October 20, 2023

JM Financial Products Limited: Ratings reaffirmed, rated amount enhanced, and [ICRA]AA (Stable) assigned to NCD programme

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible debentures (NCD) programme	3,651.52	3,651.52	[ICRA]AA (Stable); reaffirmed
NCD programme	198.48	0.00	[ICRA]AA (Stable); reaffirmed and withdrawn
NCD programme	0.00	348.48	[ICRA]AA (Stable); assigned
Market linked debenture principal protected (PP-MLD) programme	400.00	400.00	PP-MLD[ICRA]AA (Stable); reaffirmed
PP-MLD programme	0.00	100.00	PP-MLD[ICRA]AA (Stable); assigned
Long-term fund-based bank lines – Others	2,000.00	2,000.00	[ICRA]AA (Stable); reaffirmed
Commercial paper programme	2,500.00	2,500.00	[ICRA]A1+; reaffirmed
Commercial paper (IPO financing) programme	1,500.00	1,500.00	[ICRA]A1+; reaffirmed
Commercial paper (IPO financing) programme	2,700.00	0.00	[ICRA]A1+; reaffirmed and withdrawn
Total	**12,950.00**	**10,500.00**	

**Instrument details are provided in Annexure I*

Rationale

While arriving at the ratings, ICRA has considered the consolidated financials of JM Financial Limited (JMFL). It has taken a consolidated view of the credit profiles of JMFL and its subsidiaries, which are engaged in merchant banking, private wealth mortgage lending (retail and wholesale), bespoke finance, financial institution financing, capital market financing, institutional and retail broking, financial product distribution and asset management, due to the common promoters and senior management team, shared brand name, and financial and operational linkages. ICRA expects financial, managerial and operational support from the JM Financial Group to continue to be available to all key Group companies.

The ratings continue to be supported by the Group's established track record and franchise in the domestic financial services industry, its diversified revenue stream, track record of adequate profitability, and comfortable capitalisation with a consolidated gearing of 1.5 times as of June 30, 2023 (peak gearing of 2.3 times as on March 31, 2018, though on a lower net worth base). The Group has five decades of experience in investment banking and capital market related services. In the last decade, it has also established a presence in the lending and asset reconstruction businesses while expanding its product mix in capital market and allied services.

However, the Group's investment bank segment[1] remains the key contributor to the consolidated profit, supported by fund-based services such as bespoke lending in addition to fee-based income streams. The tightening liquidity in the non-banking financial company (NBFC) space, post the September 2018 crisis followed by the Covid-19 pandemic-induced stress, resulted in a muted growth/decline in the Group's lending business during FY2019-FY2021, though it registered an uptick in subsequent periods.

[1] *ICRA notes that the Group's bespoke (corporate and promotor) lending product is classified under the investment bank segment*

These 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 business (real estate focussed wholesale loan book accounted for ~70% of the consolidated net worth (including non-controlling interest (NCI), NCI of security receipt holders and net of goodwill) as on June 30, 2023, while investment in security receipts and the associated loan book accounted for ~43% of the consolidated net worth. With a sizeable portion of the extended date of commencement of commercial operation (DCCO)[2] ending in H2 FY2023, the Group reported a deterioration in the headline asset quality indicators. Further, it registered a build-up in the harder delinquency buckets.

The ratings also factor in the risks arising from the nature of the asset reconstruction business, which accounts for 16% of consolidated net worth, wherein recoveries and, consequently, the earnings and cash flows remain volatile. Further, the high portfolio concentration towards large-ticket exposures can result in a protracted resolution process along with erosion in the value of the underlying assets in the asset reconstruction company (ARC) business.

While reaffirming/assigning the ratings, ICRA takes note of the challenges in resource mobilisation stemming from the risk-averse sentiment of investors towards non-banks, particularly wholesale-oriented entities. ICRA has taken note of the uptick in fund-raising by JMFL in the recent past in an attempt to diversify its resource profile in terms of investors and instruments. However, the quantum remains below the pre-September 2018 level. Going forward, the Group's ability to continue raising debt from diversified sources and investors at a competitive cost will remain imperative.

ICRA has reaffirmed and withdrawn the ratings assigned to the Rs. 198.48-crore non-convertible debenture (NCD) programme and Rs. 2,700.00-crore commercial paper (CP; initial public offering (IPO) finance) programme of JM Financial Products Limited (JMFPL) as no amount is outstanding against the same. The ratings have been withdrawn at the request of the company and as per ICRA's policy on the withdrawal of credit ratings.

