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JM Financial Home Loans aims to scale AUM to Rs 5,000 crore by FY27, driven by branch expansion, higher ticket sizes and tighter early-stage delinquency controls, MD & CEO Manish Sheth said



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JM Financial Home Loans is aiming to grow its assets under management (AUM) to Rs 5,000 crore in FY27, translating into annual growth of 30 per cent from its current AUM of Rs 3,000 crore. The AUM expansion will be supported by measured branch expansion and property price inflation, said Manish Sheth, managing director and chief executive officer, JM Financial Home Loans, in an interaction with Business Standard.

## What is JM Financial Home Loans' growth strategy in its existing markets?

Going forward, as part of the company's growth strategy, the focus is on deepening penetration within its existing eight states in West and South India.

### JM Financial Ltd



## Why is the company raising its average loan ticket size?

In addition, given that credit costs are lower for slightly higher ticket sizes, the company is planning to increase the ticket size of its loans by about 20 per cent to Rs 12–14 lakh from Rs 10 lakh. Further, the focus is on tightening early-stage delinquency through proactive engagement with borrowers in the first 12 months to counter elevated industry-wide bounce rates and strengthen asset quality, Sheth said.

## How many branches does the company plan to add by March 2026?

The company aims to expand its network from 134 to 150 branches by March 2026. Sheth highlighted that since state heads, regional heads, and area managers are already in place, hiring is focused at the mid and junior levels. As a result, the new branches are expected to become profitable faster than earlier branch expansions, he said.

He added, “Entering new markets such as North India requires over a year of investment in personnel, policies, and break-even cycles.”

## Which segments are supporting loan growth and underwriting quality?

Sheth said the company continues to benefit from lending in segments such as loans to self-employed borrowers in Tier-2 and Tier-3 cities. It is important to establish local credit and collateral knowledge for better underwriting.

## How is JM Financial Home Loans diversifying its funding mix?

The company's funding mix is highly diversified. About 24 per cent of its borrowings come from the National Housing Bank, while the remainder is sourced through term loans from public sector banks—such as State Bank of India, Bank of Baroda, and Bank of Maharashtra—and private sector banks including IDFC First Bank and Karur Vysya Bank. It also raises funds through NCDs subscribed by leading mutual funds such as HDFC Mutual Fund and ICICI Prudential. State Bank of India is largest lender. “Diversification of borrowing profile helps in reducing overall costs with a comfortable ALM (asset liability management),” Sheth said.

## What change does the company want in RBI rate-cut transmission?

He added that there should be a mechanism to transmit rate cuts by the Reserve Bank of India faster to NBFCs and HFCs, which can then be passed on to end customers.