

March 18, 2026

Mirae Asset Financial Services (India) Private Limited: [ICRA]AA+ (Stable) assigned to bank lines; rating reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term fund-based bank lines – Others	-	100.0	[ICRA]AA+ (Stable); assigned
Subordinated debt programme	100.0	100.0	[ICRA]AA+ (Stable); reaffirmed
Total	100.0	200.0	

*Instrument details are provided in Annexure I

Rationale

The rating continues to reflect Mirae Asset Financial Services (India) Private Limited's (MAFS) strong parentage, its comfortable capitalisation and adequate liquidity profile. MAFS is a part of Mirae Asset Financial Group (the Group), a South Korea-based global financial services provider with a presence in diverse capital market businesses, lending and life insurance through various entities including Mirae Asset Capital Co. Ltd Korea (MACK) and Mirae Asset Securities Co. Ltd. (MAS; South Korea's largest securities company; rated Baa2 Stable by Moody's). Over the years, the Group has strengthened its presence in India through Mirae Asset Investments Manager (India) Private Limited's asset management operations, Mirae Asset Capital Markets (India) Private Limited's (rated [\[ICRA\]A1+](#)) securities broking and allied activities and MAFS' presence in retail lending. MAFS provides loan against shares and mutual funds (MFs) along with unsecured personal loans. It benefits from the shared brand name as well as managerial, operational and financial support from its ultimate parent.

The rating also factors in the completion of the proposed merger of Mirae Asset Sharekhan Financial Services Limited (MSFS), which has a presence in high-ticket loan against shares and employee stock option plan (ESOP) financing, with MAFS¹. The successful integration of the operations of these two companies will augment the scale of operations and customer network. MAFS' loan book stood at Rs. 1,533 crore as on December 31, 2025 while MSFS' loan book has remained rangebound at Rs. 600-700 crore in recent years. Consequently, the combined book of these companies stood at ~Rs. 2,273 crore as on December 31, 2025.

These strengths are, however, partially offset by MAFS' evolving operational track record. MAFS commenced lending operations in FY2023 and a significant portion of the loan book comprised loans against shares in the initial years. However, over the past two years, loans against MFs have emerged as the predominant product. In parallel, the share of personal loans increased to 33% as of December 2025 from 23% in March 2023 while the corporate loan book declined to nil as of December 2025 from 2% in March 2024. The combined portfolio of MAFS and MSFS remains skewed towards capital market-linked lending, which accounts for ~75% of the total book. In the long term, the management intends to maintain a 65:35 mix between capital market lending and personal and corporate loans. Given the elevated exposure to capital market-linked lending, the business is inherently vulnerable to both credit and market risks as fluctuations in capital markets can impact the value of the underlying collateral. Additionally, its presence in the unsecured personal loan space underscores the exposure to credit risk in this segment. Nonetheless, the presence of first loss default guarantees (FLDGs) from the origination/lending partners in the personal loan book provides some cushion.

¹ In November 2024, MAS acquired a 100% stake in India-based Sharekhan BNP Paribas Financial Service Limited, which was rechristened Mirae Asset Sharekhan Financial Services Limited. Following this, the Group had two NBFCs in India – MAFS and MSFS. At the time of the MSFS acquisition, the RBI had directed the Group to consolidate its lending operations in India under a single NBFC by March 2026. Accordingly, the merger process was initiated and final NCLT approval for the same was received on February 24, 2026 with the appointed date for the merger being April 1, 2025

ICRA notes that the Group, through its diversified presence in the securities broking, asset management and lending businesses in India, aims to offer integrated solutions across investment, trading, and financing. Given MAFS' role as the lending arm of the Group, ICRA believes that it is strategically important to the Group and will continue to receive timely operational, financial, and managerial support. Accordingly, the outlook on the long-term rating is Stable.

Key rating drivers and their description

Credit strengths

Strong parentage – MAFS is a part of Mirae Asset Financial Group, which is a South Korea-based financial services provider. The Group has a presence in asset management, wealth management, lending, life insurance, investment banking and other capital market businesses through various entities including MACK and MAS, wherein Mirae Asset Global Investment Co. Ltd Korea and Mr. Park Hyeon-Joo, the promoter, are the largest shareholders. The Group maintains a similarly diversified presence in the financial services space in India through its asset management, securities broking and lending businesses.

