April 21, 2022

JM Financial Products Limited: Ratings reaffirmed

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible Debenture (NCD) Programme	3,743.50	3,743.50	[ICRA]AA (Stable); outstanding
NCD Programme	106.50	106.50	[ICRA]AA (Stable); outstanding
Long-term Market Linked Debentures (Principal Protected) {MLD (PP)} Programme	350.00	350.00	PP-MLD[ICRA]AA (Stable); outstanding
MLD (PP) Programme	50.00	50.00	PP-MLD[ICRA]AA (Stable); outstanding
Long-term Bank Lines (Cash Credit)^	60.00	0.00	-
Long-term Bank Lines (Term Loan)^	75.00	0.00	-
Long-term Bank Lines (Unallocated)^	1,865.00	0.00	-
Long-term Fund-based Bank Lines^	0.00	2,000.00	[ICRA]AA (Stable); reaffirmed
Commercial Paper (CP) Programme (IPO Financing)	4,200.00	4,200.00	[ICRA]A1+; outstanding
CP Programme	2,500.00	2,500.00	[ICRA]A1+; outstanding
Total	**12,950.00**	**12,950.00**	

**Instrument details are provided in Annexure-1; ^Change in limits*

Rationale

The ratings factor in the established track record and position 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 adequate capitalisation level. The ratings also factor in the healthy fee income arising from the agency-based business, which has supported the earnings profile. While arriving at 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, common promoters and senior management team, shared brand name, and strong financial and operational synergies. ICRA expects 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, portfolio concentration given the focus on wholesale lending, and the inherent risk profile of the key segments (real estate and bespoke funding[1] accounted for ~82% of the total book as on December 31, 2021). JMFL witnessed a moderation in its asset quality in the recent past with its gross non-performing assets (GNPAs) increasing to 3.5% of advances (net non-performing assets; NNPAs – 2.0%) as of March 31, 2021 from 1.7% as of March 31, 2020 (NNPA of 1.1%). While the GNPAs improved to 2.3% (NNPAs of 1.4%) as on September 30, 2021, the same inched up to 4.4% (2.8%) as on December 31, 2021. ICRA notes that the total stressed assets (GNPAs + special mention accounts (SMA) 2) have remained largely steady. Additionally, the Group has provided relief through the extension of the date of commencement of commercial operations (DCCO) to ~24% of the total loan book as on December 31,

[1]Bespoke funding represents the corporate and promotor funding portfolio of the Group

2021. The presence of adequate collateral and the Group's underwriting and monitoring processes and systems provide comfort. Also, the Group's healthy capitalisation profile provides it with the ability to absorb losses if required.

The ratings also factor in the risks associated with the distressed assets business, the focus on large-ticket exposures and the high portfolio concentration. The protracted resolution process and associated uncertainties can lead to variability in earnings and cashflows. Going forward, the Group's ability to ensure steady collections (including recoveries in distressed assets business) and maintain a healthy asset quality will remain critical.

While reaffirming the rating, ICRA takes note of the challenges in resource mobilisation stemming from the operating environment and the risk-averse sentiment of investors towards non-banks, particularly wholesale-oriented entities. ICRA also factors in the uptick in fund-raising in the recent past, with an attempt to diversify the resource profile in terms of investors and instrument. Though the quantum remains below the pre-September 2018 level, it is in accordance with the Group's revised growth plans. Going forward, the Group's ability to continue to raise funds at regular intervals from a diversified investor base at competitive rates remains monitorable. 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 also be monitorable.

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, securities equity broking, wealth management, investment advisory services, portfolio management, asset management, wholesale and retail lending, private equity and asset reconstruction. It is one of the leading entities in the 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. The Group forayed into the lending business in 2008 to diversify its portfolio. JMFL commenced the lending business with wholesale financing (real estate and bespoke lending), leveraging its experience in investment banking, and subsequently added retail lending (mortgage-backed retail lending and lending to small and medium enterprises) to its portfolio in FY2017.

