5	NCD	Jul 28, 2020	9.10%	Jul 27, 2023	25.0	[ICRA]AA (Stable)
INE523H07BG0	NCD	Oct 06, 2020	8.40%	Apr 06, 2022	150.0	[ICRA]AA (Stable)
INE523H07BH8	NCD	Dec 03, 2020	8.65%	Dec 03, 2030	200.0	[ICRA]AA (Stable)
INE523H07BI6	NCD	Jan 14, 2021	7.75%	Jan 13, 2023	300.0	[ICRA]AA (Stable)
INE523H07BJ4	NCD	Feb 12, 2021 Feb 24, 2021	8.75%	Jun 30, 2023	65.0 30.0	[ICRA]AA (Stable)
INE523H07BK2	NCD	Mar 12, 2021	8.81%	Mar 12, 2031	55.0	[ICRA]AA (Stable)
INE523H07AG2	NCD^	May 21, 2019	9.90%	May 21, 2021	44.3	[ICRA]AA (Stable)
INE523H07AH0	NCD^	May 21, 2019	0.00%	May 21, 2021	9.5	[ICRA]AA (Stable)
INE523H07AI8	NCD^	May 21, 2019	10.20%	May 21, 2022	138.2	[ICRA]AA (Stable)
INE523H07AJ6	NCD^	May 21, 2019	0.00%	May 21, 2022	27.9	[ICRA]AA (Stable)
INE523H07AK4	NCD^	May 21, 2019	10.04%	May 21, 2024	66.9	[ICRA]AA (Stable)
INE523H07AL2	NCD^	May 21, 2019	10.50%	May 21, 2024	100.1	[ICRA]AA (Stable)
INE523H07AM0	NCD^	Sep 11, 2019	10.20%	Nov 11, 2022	64.1	[ICRA]AA (Stable)
INE523H07AN8	NCD^	Sep 11, 2019	0.00%	Nov 11, 2022	10.9	[ICRA]AA (Stable)
INE523H07AO6	NCD^	Sep 11, 2019	10.30%	Sep 11, 2024	29.5	[ICRA]AA (Stable)
INE523H07AP3	NCD^	Sep 11, 2019	9.85%	Sep 11, 2024	15.4	[ICRA]AA (Stable)
INE523H07AQ1	NCD^	Sep 11, 2019	0.00%	Sep 11, 2026	8.3	[ICRA]AA (Stable)
INE523H07AT5	NCD^	Mar 16, 2020	NA	Mar 16, 2022	30.7	[ICRA]AA (Stable)
INE523H07AU3	NCD^	Mar 16, 2020	NA	Jul 16, 2023	4.5	[ICRA]AA (Stable)
INE523H07AV1	NCD^	Mar 16, 2020	NA	Jul 16, 2025	4.1	[ICRA]AA (Stable)
INE523H07AW9	NCD^	Mar 16, 2020	9.50%	Mar 16, 2022	31.1	[ICRA]AA (Stable)
INE523H07AX7	NCD^	Mar 16, 2020	9.70%	Jul 16, 2023	12.5	[ICRA]AA (Stable)
INE523H07AY5	NCD^	Mar 16, 2020	9.29%	Jul 16, 2023	11.4	[ICRA]AA (Stable)
INE523H07AZ2	NCD^	Mar 16, 2020	9.90%	Jul 16, 2025	10.3	[ICRA]AA (Stable)
INE523H07BA3	NCD^	Mar 16, 2020	9.48%	Jul 16, 2025	12.7	[ICRA]AA (Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE523H07BB1	NCD^	Mar 16, 2020	10.00%	Jul 16, 2030	2.4	[ICRA]AA (Stable)
INE523H07BC9	NCD^	Mar 16, 2020	9.57%	Jul 16, 2030	5.0	[ICRA]AA (Stable)
NA	NCD*	NA	NA	NA	1,630.3	[ICRA]AA (Stable)
INE523H07783	MLD (PP)	May 26, 2017	10-yr G-Sec linked	Sep 29, 2020	50.0	PP-MLD[ICRA]AA (Stable); reaffirmed and withdrawn
INE523H07924	MLD (PP)	Dec 14, 2017	10-yr G-Sec linked	Dec 14, 2020	17.4	PP-MLD[ICRA]AA (Stable); reaffirmed and withdrawn
INE523H07AS7	MLD (PP)	Nov 22, 2019	10-yr G-Sec linked	Nov 22, 2021	50.0	PP-MLD[ICRA]AA (Stable)
INE523H07BF2	MLD (PP)	Aug 04, 2020 Aug 26, 2020	10-yr G-Sec linked	Jun 07, 2022	50.0 25.0	PP-MLD[ICRA]AA (Stable)
NA	MLD (PP) *	-	-	-	125.0	PP-MLD[ICRA]AA (Stable)
NA	Term Loan	2017-2020	NA	2021-2024	1,025.0	[ICRA]AA (Stable)
NA	Cash Credit	NA	NA	NA	60.0	[ICRA]AA (Stable)
NA	Unallocated *	NA	NA	NA	915.0	[ICRA]AA (Stable)
INE523H14T96	CP	Jul 15, 2020	8.65%	Mar 30, 2021	200.0	[ICRA]A1+
INE523H14U10	CP	Jul 24, 2020	8.25%	Jul 23, 2021	18.0	[ICRA]A1+
INE523H14U77	CP	Oct 9, 2020	6.95%	May 7, 2021	75.0	[ICRA]A1+
INE523H14V19	CP	Jan 1, 2021	5.75%	Jun 25, 2021	50.0	[ICRA]A1+
INE523H14V84	CP	Feb 23, 2021	7.25%	Feb 23, 2022	150.0	[ICRA]A1+
INE523H14W00	CP	Mar 4, 2021	7.25%	Mar 4, 2022	175.0	[ICRA]A1+
NA	CP Programme*	NA	NA	7-365 days	1,832.0	[ICRA]A1+
INE523H14W26	CP (IPO Financing)	Mar 8, 2021	4.50%	Mar 19, 2021	1,300.0	[ICRA]A1+
NA	CP Programme (IPO Financing)*	NA	NA	7-30 days	2,200.0	[ICRA]A1+

***Source**: JMFPL; * Proposed; ^ Public issue of NCD*

Annexure-2: List of entities considered for consolidated analysis

Company Name	Ownership as on March 31, 2020	Consolidation Approach
JM Financial Limited	Holding Company	ICRA has taken a consolidated view of the parent and its subsidiaries and an associate
JM Financial Asset Management Limited	59.54%	
JM Financial Products Limited	99.35%	
JM Financial Capital Limited	100%	
JM Financial Services Limited	100%	
JM Financial Credit Solutions Limited	46.68%	
JM Financial Asset Reconstruction Company Limited	59.25%	
JM Financial Home Loans Limited	98.36%	
JM Financial Institutional Securities Limited	100%	
JM Financial Trustee Company Private Limited	25%	
JM Financial Overseas Holding Private Limited	100%	
JM Financial Securities Inc.	100%	
JM Financial Singapore Pte Ltd	100%	
JM Financial Commtrade Limited	100%	
JM Financial Properties and Holdings Limited	100%	
Astute Investments	100%	
CR Retail Malls (India) Limited	100%	
Infinite India Investment Management Limited	100%	
J.M. Financial & Investment Consultancy Private Limited	Related Party *	

***Source**: JMFL annual report FY2020*

***Note**: ICRA has taken a consolidated view of the parent (JMFL), its subsidiaries and associates while assigning the ratings*

** Owned by the promoters of JMFL*

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

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