Key rating drivers and their description

Credit strengths

Established track record and franchise of the Group with diversified presence in financial services industry – The JM Financial Group is a diversified financial services player with an established track record and franchise and a presence in merchant banking, private wealth mortgage lending (retail and wholesale), bespoke finance, financial institution financing, capital market financing, distressed credit, institutional and retail broking, financial product distribution, asset management and wealth management. It is one of the leading players in capital markets, investment banking and related businesses with a presence of five decades.

The Group was traditionally involved in the securities business and gradually forayed into the non-capital market lending business in 2008 to diversify its portfolio. It commenced the lending business with wholesale financing (bespoke and mortgage-backed wholesale lending), leveraging its experience in investment banking, and subsequently added retail lending (mortgage-backed retail lending) and lending to financial institutions to its portfolio. The cautious growth approach adopted amid the challenging operating environment during FY2019-FY2021 resulted in a decline in the consolidated loan book during this period. Nevertheless, the consolidated loan book grew 20% year-on-year (YoY) in FY2023 and remained largely flat in Q1 FY2024. It stood at Rs. 15,891 crore as on June 30, 2023, comprising wholesale mortgage-backed lending (50%), bespoke lending (20%), retail mortgage (13%), financial institution financing (10%) and capital market lending (7%).

[2] *Deferment of DCCO and consequential shift in repayment schedule*

JMFL increased its stake in the ARC business to more than 50% in FY2017. As of June 30, 2023, the assets under management (AUM) under this business stood at Rs. 15,109 crore. On a consolidated basis, the Group's revenue stream remains adequately diversified with the investment bank, mortgage lending, alternative and distressed credit, and asset management, wealth management and securities businesses (Platform AWS) and others contributing 36%, 34%, 13%, 16% and 1%, respectively, in Q1 FY2024. Fees and advisory income from businesses like securities broking, investment banking, wealth management and asset management help support the earnings profile.

Comfortable capitalisation – The Group's capitalisation remains comfortable with a consolidated net worth (including NCI, NCI of security receipt holders and net of goodwill on consolidation) of Rs. 11,413 crore and a capital-to-risk weighted assets ratio (CRAR)[3] of 35.8% as on June 30, 2023. The consolidated gearing was lower at 1.5 times as on June 30, 2023 vis-à-vis the peak gearing of 2.3 times as of March 2018. The current capitalisation level and the pace of internal capital generation remain comfortable for scaling up the operations, provided the Group controls incremental slippages, especially in the wholesale lending segment. ICRA notes that the Group's leverage has remained low compared to peers, though incremental growth is expected to be largely debt funded. Consequently, the gearing is expected to increase in the near and medium term, but is likely to be lower than the peak seen in the past.

Track record of adequate profitability, notwithstanding the moderation in the recent past – The JM Financial Group has a track record of adequate profitability as reflected by the 7-year average return on assets[4] (RoA) of 3.5% and return on equity[5] (RoE) of 10.2% {i.e. after the Group acquired a controlling stake in JM Financial Asset Reconstruction Company Limited (JMFARCL)}. After reporting its best financial performance in FY2022, the Group reported a moderation in FY2023 and Q1 FY2024. Muted investor sentiment in the capital markets also impacted the Group's fee-related income in FY2023. This, coupled with the sizeable impairments on security receipts wherein recoveries were delayed, hit the profitability. The Group has also been investing in retail mortgage and the platform AWS business, which has impacted its near-term profitability. The RoA was 2.5% in FY2023 compared to 3.9% in FY2022. In Q1 FY2024, the Group reported a moderation in its performance due to the higher provisioning for stressed wholesale assets and the increase in the operating expenses. The annualised RoA and RoE were 2.3% and 6.2%, respectively, in Q1 FY2024.

Credit challenges

High concentration and inherent credit risk in wholesale lending segment – The Group's loan portfolio largely comprises the wholesale mortgage-backed segment and bespoke finance. It has also disbursed selective large-ticket loans for its financial institution lending product. Real estate financing, bespoke and financial institution loans accounted for ~80% of the loan book as of June 30, 2023. As a result, the loan book concentration in the lending business remains high, with the top 10 accounts comprising ~33% of the loan book and ~46% of the consolidated net worth as of June 30, 2023. Slippages in such large accounts can result in a lumpy deterioration in the asset quality.