Diversification in business profile – On a consolidated basis, the Group's revenue stream remains well diversified with the investment bank, mortgage lending, alternative and distressed credit, and asset and wealth management and securities businesses (Platform AWS) contributing 34%, 31%, 15% and 17%, respectively, to revenues in 9M FY2022 (34%, 38%, 12% and 16%, respectively, in FY2021). Steady fee and advisory income from businesses like securities broking, investment banking, institutional fixed income, private equity funds, investment advisory, wealth management and asset management supports the earnings profile. JMFL had a loan book of Rs. 11,240 crore on a consolidated basis as on December 31, 2021, comprising wholesale mortgage (60%), bespoke lending (22%), capital markets lending (8%), retail mortgage (6%) and financial institution financing (4%). The Group forayed into retail lending in FY2017 through products like home loan, loan against property (LAP) and educational institutions. While the scale of retail operations remains limited at present, the Group is actively looking to ramp up this business and is strengthening its resources/infrastructure for the same. As on December 31, 2021, the Group was operating its retail lending business through 50 branches primarily in Tier II and III cities.

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. 10,269 crore and a CRAR of 44.5% as on December 31, 2021 (Rs. 9,552 crore and 40.2%, respectively, as of March 31, 2021). Total borrowings at the consolidated level declined to Rs. 10,789 crore as on December 31, 2021 from Rs. 12,366 crore as on March 31, 2021 (peak debt of Rs. 17,794 crore as on September 30, 2018).

The capitalisation profile has been supported by regular capital infusions (last round of capital infusion of Rs. 770 crore through qualified institutional placement in Q1 FY2021) and healthy accruals. The consolidated gearing remained comfortable at 1.05 times as on December 31, 2021 (1.29 times as on March 31, 2021 and 1.47 times as on March 31, 2020). The net gearing was

0.68 times as on December 31, 2021 (0.73 times as on March 31, 2021). The Group's capitalisation profile remains healthy, with lower leverage compared to peers, and provides adequate cushion against losses if required. Over the medium term, the Group 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. 3,227 crore in FY2021 from Rs. 3,454 crore in FY2020 owing to a moderation in the performance across businesses. While the cautious growth approach in the lending segment and higher provision expenses (including provisions for the estimated impact of the Covid-19 pandemic on the business) continue to constrain the profitability of the lending business, robust fee income and higher gains from fair value changes[2] supported the Group's profitability in 9M FY2022. The Group's total income (based on gross broking income) increased by 23% to Rs. 2,926 crore in 9M FY2022 from Rs. 2,386 crore in 9M FY2021. The profitability remains healthy with a consolidated net profit (net of non-controlling interest) of Rs. 594 crore in 9M FY2022 (return on assets (RoA)[3] of 4.6%) compared to Rs. 413 crore in 9M FY2021 (RoA[3] of 3.5%) and Rs. 590 crore in FY2021 (RoA[3] of 3.7%). The return on equity[4] (RoE) remained moderate at 10.4% in 9M FY2022 (9.2 % in FY2021), given the lower leverage in the business.

Credit challenges

Moderation in asset quality in recent past; high concentration and inherent credit risk in wholesale segment – The Group's loan portfolio largely comprises wholesale lending (~82% of the total book as on December 31, 2021), which includes real estate and bespoke finance (comprises corporate and promoter funding). The large ticket size exposures and high concentration in the loan book, coupled with the inherent risk profile of these asset classes, could result in a sharp deterioration in the asset quality in case of slippages. The domestic real estate sector had been facing a prolonged slowdown, with subdued sales and consequent inventory overhang leading to debt build-up. Business disruptions on account of the pandemic further exacerbated the issues. While there has been some recovery in recent quarters, particularly for larger developers, a sustained pickup in sales across geographies/segments would remain critical for a meaningful recovery in the sector.

JMFL reported GNPAs of 3.5% of advances (NNPAs of 2.0%) as of March 31, 2021, up from 1.7% (NNPA of 1.1%) as of March 31, 2020. While the GNPAs improved to 2.3% (NNPAs of 1.4%) as on September 30, 2021, the same inched up to 4.4% (NNPAs of 2.8%) as on December 31, 2021. ICRA notes that the total stressed assets (GNPA + SMA 2) have remained largely steady at 6.9% as on December 31, 2021 vis-à-vis 6.8% as on September 30, 2021 (6.4% as on March 31, 2021). Additionally, the Group has provided relief through the extension of the DCCO to ~24% of the total loan book as on December 31, 2021. While the asset quality remains a key monitorable, the presence of adequate collateral and the Group's underwriting and monitoring processes and systems provide comfort. Total provision to total loan book was ~7% as on December 31, 2021.

