

JM Financial Limited

April 30, 2020

Ratings

Facilities	Amount (Rs. crore)	Rating ¹	Rating Action
Commercial Paper	-	-	Withdrawn

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the rating assigned to the commercial paper issue of JM Financial Limited (JMFL) with immediate effect, as the company has repaid the aforementioned Commercial Paper Issue in full and there is no amount outstanding under the issue as on date.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Group

JM Financial is an integrated and diversified financial services group. The Group's primary businesses include (a) Investment banking, wealth management and securities (IWS) which includes fee and fund based activities for its clients (b) Mortgage Lending which includes both wholesale mortgage lending and retail mortgage lending (home loans, education institutions lending and LAP) (c) Distressed credit which includes the Asset Reconstruction business (d) Asset Management includes the mutual fund business.

As on December 31, 2019, the consolidated loan book stood at ~Rs.12,547 crore (excluding IPO financing book), distressed credit business AUM at ~Rs.11,413 crore, wealth management AUM at ~Rs. 46,886 crore, mutual fund AAUM at ~Rs.5,683 crore. The Group is headquartered in Mumbai and has a presence across 343 locations spread across 120 cities in India. The equity shares of JM Financial Limited are listed in India on the BSE and NSE.

JM Financial Limited (Consolidated) as per IND AS.

Brief Financials (Rs. crore)	FY18 (A)	FY19 (A)
Total Income	3,097	3,579
PAT [^]	783	836
Overall Gearing (times)#	2.49	1.87
Total Assets*	22,143	22,571
Net NPA (%)	0.56	0.55
ROTA (%)	4.06	3.74

A: Audited; *Total Assets and net-worth are net-off deferred tax asset, intangible assets and Goodwill.

[^] before non-controlling interest and excluding profits from associate

excluding accrued interest on borrowings.

JM Financial Limited (Standalone) as per IND AS.

Brief Financials (Rs. crore)	FY18 (A)	FY19 (A)
Total Income	426	272
PAT	192	111
Overall Gearing (times)*	Nil	Nil
Total Assets*	2,679	2,652
Net NPA (%)	Nil	Nil
ROTA (%)	8.10	4.17

A: Audited; *Total Assets and net-worth are net of deferred tax asset and intangible assets.

All Ratios are as per CARE calculations.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Commercial Paper	-	-	-	-	Withdrawn

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Commercial Paper	-	-	Withdrawn	-	1)CARE A1+ (10-Oct-19)	1)CARE A1+ (08-Oct-18)	1)CARE A1+ (30-Jan-18) 2)CARE A1+ (29-Sep-17)

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

Contact us

Media Contact

Mradul Mishra

Contact no. →+91-22-6837 4424

Email ID – mradul.mishra@careratings.com

Analyst Contact 1

Mr. Abhijit Urankar

Contact no.- 022-6754 3669

Email ID- abhijit.urankar@careratings.com

Analyst Contact 2

Mr. Sanjay Kumar Agarwal

Contact no. : (022) 6754 3500 / 582

Email ID- sanjay.agarwal@careratings.com

Business Development Contact

Name: : Ankur Sachdeva

Contact no. : 91 98196 98985

Email ID : ankur.sachdeva@careratings.com

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

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Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

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