The diversified offering in India reflects the Group's aim to provide integrated solutions to meet the investment, trading, and financing needs of domestic customers. The acquisition of Sharekhan Group in FY2024 further signifies the continued strategic importance of the Indian operations to the Group. MAFS represents the Group's presence in retail lending against shares and MFs, and the unsecured personal loan segment in the domestic market. Thus, it is strategically important to the ultimate parent, which is reflected by the shared brand name. ICRA believes that the company will continue to benefit from timely managerial, operational and financial support from its ultimate parent to aid its growth and in case of exigencies. MAFS' board comprises five members, including two representatives from the Group, who oversee and guide its activities to ensure alignment with the parent's operations and policies. Further, the Group has demonstrated its commitment by infusing Rs. 332 crore into the company since its inception in 2020. Additional growth capital is expected to be infused by the Group as and when required, underscoring its continued financial support. Moreover, to facilitate the launch of MAFS' borrowing programme in India, the parent company extended corporate guarantees, enabling MAFS to secure funding despite limited collateral availability at the time.

Previously, MAFS was held by Mirae Asset Global Investment India (MAGI; 51%²), MACK (40%), and other Group companies (the balance). In this regard, ICRA notes the change in the shareholding pattern after the merger of MSFS with MAFS, with MAS (through Human Value Developers Private Limited) now holding a majority stake (~64%) in MAFS. Despite the evolving shareholding structure of the Group, the eventual control and oversight of MAFS remain with MACK, the flagship lending company of the Group.

Comfortable capitalisation profile – MAFS' capitalisation profile was marked by a net worth of Rs. 367 crore and a capital-to-risk weighted assets ratio (CRAR) of 18.9% as on December 31, 2025. The financial leverage stood at 3.5 times as on December 31, 2025, and the company plans to operate at a steady-state leverage of about 4 times (CRAR of over 20%) in the medium term. Basis the financials as on December 31, 2025, the combined financial profile of MAFS and MSFS is estimated to have been characterised by total assets of Rs. 2,500 crore, net worth of Rs. 1,000 crore and financial leverage of 1.4 times. ICRA expects the profitability trend to improve with increasing scale, which is likely to enhance internal accruals and strengthen the capitalisation profile. While the current capitalisation profile remains comfortable for near-term growth, timely and adequate capital support is expected from the parent to aid the objective of scaling up the loan book. The parent had infused Rs. 332 crore in MAFS between FY2020 and FY2023³.

² Wholly-owned subsidiary of Mirae Asset Global Investment Co. Ltd Korea

³ In November 2024, the parent infused Rs. 3,001 crore in India to acquire Sharekhan Group. This reflects well on its ability to infuse capital

Credit challenges

Evolving track record with limited seasoning of personal loan book – MAFS commenced the lending business in FY2023 and reported healthy growth in the last three fiscals with the loan book increasing to Rs. 1,563 crore as on December 31, 2025 from Rs. 77 crore as on March 31, 2023. On the other hand, MSFS' loan book has remained rangebound at Rs. 600-700 crore in recent years. Consequently, the combined book of these companies stood at ~Rs. 2,273 crore as on December 31, 2025. In the initial years of commencement of business, a significant portion of MAFS' loan book comprised loans against shares. However, over the past two years, loans against MFs have emerged as the predominant product (67% of MAFS' loan book). In parallel, the share of personal loans increased to 33% as of December 2025 from 23% in March 2023 while the corporate loan book declined to nil as of December 2025 from 2% in March 2024. The combined portfolio of MAFS and MSFS remains skewed towards capital market-linked lending, which accounts for ~75% of the total book. The loan book mix is expected to continue to evolve with the proportion of loan against securities/MFs expected to decline gradually as the scale builds up. In the long term, the management intends to maintain a 65:35 mix between secured lending and personal and corporate loans. It plans to scale up the loan book to Rs. 3,600-3,700 crore by March 2027 and the growth will be debt funded. In this regard, MAFS commenced its borrowing programme in FY2024 through bank borrowings. Supported by its strong parentage, it secured funding from established asset management companies (AMCs) through the issuance of commercial paper (CP) in the subsequent period. Going forward, MAFS' ability to raise funds regularly at competitive costs will remain imperative to support growth and profitability.

MAFS' profitability remained subdued with an average return on assets (RoA) of 1.1% in FY2024 and FY2025, given the modest scale. Nonetheless, with the uptick in the share of the relatively higher-yielding personal loan product, the RoA increased to 1.7% in 9M FY2026. Profitability is expected to improve as the scale of operations increases and will be further supported by the relatively better operating cost structure with estimated RoA in the range 2.6-3.0% in FY2024 and 9M FY2026. Nevertheless, MAFS' ability to borrow at competitive rates and control credit costs will remain critical for sustaining a healthy profitability trajectory.