Risks associated with distressed assets business, given the nature of underlying assets, uncertainty associated with resolution process and large-ticket exposures – JM Financial Asset Reconstruction Company Limited (JMFARCL) is one of the prominent players in the asset reconstruction business, with assets under management (AUM) of Rs. 10,710 crore as on December 31, 2021. It focuses on the large single borrower corporate segment. The portfolio concentration remains high with the top 5 assets accounting for ~69% of the Group's share of security receipts (SR) as of September 2021.

ICRA notes that the resolution of the wholesale/large corporate segment tends to be 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 and the company's strategy of focusing on resolution through the revival of operations can result in a protracted process and variability in earnings and cashflows. The impact of the pandemic and consequent disruptions have further affected the resolution process in the past two fiscals. JMFARCL, however, witnessed an improvement in recoveries in FY2022 at Rs. 1,590 crore in 9M FY2022 compared to Rs. 1,192

[2] Includes gains from treasury operations and distressed asset business

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

[4] Including minority interest

crore in FY2021. Cumulative recoveries increased to Rs. 11,329 crore as of December 31, 2021 from Rs. 9,739 crore as on March 31, 2021. JMFARCL's ability to maintain a healthy recovery performance on a sustained basis would remain critical.

Fund-raising challenges for non-bank financiers impacting business; ability to maintain asset and liability profile remains critical – The operating environment for non-banking financial companies (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 wholesale/real estate-oriented financers to mobilise long-term resources from diversified sources. This, coupled with the subdued macro-economic and operating environment, has impacted the growth in the lending business.

ICRA notes the uptick in fund-raising by JMFL in the recent past, with an attempt to diversify the resource profile in terms of investors {insurance companies, trusts, corporate treasuries, mutual funds, banks, NBFCs, retail investors, high-net-worth individuals (HNIs)} and instruments (market linked debentures, public issuance of debt), though the quantum remains below the pre-September 2018 level. Given the uncertain operating environment, the Group raised Rs. 770 crore capital through a qualified institutional placement in Q1 FY2021. Further, JMFL raised debt of Rs. 7,245 crore in FY2021 and Rs. 4,548 crore in 9M FY2022. Though the Group registered an improvement in the average cost of borrowings in FY2021, it remains high. The cost of funds in FY2021 was 9.2%[5] compared to 10.8%[5] in FY2020 and it inched up to ~9.6%[6] in 9M FY2022. Going forward, the Group's ability to continue to raise funds at regular intervals from a diversified investor base at competitive rates remains monitorable.

JMFL's debt maturity profile has changed following the onset of the liquidity crisis for NBFCs. 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 ~21% as on December 31, 2021. 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 monitorable.

Liquidity position: Adequate

As on December 31, 2021, JMFL had cash and cash equivalents of Rs. 3,854 crore and unutilised bank lines of Rs. 168 crore. The Group's current liquidity profile is adequate for its near-term maturities (debt repayment obligation, including interest, of Rs. 1,791 crore during January 2022 to March 2022). The available liquidity remains in line with the liquidity maintained by the Group over the last four quarters. Further, the latest asset-liability mismatch (ALM) statements[7] of the key lending entities of the Group did not show negative cumulative mismatches in the up to 1 year buckets.

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 the granularity of the asset base, healthy growth in fee-based income, and healthy profitability.

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 consolidated basis) on a sustained basis or if there is an increase in the vulnerability of the

---

[5] *As per ICRA's calculations*

[6] *This ratio is based on the average year-ending numbers for borrowings. As the JMFL Group provides IPO financing, which is a short-term and episodic product, the daily averages for the borrowings are higher than ICRA's calculations. Further, ICRA has used the total* financing *cost, including the cost for IPO finance, in the numerator to arrive at the ratio. This has optically impacted the ratio.*

