

May 10, 2024

## JM Financial Products Limited: Ratings withdrawn

### Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible debentures (NCD) programme	4,000.00	4,000.00	[ICRA]AA (Stable); outstanding
Market linked debenture principal protected (PP-MLD) programme	250.00	250.00	PP-MLD[ICRA]AA (Stable); outstanding
PP-MLD programme	250.00	0.00	PP-MLD[ICRA]AA (Stable); withdrawn
Long-term fund-based bank lines – Others	2,000.00	2,000.00	[ICRA]AA (Stable); outstanding
Commercial paper programme	2,500.00	2,500.00	[ICRA]A1+; outstanding
Commercial paper (IPO financing) programme	1,500.00	0.00	[ICRA]A1+; withdrawn
<b>Total</b>	<b>10,500.00</b>	<b>8,750.00</b>	

\*Instrument details are provided in Annexure I

### Rationale

ICRA has withdrawn the [ICRA]AA rating assigned to JM Financial Products Limited's (JMFP) Rs. 250-crore principal protected market linked debenture programme (PP-MLD) and the [ICRA]A1+ rating assigned to the commercial paper (IPO finance) programme as no amount is outstanding against the same. This is in accordance with ICRA's policy on the withdrawal of credit ratings. The previous detailed rating rationale, which captures the key rating drivers and their description, liquidity position, rating sensitivities and key financial indicators is available at the following link: [Click here](#).

### Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	<a href="#">Rating Methodology for Non-banking Finance Companies</a> <a href="#">Rating Methodology for Stockbroking and Allied Companies</a> <a href="#">Policy on Withdrawal of Credit Ratings</a>
Parent/Group support	Not applicable; 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, mortgage lending (retail and wholesale), bespoke finance, institutional and retail broking, asset management and wealth management, due to the close linkages between the entities, common promoters and senior management team, shared brand name, and strong financial and operational synergies. ICRA has also factored in the support it extends to its subsidiaries and associates engaged in distressed asset management and other businesses.
Consolidation/Standalone	ICRA has considered the consolidated financials of JMFL. As on March 31, 2023, JMFL had nine subsidiaries, six step-down subsidiaries, one partnership firm (with two of JMFL's subsidiaries as partners), one Association of Persons (AOP; with two of JMFL's subsidiaries as members) and an associate company. Details of these companies are provided in Annexure II.

### About the company

JM Financial Products Limited (JMFP) 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. JMFP 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 a housing finance company by National Housing Bank (NHB) in FY2018.

As on December 31, 2023, the standalone gross loan book was Rs. 4,600 crore comprising bespoke finance (27%), financial institution financing (26%), capital market lending (21%), retail mortgage lending (20%) and wholesale mortgage lending (6%). The company reported a net profit of Rs. 248 crore on total income of Rs. 799 crore in 9M 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. The company's capitalisation profile was characterised by a net worth of Rs. 2,366 crore, a capital-to-risk weighted assets ratio of 30.4% and a gearing of 2.0 times as of December 31, 2023. The gross non-performing assets stood at 0.7%.

### **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 December 31, 2023, the consolidated loan book stood at Rs. 15,111 crore (Rs. 15,653 crore as on March 31, 2023), distressed credit business assets under management (AUM) at Rs. 15,059 crore (Rs. 13,558 crore as on March 31, 2023), private wealth management AUM at Rs. 65,009 crore (Rs. 56,515 crore as on March 31, 2023), retail and elite wealth AUM at Rs. 29,514 crore and mutual fund quarterly average AUM (QAAUM) at Rs. 4,584 crore (Rs. 2,969 crore as on March 31, 2023). The Group is headquartered in Mumbai with a presence in ~878 locations across ~232 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). In 9M FY2024, JMFL reported a consolidated net profit (including share of non-controlling interest) of Rs. 705 crore on total income of Rs. 3,556 crore compared to a net profit of Rs. 676 crore on total income of Rs. 2,629 crore in 9M FY2023.

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

### Rating history for past three years

Instrument	Type	Rating (FY2025)		Date & Rating in FY2025	Chronology of Rating History for the Past 3 Years							
		Amount Rated (Rs. crore)	Amount Outstanding as on May 2, 2024 (Rs. crore)		Date & Rating in FY2024		Date & Rating in FY2023		Date & Rating in FY2022			
					May 10, 2024	Mar 14, 2024	Oct 20, 2023	May 11, 2023	Oct 20, 2022	Apr 21, 2022	Jan 31, 2022	Jul 16, 2021
1 NCD programme	Long term	4,000.00	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)	[ICRA]AA (Stable)
2 MLD (PP) programme	Long term	250.00	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)	PP-MLD[ICRA]AA (Stable)
3 MLD (PP) programme	Long term	250.00	-	MLD[ICRA]AA (Stable); withdrawn	PP-MLD[ICRA]AA (Stable)	MLD[ICRA]AA (Stable)	MLD[ICRA]AA (Stable)	MLD[ICRA]AA (Stable)	MLD[ICRA]AA (Stable)	MLD[ICRA]AA (Stable)	MLD[ICRA]AA (Stable)	MLD[ICRA]AA (Stable)
3 Long-term fund-based bank lines	Long term	2,000.00	725.00	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	-	-	-
4 CP programme	Short term	2,500.00	885.00	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
5 CP (IPO finance) programme	Short term	1,500.00	-	[ICRA]A1+; withdrawn	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
6 Bank lines (cash credit)	Long term	-	-							[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
7 Bank lines (term loan)	Long term	-	-							[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
8 Bank lines (unallocated)	Long term	-	-							[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. 485.00 crore and subject to change based on the terms of issuance for the balance amount*