While the proportion of stressed loans remains benign at present, ICRA notes the limited seasoning of the company's personal loan portfolio and its relatively short operating track record in the inherently volatile capital markets, particularly for the loan against securities/MF product. Given the higher exposure to capital market-linked lending, MAFS' business remains exposed to credit and market risks, as any adverse event in the capital markets could erode the value of the underlying collateral stocks. Furthermore, its presence in the unsecured lending space underscores its exposure to credit risk in this segment. Nonetheless, the FLDG arrangement of 5% extended to MAFS by its lending partners provides some comfort. While the company claims to have implemented sufficient risk management practices, its ability to maintain adequate asset quality while scaling up its operations is yet to be demonstrated. Herein, ICRA notes that MSFS has a track record of negligible credit losses over the years despite its exposure to volatile capital markets.

Furthermore, given its dependence on the digital lending model and its reliance on technology, uninterrupted technological operations remain crucial for risk management and to ensure that it can promptly square off positions to avoid potential losses.

Liquidity position: Adequate

Given the predominantly short-tenor nature of the loans offered by MAFS, a large portion of the loan book is due within one year. This, coupled with the comfortable financial leverage, reflects in the satisfactory asset-liability maturity (ALM) profile, with no cumulative mismatches in the near-term buckets. As on February 28, 2026, MAFS maintained cash and equivalents of Rs. 158 crore and undrawn bank lines of Rs. 9 crore compared to debt obligations of Rs. 430 crore due in the next three months. The short-term nature of the Rs. 1,533-crore loan book supports the company's debt-servicing ability. On the other hand, MSFS had cash and equivalents of Rs. 51 crore and nil undrawn bank lines compared to debt obligations of Rs. 100 crore due in the next three months. Its short-term loan book stood at Rs. 705 crore as on February 28, 2026. Further, ICRA expects timely support from Group entities to be forthcoming in case of exigencies.

Rating sensitivities

Positive factors – Material strengthening of the parent group's credit profile will be a credit positive.

Negative factors – A deterioration in the credit profile of the ultimate parent or weakening in the linkages with the parent group will be a credit negative. Additionally, a sustained deterioration in MAFS' financial profile with an uptick in stressed assets will be a credit negative.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Rating Methodology – Non-banking Finance Companies (NBFCs)
Parent/Group support	Parent: Mirae Asset Financial Group of South Korea; MACK is the main lending entity and the key holding company of the Group with the largest stake in MAS ICRA expects the Group to be willing to extend financial support to MAFS, if needed, given the importance the company holds for meeting the Group's objectives in the Indian market, which is a key focus area for the Group. MAFS, along with other entities of the Group in India, shares the brand name, which, in ICRA's opinion, would persuade the Group to provide financial support to protect its reputation from the consequences of a Group entity's distress.
Consolidation/Standalone	Standalone

About the company

Incorporated in 2020, MAFS received its non-banking financial company (NBFC) licence in February 2021 and commenced the lending business in FY2023. It provides financing solutions to retail clients through products such as loan against shares, mutual funds (MFs) and securities, and personal loans. The company offers loans to its customer through its digital platform. MAFS also has a modest presence in corporate financing, wherein it extends short-tenure working capital and vendor finance type products. As on December 31, 2025, the loan book stood at Rs. 1,533 crore comprising loans against shares/MFs/securities (67%) and personal loans (33%). Its capitalisation profile was characterised by a net worth of Rs. 367 crore and a capital adequacy ratio (CRAR) of 18.9% as on December 31, 2025.

MAFS is a part of South Korea-based Mirae Asset Financial Group. In November 2024, MAS acquired a 100% stake in India-based erstwhile Sharekhan BNP Paribas Financial Service Limited and rechristened the latter to Mirae Asset Sharekhan Financial Services Limited. Following this acquisition, Mirae Asset Financial Group had two NBFCs in India – MAFS and MSFS. While both companies were operating as independent entities after the acquisition by MAS, the Reserve Bank of India (RBI) had directed Mirae Group India to consolidate its lending operations under a single NBFC by March 2026. Pursuant to this directive, the merger process was initiated and National Company Law Tribunal (NCLT) approval for the same was received on February 24, 2026. As per the order, the appointed date for the order is April 1, 2025.

MSFS, with a presence in loan against securities and ESOP financing, had a loan book of Rs. 705 crore and a net worth of Rs. 633 crore as on December 31, 2025.