[7] *ALM statements as on December 31, 2021 of JMFCSL, JM Financial Products Limited and JM Financial Capital Limited and ALM Statement as on September 30, 2021 of JM Financial Home Loans Limited*

wholesale loan book/asset reconstruction business. Pressure on the ratings could also emerge in case of continued challenges in fund-raising (from diverse sources and at competitive rates) for a prolonged period, thereby impacting the Group's ability to maintain its current scale of lending operations. A significant deterioration in the profitability, a reduction in 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
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, 2021, JMFL had nine subsidiaries, six stepdown subsidiaries, one partnership firm (with two of JMFL's subsidiaries as partners) and an associate company. Details of these companies are provided in Annexure-2

About the company

JM Financial Products Limited (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 99.7% subsidiary of JMFL, the flagship company of the Group. JMFPL caters to individuals and corporates, and operates under various verticals, namely bespoke lending, real estate financing, capital market financing, retail mortgage and financial institution financing. The company forayed into the housing finance business through its 90.10% subsidiary, JM Financial Home Loans Limited (JMFHL), to diversify its product mix. JMFHL was granted a licence to operate as an HFC by National Housing Bank (NHB) in FY2018.

JMFPL's gross loan book grew 23% to Rs. 3,838 crore as on December 31, 2021 from Rs. 3,131 crore as on March 31, 2021. The loan book declined post the crisis in September 2018, impacted further by the uncertainties in the macro-economic and credit environment and the ongoing pandemic. Bespoke lending continues to form a major portion of the loan book (~52% as on December 31, 2021; ~42% as on March 31, 2021, excluding initial public offering (IPO) finance book). The loan book, as on December 31, 2021, comprised bespoke finance (52%), real estate (16%), capital markets (18%), and retail mortgage and financial institution financing (14%). JMFHL had a loan book of Rs. 636 crore as on December 31, 2021, comprising home loans (70%), loan against properties (22%) and loans to educational institutions (8%).

JMFPL has been reporting steady profitability over the years. It reported a net profit of Rs. 138 crore on total income of Rs. 661 crore in FY2021 compared to a net profit of Rs. 160 crore on total income of Rs. 841 crore in FY2020. In 9M FY2022, the company reported a profit after tax (PAT) of Rs. 87 crore on total income of Rs. 514 crore. The net worth stood at Rs. 1,911 crore with a capital adequacy ratio of 35.8% and the gearing remained comfortable at 1.6 times as on December 31, 2021. The GNPAs (stage 3) formed 2.6% of the loan book as on December 31, 2021 and the company carried a provision for expected credit loss on financial assets of Rs. 238 crore, including the pandemic-related provision of Rs. 94 crore (Rs. 150 crore as on March 31, 2021, including Rs. 79 crore for potential impact of the pandemic).

As on December 31, 2021, the company held liquidity of Rs. 556 crore in the form of liquid mutual funds and bank balances. This is adequate to meet three months' debt repayments.

Key financial indicators of JMFPL (audited)

JMFPL	FY2019	FY2020	FY2021
Total income (Rs. crore)	934	841	661
Profit after tax (Rs. crore)	204	160	138
Net worth (including non-controlling interest; Rs. crore)	1,560	1,707	1,829
Loan book* (Rs. crore)	5,225	3,735	3,131
Total assets* (Rs. crore)	6,155	5,478	5,604
Return on assets (%)	3.1%	2.8%	2.5%
Return on net worth (%)	13.5%	9.8%	7.8%
Gross gearing (times)	2.9	2.1	1.9
Gross NPA (%)	0.07%	0.12%	1.86%
Net NPA (%)	0.06%	0.08%	1.09%
CRAR (%)	25.5%	31.9%	35.0%

***Source**: JMFPL and ICRA Research; All ratios are as per ICRA's calculations*

** Gross of impairment loss allowance*

JM Financial Group

JM Financial is an integrated and diversified financial services group, engaged in various capital markets related lending activities. The Group's primary businesses include (a) investment bank, which includes bespoke finance (comprising corporate and promoter funding), institutional broking and other investment banking services, (b) mortgage lending, which includes wholesale and retail mortgage-backed lending, (c) alternative and distressed credit, and (d) asset management, wealth management and securities business (Platform AWS)[8].