While the majority of the real estate loan book was originated after the pandemic, the pandemic-impacted loan book is an area of stress and is largely reflected as a part of gross non-performing advances (GNPA), special mention account-2 (SMA-2) and security receipts (held in the Group's NBFCs). With the DCCO extension ending in H2 FY2023, the Group reported an increase in stressed assets. As of June 30, 2023, the stressed assets (GNPA and SMA-2) stood higher at 8.6% compared to 3.5% as of March 31, 2023 and 7.4% as of March 31, 2022. The net NPA was 2.3% as of June 30, 2023. ICRA also notes that the Group's NBFCs held security receipts aggregating Rs. 508 crore (fair value), as on June 30, 2023, against the assets sold to the ARC. Moreover, operations in the financial institution lending segment scaled up significantly in the last 12-15 months. Thus, while the current level of stress in the loan book represents the peak possible deterioration as per the management, the

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[3] Consolidated CRAR for the NBFCs and the housing finance company (HFC) in the Group

[4] All ratios as per ICRA's calculations; RoA based on gross assets

[5]All ratios as per ICRA's calculations

Group's ability to curtail incremental delinquencies and achieve timely and successful resolution of the stressed assets will remain a key driver for maintaining the comfortable capitalisation profile and adequate profitability.

Exposed to inherent volatility in capital market related businesses, besides risks arising from the nature of the distressed assets business – A sizeable portion of the Group's overall revenue remains dependent on capital markets, which are inherently volatile in nature. Besides, it remains exposed to credit and market risks on account of the bespoke, capital market lending and the Securities and Exchange Board of India (SEBI) margin trade funding (MTF) book, given the nature of the underlying assets. The growing popularity of discount brokerage houses has increased competition in the retail broking segment. Competition in this cyclical industry is expected to remain high, though increasing financialisation of savings and lower exposure of household savings towards the equity segment indicate huge untapped potential for rapid expansion in the AWS segment over the long term.

The Group, through JMFARCL, is one of the prominent players in the ARC business, with distressed credit AUM of Rs. 15,109 crore as on June 30, 2023. Previously, JMFARCL primarily focussed 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. This, along with the inherent risks in the industry, given the nature of the underlying asset class, can result in a protracted process and uncertain cash flows. A prolonged delay in the resolution process can also lead to erosion in the underlying value of the assets. Accordingly, the Group booked sizeable impairments in Q4 FY2023 in relation to security receipts, wherein recoveries were delayed, and the ARC reported a net loss. The asset reconstruction industry's prospects also remain susceptible to regulatory changes. The developments related to the securitisation of stressed assets and the commencement of National Asset Reconstruction Company Limited, and their impact on the private players in the industry will also remain monitorable. Nevertheless, the increase in the share of small and medium enterprise (SME) and retail assets in the ARC's AUM in the immediate past alleviates the aforesaid risks to some extent.

Fund-raising challenges for wholesale-oriented non-bank financiers – Given the risk averse sentiment of investors towards non-banks, particularly wholesale-oriented entities, resource mobilisation for companies operating in this segment remains challenging. Nevertheless, ICRA notes the uptick in fund mobilisation by the JM Financial Group in recent years. The Group raised Rs. 9,637 crore (of which 56% was long-term funds) in FY2023, Rs. 8,029 crore in FY2022 and Rs. 7,245 crore in FY2021. As on June 30, 2023, the company's borrowing profile comprised NCDs (52%; including private placement to mutual funds, insurance, trusts, corporates, banks and public issuance to retail investors), term loans (29%; from banks and non-banks), CP (16%), short-term bank loans (1%) and others (3%). ICRA also notes the Group's attempt to diversify its investor base to banks, mutual funds, insurance companies, corporates and trusts. Further, despite improvement in preceding years, the borrowing cost remains high due to the predominantly wholesale-oriented nature of the Group. Going forward, the Group's ability to continue to raise debt from diversified sources and investors at a competitive cost will remain imperative.