Key financial indicators (audited)

MAFS – Standalone	FY2024	FY2025	9M FY2026**
Total income	71.8	130.0^^	156.9
Profit after tax	5.6	12.5	19.1
Reported total assets	854.6	1,234.4	~1,680
Return on average assets*	0.9%	1.2%	1.7%
Gross gearing (times)	1.5	2.5	3.5
Gross NPA	1.5%	0.4%	0.5%
CRAR	NA^	23.5%	18.9%

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; ** Limited preview; ^^ Excluding recoveries from write-offs; * Based on gross assets; ^ Not applicable for base layer NBFCs

MSFS – Standalone	FY2024	FY2025	9M FY2026**
Total income	71.0	57.2	48.2
Profit after tax	33.7	31.3	27.0
Reported total assets	587.6	614.7	~785
Return on average assets	4.8%	5.2%	5.1%
Gross gearing (times)	0.0	0.0	0.2
Gross NPA	0.0%	0.0%	0.0%
CRAR	71.3%	70.3%	63.5%

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

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Current (FY2026)			Chronology of rating history for the past 3 years					
		Amount rated (Rs. crore)	Mar 18, 2026	Aug 07, 2025	FY2025		FY2024		FY2023	
					Date	Rating	Date	Rating	Date	Rating
Subordinated debt programme	Long term	100.0	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	-	-	-	-	-	-
Fund-based bank lines – Others	Long term	100.0	[ICRA]AA+ (Stable)	-	-	-	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Subordinated debt programme	Simple
Long-term/Short-term fund-based bank lines – Others	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: [Click here](#)

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate (%)	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Subordinated debt programme*	-	-	-	100.0	[ICRA]AA+ (Stable)
NA	Long-term/Short-term fund-based bank lines – Others	Dec 30, 2025	Repo linked + margin	Dec 30, 2026	100.0	[ICRA]AA+ (Stable)

Source: Company; * Yet to be placed; As on March 13, 2026

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

Annexure II: List of entities considered for consolidated analysis

Not applicable

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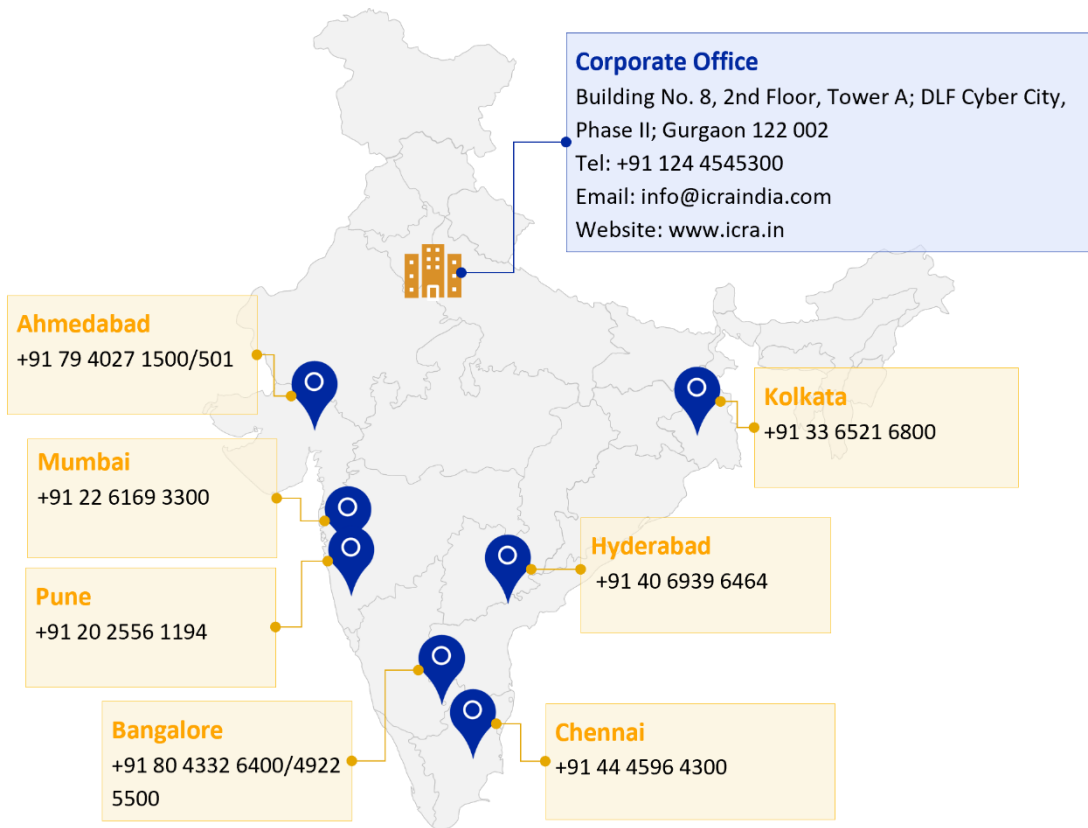
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