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, 2021, the consolidated loan book stood at Rs. 11,240 crore (Rs. 10,854 crore as on March 31, 2021), distressed credit business AUM at Rs. 10,710 crore (Rs. 11,060 crore as on March 31, 2021), private wealth management AUM at Rs. 64,683 crore (Rs. 59,052 crore as on March 31, 2021) and mutual fund quarterly average AUM (QAAUM) at Rs. 2,020 crore (Rs. 2,389 crore as on March 31, 2021). The Group is headquartered in Mumbai and has a presence in 624 locations spread across 186 cities in India. JMFL's equity shares are listed in India on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

In 9M FY2022, JMFL reported a consolidated net profit (net of non-controlling interest) of Rs. 594 crore (Rs. 590 crore in FY2021) on total income of Rs. 2,962 crore (Rs. 3,227 crore in FY2021).

Key financial indicators of JM Financial Group (audited)

JMFL (Consolidated)	FY2019	FY2020	FY2021	9M FY2022*
Total income (Rs. crore)	3,499	3,454	3,227	2,926
Profit after tax[9] (Rs. crore)	572	545	590	594
Net worth (including non-controlling interest; Rs. crore)[10]	7,229	7,993	9,552	10,269
Loan book (Rs. crore)	14,107	11,531	10,854	11,240
Total assets[5] (Rs. crore)	22,588	20,693	23,322	22,774
Return on assets (%)	3.7%	3.6%	3.7%	4.4%
Return on net worth (%)	12.8%	10.2%	9.2%	10.4%
Gross gearing (times)	1.94	1.47	1.29	1.05

[8] Till FY2021, the Group's operations comprised the following segments: (a) investment banking, wealth management and securities business, (b) mortgage lending, (c) distressed credit, and (d) asset management

[9] Including share in profit of associates and net of non-controlling interest

[10] Net of goodwill on consolidation

JMFL (Consolidated)	FY2019	FY2020	FY2021	9M FY2022*
Gross NPA (%)	0.68%	1.65%	3.50%	4.4%
Net NPA (%)	0.55%	1.13%	1.95%	2.8%
CRAR (%)	31.90%	38.70%	40.2%	44.5%

***Source**: JMFL, ICRA Research; *Limited review; All ratios as per ICRA calculations*

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Rating (FY2023)				Chronology of Rating History for the Past 3 Years						
		Type	Amount Rated (Rs. crore)	Amount Outstanding as on Apr 01, 2022 (Rs. crore)	Current Rating	Date & Rating in FY2022			Date & Rating in FY2021	Date & Rating in FY2020		
					Apr 21, 2022	Jan 31, 2022	Jul 16, 2021	Jun 21, 2021	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
1	NCD Programme	Long Term	3,743.5	2,609.9	**[ICRA]AA (Stable)**	[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	106.5	-	**[ICRA]AA (Stable)**	[ICRA]AA (Stable)	-	-	-	-	-	-
3	NCD Programme	Long Term	-	-	-	[ICRA]AA (Stable); withdrawn	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
4	NCD Programme	Long Term	-	-	-	-	[ICRA]AA (Stable); withdrawn	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
5	MLD (PP) Programme	Long Term	200.0	200.0	**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)	PP-MLD[ICRA]AA (Stable)
6	MLD (PP) Programme	Long Term	150.0	100.0	**PP-MLD[ICRA]AA (Stable)**	PP-MLD[ICRA]AA (Stable)	PP-MLD[ICRA]AA (Stable)	-	-	-	-	-
7	MLD (PP) Programme	Long Term	-	0.00	-	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)
8	MLD (PP) Programme	Long Term	50.0	-	**PP-MLD[ICRA]AA (Stable)**	PP-MLD[ICRA]AA (Stable)	-	-	-	-	-	-
9	Bank Lines (Cash Credit)	Long Term	-	-	-	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
10	Bank Lines (Term Loan)	Long Term	-	-	-	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	-	-
11	Bank Lines (Unallocated)	Long Term	-	-	-	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	-	-
12	Bank Lines (Unallocated)	Long Term	-	-	-	[ICRA]AA (Stable)	-	-	-	-	-	-
13	Long-term Fund-based Bank Lines	Long Term	2,000.0	375.00	**[ICRA]AA (Stable)**	-	-	-	-	-	-	-
14	CP Programme	Short Term	2,500.0	990.00	**[ICRA]A1+**	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+

15	CP Programme (IPO Financing)	Short Term	4,200.0	-	**[ICRA]A1+**	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	-