ICRA notes the change in the Group's debt maturity profile following the onset of the liquidity crisis for NBFCs. The share of short-term borrowings in the total borrowings dipped to 9% as of March 2020 from 27% as of March 2019 and 34% as of March 2018. However, ICRA notes the increased reliance on short-term borrowings with 19% of the total borrowing outstanding as of June 2023 being short term in nature. The current short-term liabilities, in the form of CP and short-term loans, are largely matched by assets with similar maturity such as capital market and trading assets.

Environmental and social risks

Given the service-oriented business of JMFL, its direct exposure to environmental risks/physical climate risks is not material. Further, the Group's operations remain diversified. While lending institutions can be exposed to environmental risks indirectly through their portfolio of assets, JMFL's exposure to environmentally sensitive segments remains low. Hence, indirect transition risks arising from changes in regulations or policies concerning the underlying assets are not material.

With regard to social risks, data security and customer privacy are among the key sources of vulnerability for lending and investment banking institutions as material lapses could be detrimental to their reputation and could invite regulatory censure. JMFL has not faced such lapses over the years and its disclosures outline the key policies, processes, and investments made by it to mitigate the occurrence of such instances. JMFL also promotes financial inclusion by lending to the affordable housing segments.

Liquidity position: Adequate

As of June 30, 2023, the Group had unencumbered on-balance sheet liquidity of Rs. 1,452 crore and unutilised bank lines of Rs. 250 crore compared to debt obligations (principal and interest) of Rs. 2,304 crore due in the next three months. The liquidity is also supported by the expected inflow from operations of Rs. 3,425 crore in the next three months. During January 2023 to June 2023, the consolidated collection by the NBFCs, the housing finance company (HFC) and the ARC was ~Rs. 7,750 crore. Besides, the Group held an investment and trading book comprising listed equity shares, bonds, fixed coupon notes, Government securities, Treasury bills and state development loans of Rs. 1,492 crore, which can be liquidated to generate liquidity in case of contingency.

Rating sensitivities

Positive factors – A substantial and sustained improvement in the business performance characterised by well-diversified growth in the lending portfolio with an increase in the granularity of the asset base and robust growth in fee-based income, while maintaining strong profitability, will be credit positives.

Negative factors – A deterioration in the consolidated asset quality with the reported GNPA exceeding 5% (for the Group's NBFCs and HFC) on a sustained basis or an increase in the vulnerability of the wholesale loan book/asset reconstruction business will be a credit negative. Sustained pressure on the profitability, a reduction in fee-based income and/or significant weakening of the capitalisation would also be credit negatives.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Rating Methodology for Non-banking Finance Companies Rating Methodology for Broking Companies Rating Approach: Consolidation Policy for Rating Withdrawal
Parent/Group support	Not applicable; while arriving at the ratings, ICRA has considered the consolidated financials of JMFL. It has taken a consolidated view of the credit profiles of JMFL and its subsidiaries, which are engaged in merchant banking, mortgage lending (retail and wholesale), bespoke finance, institutional and retail broking, asset management, wealth management and the securities business, due to the close linkages between the entities, common promoters and senior management team, shared brand name, and strong financial and operational synergies.
Consolidation/Standalone	ICRA has considered the consolidated financials of JMFL. As on March 31, 2023, 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 II.

About the company

JMFPL is a non-deposit taking non-banking financial company (NBFC) 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. It forayed into the housing finance business through its 90.1% 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.

As on June 30, 2023, the standalone gross loan book was Rs. 5,817 crore comprising bespoke finance (27%), financial institution financing (24%), capital market lending (20%), retail mortgage lending (10%), IPO financing (8%), wholesale mortgage lending (7%) and others (3%). The company reported a net profit of Rs. 64 crore on total income of Rs. 233 crore in Q1 FY2024. The net profit was Rs. 318 crore in FY2023 on total income of Rs. 858 crore compared to Rs. 129 crore and Rs. 678 crore, respectively, in FY2022.