*^^ For the utilised portion of Rs. 0.00 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 <sup>^</sup>	Sep 11, 2019	0.00%	Sep 11, 2026	8.31	[ICRA]AA (Stable)
INE523H07AV1	NCD <sup>^</sup>	Mar 16, 2020	NA	Mar 16, 2025	4.14	[ICRA]AA (Stable)
INE523H07AZ2	NCD <sup>^</sup>	Mar 16, 2020	9.90%	Mar 16, 2025	10.34	[ICRA]AA (Stable)
INE523H07BA3	NCD <sup>^</sup>	Mar 16, 2020	9.48%	Mar 16, 2025	12.69	[ICRA]AA (Stable)
INE523H07BB1	NCD <sup>^</sup>	Mar 16, 2020	10.00%	Mar 16, 2030	2.37	[ICRA]AA (Stable)
INE523H07BC9	NCD <sup>^</sup>	Mar 16, 2020	9.57%	Mar 16, 2030	4.96	[ICRA]AA (Stable)
INE523H07BN6	NCD <sup>^</sup>	Oct 07, 2021	91D T-Bill linked	Jan 07, 2025	54.24	[ICRA]AA (Stable)
INE523H07BO4	NCD <sup>^</sup>	Oct 07, 2021	8.20%	Oct 07, 2026	377.13	[ICRA]AA (Stable)
INE523H07BP1	NCD <sup>^</sup>	Oct 07, 2021	7.91%	Oct 07, 2026	61.83	[ICRA]AA (Stable)
INE523H07BQ9	NCD <sup>^</sup>	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 28, 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)
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); withdrawn
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*	-	-	-	150.00	PP-MLD[ICRA]AA (Stable)
NA	MLD (PP) programme*	-	-	-	125.00	PP-MLD[ICRA]AA (Stable); withdrawn
NA	Long-term fund-based bank lines	NA	NA	NA	2,000.00	[ICRA]AA (Stable)
INE523H141A5	CP programme	Jul 28, 2023	8.60%	Jun 28, 2024	100.00	[ICRA]A1+
NA	CP programme *	NA	NA	7-365 days	2,400.00	[ICRA]A1+
NA	CP programme (IPO financing)*	NA	NA	7-30 days	1,500.00	[ICRA]A1+; withdrawn

Source: Company; <sup>^</sup>Public issuance; \*Proposed as of May 2, 2024

[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, its subsidiaries and an associate
JM Financial Asset Management Limited	59.54%	
JM Financial Products Limited	99.71%	
JM Financial Capital Limited*	100%	
JM Financial Services Limited*	100%	
JM Financial Credit Solutions Limited	46.68%	
JM Financial Asset Reconstruction Company Limited	58.28%	
JM Financial Home Loans Limited	94.04%	
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%	
ARB Maestro	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 JM Financial Capital Limited was merged with JM Financial Services Limited with effect from April 1, 2023

## ANALYST CONTACTS

**Karthik Srinivasan**  
+91 22 6114 3444  
[karthiks@icraindia.com](mailto:karthiks@icraindia.com)

**Anil Gupta**  
+91 124 4545 314  
[anilg@icraindia.com](mailto:anilg@icraindia.com)

**Deep Inder Singh**  
+91 124 4545 830  
[deep.singh@icraindia.com](mailto:deep.singh@icraindia.com)

**Kruti Jagad**  
+91 22 6114 3447  
[kruti.jagad@icraindia.com](mailto:kruti.jagad@icraindia.com)

**Komal Mody**  
+91 22 6114 3424  
[komal.mody@icraindia.com](mailto:komal.mody@icraindia.com)

## RELATIONSHIP CONTACT

**L. Shivakumar**  
+91 22 6114 3406  
[shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**  
Tel: +91 124 4545 860  
[communications@icraindia.com](mailto:communications@icraindia.com)

## Helpline for business queries

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

[info@icraindia.com](mailto: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](http://www.icra.in)

## ICRA Limited



### Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



### Branches



© Copyright, 2024 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website [www.icra.in](http://www.icra.in) or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.