Complexity level of the rated instrument

Instrument	Complexity Indicator
NCD Programme	Simple
MLD (PP) Programme	Complex
Bank Lines (Cash Credit)	Simple
Bank Lines (Term Loan)	Simple
Bank Lines (Unallocated)	Not Applicable
CP Programme	Very Simple
CP (IPO Finance) Programme	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: www.icra.in

Annexure-1: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE523H07999	NCD	Sep 07, 2018	364-day T-bill linked	Jun 30, 2022	150.0	[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)
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	155.0	[ICRA]AA (Stable)
INE523H07BM8	NCD	Jul 16, 2021	8.50%	Jul 16, 2031	90.0	[ICRA]AA (Stable)
INE523H07BM8	NCD	Jul 16, 2021	8.50%	Jul 16, 2031	100.0	[ICRA]AA (Stable)
INE523H07BM8	NCD	Jul 16, 2021	8.50%	Jul 16, 2031	35.0	[ICRA]AA (Stable)
INE523H07BM8	NCD	Jul 16, 2021	8.50%	Jul 16, 2031	80.0	[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)
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)
INE523H07BN6	NCD^	Oct 7, 2021	91D T-Bill Linked	Jan 7, 2025	54.2	[ICRA]AA (Stable)
INE523H07BO4	NCD^	Oct 7, 2021	8.20%	Oct 7, 2026	377.1	[ICRA]AA (Stable)
INE523H07BP1	NCD^	Oct 7, 2021	7.91%	Oct 7, 2026	61.8	[ICRA]AA (Stable)
INE523H07BQ9	NCD^	Oct 7, 2021	8.30%	Feb 7, 2030	6.8	[ICRA]AA (Stable)
INE523H07BS5	NCD	Mar 10, 2022	12M MCLR+Spread	Apr 10, 2023	100.0	[ICRA]AA (Stable)
NA	NCD Programme*	NA	NA	NA	1,240.1	[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)
INE523H07BL0	MLD (PP)	Jul 12, 2021	10-yr G-Sec linked	Oct 12, 2023	125.0	PP-MLD[ICRA]AA (Stable)
INE523H07BR7	MLD (PP)	Feb 21, 2022	10-yr G-Sec linked	Aug 21, 2024	100.0	PP-MLD[ICRA]AA (Stable)
NA	MLD (PP) Programme*	-	-	-	100.0	PP-MLD[ICRA]AA (Stable)
NA	Term Loan Fund-based bank Lines	NA	NA	NA	2,000.0	[ICRA]AA (Stable)
INE523H14Y65	CP	Jan 18, 2022	5.59%	Jul 18, 2022	200.0	[ICRA]A1+
INE523H14Y73	CP	Jan 20, 2022	5.59%	Jul 20, 2022	50.0	[ICRA]A1+
INE523H14Z07	CP	Mar 11, 2022	5.76%	Sep 15, 2022	150.0	[ICRA]A1+

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE523H14Z15	CP	Mar 15, 2022	6.40%	Mar 15, 2023	150.0	[ICRA]A1+
INE523H14Z07	CP	Mar 16, 2022	5.76%	Sep 15, 2022	165.0	[ICRA]A1+
INE523H14Z31	CP	Mar 23, 2022	4.95%	May 23, 2022	250.0	[ICRA]A1+
INE523H14Z49	CP	Mar 29, 2022	4.95%	Jun 29, 2022	25.0	[ICRA]A1+
NA	CP Programme*	NA	NA	7-365 days	1,510.0	[ICRA]A1+
NA	CP Programme (IPO Financing)*	NA	NA	7-30 days	4,200.0	[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, 2021	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	99.45%	
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	93.80%	
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 Services Private Limited	Related Party *	

Source*: JMFL*

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

**One of the promoter entities of JMFL, , with a 22.76% stake in JMFL as on September 30, 2021*

ANALYST CONTACTS

Karthik Srinivasan
+91 22 6114 3444
karthiks@icraindia.com

Deep Inder Singh
+91 124 4545 830
deep.singh@icraindia.com

Kruti Jagad
+91 22 6114 3447

kruti.jagad@icraindia.com

Subhrajyoti Mohapatra
+91 22 6114 3446
subhrajyoti.mohapatra @icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

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

ICRA Limited

Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45

Branches