Key financial indicators (audited)

JMFPL (standalone)	FY2022	FY2023	Q1 FY2024^
Total income	678	858	233
Profit after tax	129	318	64
Net worth	1,952	2,188	2,253
Gross loan book*	4,916	4,612	5,817
Total assets (based on net loan book)	6,520	6,602	~7,735
Return on assets	2.1%	4.7%	3.5%
Return on net worth	6.8%	15.4%	11.6%
Gross gearing (times)	2.3	2.0	2.4
Gross NPA	2.1%	0.5%	0.8%
Net NPA	1.2%	0.3%	0.4%
Solvency	3.1%	0.5%	1.1%
CRAR	31.1%	32.5%	27.0%

*Source: Company, ICRA Research; ^Limited review; All ratios as per ICRA's calculations; Amount in Rs. crore; * Excluding accrued interest*

About JM Financial Group

JM Financial Limited (JMFL) is the holding company of the operating entities in the JM Financial Group, which is an integrated and diversified financial services group. While JMFL is engaged in investment banking, portfolio management, wealth management and the management of private equity fund(s) at the standalone level, the consolidated operations encompass (a) investment bank, which includes investment banking, institutional equities and research, private equity business, fixed income, syndication and corporate/promoter finance, capital market related lending, wealth management services for high-net-worth individual (HNI)/ultra HNI clients, and portfolio management services, (b) mortgage lending, which includes wholesale as well as retail mortgage lending (affordable housing loans), (c) alternative and distressed credit, which includes the asset reconstruction business, and (d) Platform AWS (asset management, retail wealth management and retail securities business) which includes mutual funds, wealth management for retail and elite clients, investment advisory, distribution business and equity broking.

As on June 30, 2023, the consolidated loan book stood at Rs. 15,891 crore (Rs. 15,653 crore as on March 31, 2023 and Rs. 12,606 crore as of June 30, 2022), distressed credit business AUM at Rs. 15,109 crore (Rs. 13,558 crore as on March 31, 2023 and Rs. 11,405 crore as of June 30, 2022), private wealth management AUM at Rs. 58,163 crore (Rs. 56,515 crore as on March 31, 2023 and Rs. 61,660 crore as of June 30, 2022) and mutual fund quarterly average AUM (QAAUM) at Rs. 3,154 crore (Rs. 2,969 crore as on March 31, 2023 and Rs. 3,057 crore as of June 30, 2022). The Group is headquartered in Mumbai and has a presence in ~768 locations spread across ~213 cities in India. JMFL's equity shares are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

JMFL reported a consolidated net profit (including share of non-controlling interest) of Rs. 709 crore (Rs. 992 crore in FY2022) on total income of Rs. 3,343 crore in FY2023 (Rs. 3,763 crore in FY2022). It reported a consolidated net profit (including share of non-controlling interest) of Rs. 176 crore on total income of Rs. 1,081 crore in Q1 FY2024 compared to a net profit of Rs. 198 crore on total income of Rs. 806 crore in Q1 FY2023.

Key financial indicators (audited)

JMFL – Consolidated	FY2022	FY2023	Q1 FY2024^
Total income	3,763	3,343	1,081
Profit after tax	992	709	176
Profit after tax (adjusted for minority interest)	773	597	166
Net worth	10,573	11,217	11,413
Gross loan book*	13,017	15,653	15,891
Net total assets**	25,762	29,318	30,002
Return on assets	3.9%	2.5%	2.3%
Return on net worth	9.8%	6.5%	6.2%
Return on net worth (adjusted for minority interest)	10.6%	7.6%	8.1%
Gross gearing (times)[!]	1.2	1.4	1.5
Gross NPA	4.3%	3.4%	4.0%
Net NPA	2.7%	2.1%	2.3%
CRAR[@]	39.4%	38.5%	35.8%

*Source: JMFL, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; ^Limited review; *Loan book of JM Financial Credit Solutions Limited (JMFCSL), JM Financial Capital Limited (JMFCL), JM Financial Products Limited (JMFPL) and JM Financial Home Loans Limited (JMFHL), excluding episodic loans; **Excluding goodwill; [!]Excludes borrowing for initial public offering (IPO) financing segment and includes accrued interest; [@]For JMFCSL, JMFCL, JMFPL and JMFHL*

Status of non-cooperation with previous CRA: Not applicable

Any other information:

Certain entities in the Group also face prepayment risk, given the possibility of debt acceleration upon the breach of covenants, including financial covenants, operating covenants and rating-linked covenants. Upon failure to meet the covenants, if the company is unable to get waivers from the lenders/investors or the lenders/investors do not provide it with adequate time to arrange for alternative funding to pay off the accelerated loans, the ratings would face pressure.

Rating history for past three years

	Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding as on Sep 15, 2023 (Rs. crore)	Rating (FY2024)		Chronology of Rating History for the Past 3 Years					
					Date & Rating in FY2024		Date & Rating in FY2023		Date & Rating in FY2022			Date & Rating in FY2021
					Oct 20, 2023	May 11, 2023	Oct 20, 2022	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
1	NCD programme	Long term	3,651.52	2,445.81	[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	198.48	0.00	[ICRA]AA (Stable); withdrawn	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
3	NCD programme	Long term	348.48	0.00	[ICRA]AA (Stable)	-	-	-	-	-	-	-
4	MLD (PP) programme	Long term	400.00	225.00	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)
5	MLD (PP) programme	Long term	100.00	-	PP-MLD[ICRA]AA (Stable)	-	-	-	-	-	-	-
6	Long-term fund-based bank lines	Long term	2,000.00	2,000.00	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	-	-	-	-
7	CP programme	Short term	2,500.00	875.00	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
8	CP (IPO finance) programme	Short term	1,500.00	700.00	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
9	CP (IPO finance) programme	Short term	2,700.00	0.00	[ICRA]A1+; withdrawn	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
10	Bank lines (cash credit)	Long term	-	-		-	-	-	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
11	Bank lines (term loan)	Long term	-	-		-	-	-	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
12	Bank lines (unallocated)	Long term	-	-		-	-	-	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)

Complexity level of the rated instruments

Instrument	Complexity Indicator
NCD programme	Simple*
MLD-PP programme	Complex^
Fund-based bank lines	Simple
Commercial paper	Very Simple**
Commercial paper (IPO finance)	Very Simple^^

**For the utilised portion of Rs. 2,445.81 crore and subject to change based on the terms of issuance for the balance amount*
^ For the utilised portion of Rs. 225.00 crore and subject to change based on the terms of issuance for the balance amount
*** For the utilised portion of Rs. 875.00 crore and subject to change based on the terms of issuance for the balance amount*
^^ For the utilised portion of Rs. 700.00 crore and subject to change based on the terms of issuance for the balance amount

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: Click Here

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE523H07BH8	NCD	Dec-03-2020	8.65%	Dec-03-2030	200.00	[ICRA]AA (Stable)
INE523H07BJ4	NCD	Feb-12-2021	8.75%	Mar-12-2031	95.00	[ICRA]AA (Stable)
INE523H07BJ4	NCD	Feb-24-2021	8.75%	Mar-12-2031		[ICRA]AA (Stable)
INE523H07BK2	NCD	Mar-12-2021	8.81%	Mar-12-2031	155.00	[ICRA]AA (Stable)
INE523H07BM8	NCD	Jul-16-2021	8.50%	Jul-16-2031	90.00	[ICRA]AA (Stable)
INE523H07BM8	NCD	Jul-16-2021	8.50%	Jul-16-2031	100.00	[ICRA]AA (Stable)
INE523H07BM8	NCD	Jul-16-2021	8.50%	Jul-16-2031	35.00	[ICRA]AA (Stable)
INE523H07BM8	NCD	Jul-16-2021	8.50%	Jul-16-2031	80.00	[ICRA]AA (Stable)
INE523H07AQ1	NCD^	Sep-11-2019	0.00%	Sep-11-2026	8.31	[ICRA]AA (Stable)
INE523H07AV1	NCD^	Mar-16-2020	NA	Jul-16-2025	4.14	[ICRA]AA (Stable)
INE523H07AZ2	NCD^	Mar-16-2020	9.90%	Jul-16-2025	10.34	[ICRA]AA (Stable)
INE523H07BA3	NCD^	Mar-16-2020	9.48%	Jul-16-2025	12.69	[ICRA]AA (Stable)
INE523H07BB1	NCD^	Mar-16-2020	10.00%	Jul-16-1930	2.37	[ICRA]AA (Stable)
INE523H07BC9	NCD^	Mar-16-2020	9.57%	Jul-16-1930	4.96	[ICRA]AA (Stable)
INE523H07BN6	NCD^	Oct-07-2021	91D T-Bill linked	Jan-07-2025	54.24	[ICRA]AA (Stable)
INE523H07BO4	NCD^	Oct-07-2021	8.20%	Oct-07-2026	377.13	[ICRA]AA (Stable)
INE523H07BP1	NCD^	Oct-07-2021	7.91%	Oct-07-2026	61.83	[ICRA]AA (Stable)
INE523H07BQ9	NCD^	Oct-07-2021	8.30%	Feb-07-2030	6.80	[ICRA]AA (Stable)
INE523H07BT3	NCD	Jul-13-2022	8.65%	Jul-13-2032	73.00	[ICRA]AA (Stable)
INE523H07BT3	NCD	Jul-27-2022	8.65%	Jul-13-2032	50.00	[ICRA]AA (Stable)
INE523H07BT3	NCD	Sep-6-2022	8.65%	Jul-13-2032	50.00	[ICRA]AA (Stable)
INE523H07BU1	NCD	Oct-28-2022	8.50%	Apr-20-2025	200.00	[ICRA]AA (Stable)
INE523H07BV9	NCD	Nov -16-2022	8.50%	May-16-2025	175.00	[ICRA]AA (Stable)
INE523H07BW7	NCD	Dec-01-2022	8.50%	Jun-20-2025	250.00	[ICRA]AA (Stable)
INE523H07BX5	NCD	Jun 23, 2023	8.80%	Dec 23, 2025	250.00	[ICRA]AA (Stable)
INE523H07BY3	NCD	Jun 27, 2023	8.90%	Dec 24, 2026	50.00	[ICRA]AA (Stable)
INE523H07BZ0	NCD	Jun 27, 2023	8.90%	Dec 26, 2025	50.00	[ICRA]AA (Stable)
INE523H07AE7	NCD	Sep-27-2018	NA	Sep-29-2022	45.00	[ICRA]AA (Stable); withdrawn
INE523H07BD7	NCD	Jul 01, 2020	9.00%	Jun 30, 2023	100.00	[ICRA]AA (Stable); withdrawn
INE523H07BE5	NCD	Jul 28, 2020	9.10%	Jul 27, 2023	25.00	[ICRA]AA (Stable); withdrawn
INE523H07AU3	NCD^	Mar 16, 2020	NA	Jul 16, 2023	4.54	[ICRA]AA (Stable); withdrawn
INE523H07AX7	NCD^	Mar 16, 2020	9.70%	Jul 16, 2023	12.52	[ICRA]AA (Stable); withdrawn
INE523H07AY5	NCD^	Mar 16, 2020	9.29%	Jul 16, 2023	11.42	[ICRA]AA (Stable); withdrawn
NA	NCD programme*	NA	NA	NA	1,554.19	[ICRA]AA (Stable)
INE523H07BL0	MLD (PP)	Jul-12-2021	10-yr G-Sec linked	Oct-12-2023	125.00	PP-MLD[ICRA]AA (Stable)
INE523H07BR7	MLD (PP)	Feb-21-2022	10-yr G-Sec linked	Aug-21-2024	100.00	PP-MLD[ICRA]AA (Stable)
NA	MLD (PP) programme*	-	-	-	275.00	PP-MLD[ICRA]AA (Stable)
NA	Long-term fund-based bank lines	NA	NA	NA	2,000.00	[ICRA]AA (Stable)
INE523H140E9	CP programme	Oct-10-2022	8.55%	Oct-10-2023	200.00	[ICRA]A1+
INE523H140E9	CP programme	Oct-12-2022	8.55%	Oct-10-2023	25.00	[ICRA]A1+
INE523H140L4	CP programme	May-26-23	8.44%	Dec-15-23	125.00	[ICRA]A1+
INE523H140M2	CP programme	Jun-14-23	8.55%	Jan-30-24	150.00	[ICRA]A1+
INE523H140N0	CP programme	Jun-16-23	8.55%	Feb-28-24	150.00	[ICRA]A1+
INE523H140O8	CP programme	Jun-27-23	7.85%	Sep-21-23	25.00	[ICRA]A1+
INE523H141A5	CP programme	Jul-28-23	8.60%	Jun-28-24	100.00	[ICRA]A1+
INE523H141J6	CP programme	Aug-31-23	8.55%	11-Mar-24	100.00	[ICRA]A1+
NA	CP programme *	NA	NA	7-365 days	1,625.00	[ICRA]A1+

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE523H141M0	CP programme (IPO financing)	Sep-12-23	7.87%	Sep-20-23	425.00	[ICRA]A1+
INE523H141N8	CP programme (IPO financing)	Sep-15-23	7.85%	Sep-25-23	275.00	[ICRA]A1+
NA	CP programme (IPO financing)*	NA	NA	7-30 days	2,700.00	[ICRA]A1+; withdrawn
NA	CP programme (IPO financing)*	NA	NA	7-30 days	800.00	[ICRA]A1+

*Source: Company; ^Public issuance; *Proposed*

[Please click here to view details of lender-wise facilities rated by ICRA]

Annexure II: List of entities considered for consolidated analysis

Company Name	Ownership as on March 31, 2023	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	99.65%	
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	93.98%	
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%	

Source: Company
Note: ICRA has taken a consolidated view of the parent (JMFL), its subsidiaries and an associate while assigning the ratings
**Pursuant to the National Company Law Tribunal (NCLT) order dated March 24, 2023, JM Financial Capital Limited was merged with JM Financial Services Limited with effect from April 1, 2023*

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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.

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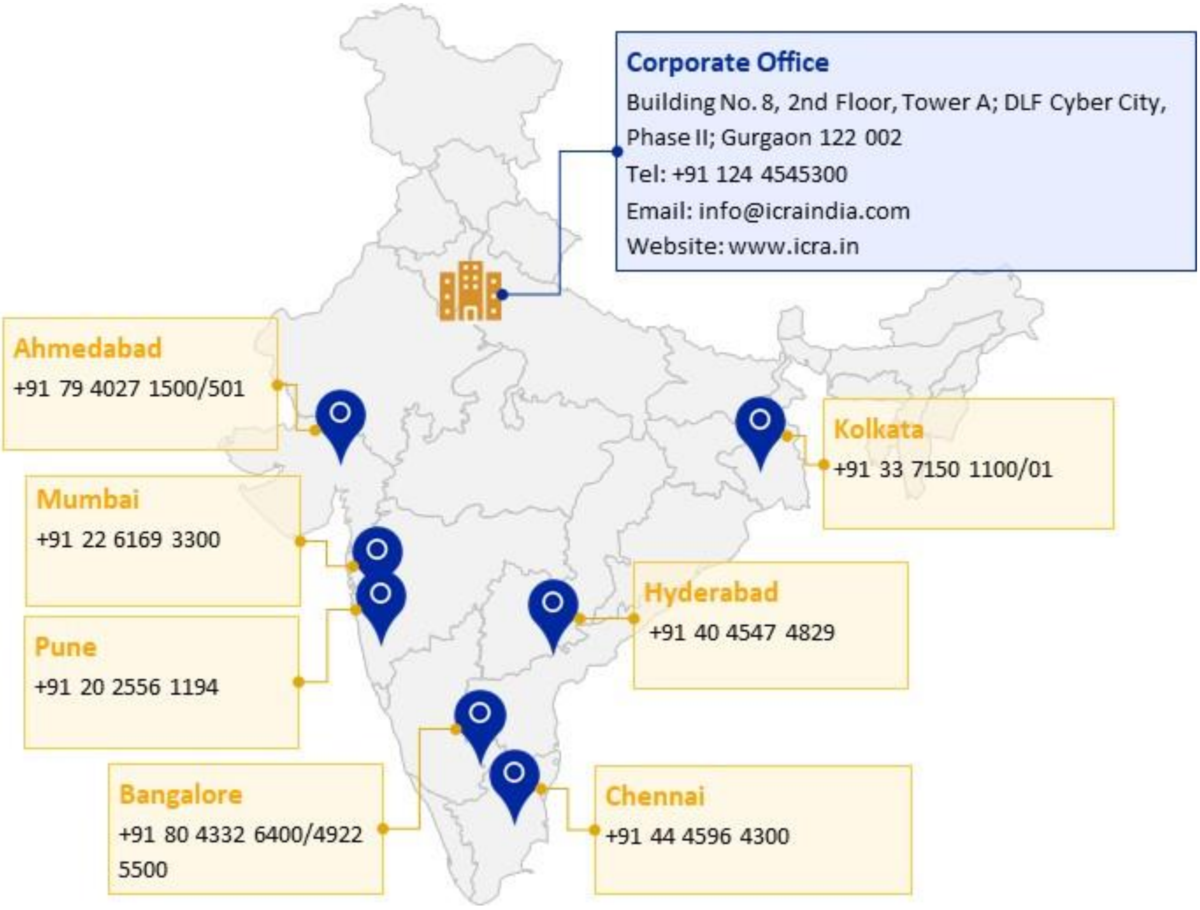
Branches



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