

Research Report

Jio Financial Services Limited



Prepared By-

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About

JFSL was originally incorporated as Reliance Strategic Investments Private Limited in July, 1999 under the Companies Act 1956. Jio Financial Services Limited was incorporated in July, 23. JFSL is a NBFC-ND-SI registered with RBI. The company is a holding company and will operate its financial services business through its consumer-facing subsidiaries namely JFL, JIBL, and JPBL and JPSL.

Key Business segments

- 1) Lending & Leasing
- 2) Payments
- 3) Protect
- 4) Invest

Synopsis of Financials

Q4 FY25

- **Total Income: Rs. 518 crore (vs Rs. 418 crore in Q4 FY24 and Rs. 449 crore in Q3 FY25)**
- **PPoP: Rs. 374 crore (Q4 FY25) vs Rs. 317 crore (Q4 FY24)**
- **PAT: Rs. 316 crore (Q4 FY25) vs Rs. 311 crore (Q4 FY24)**

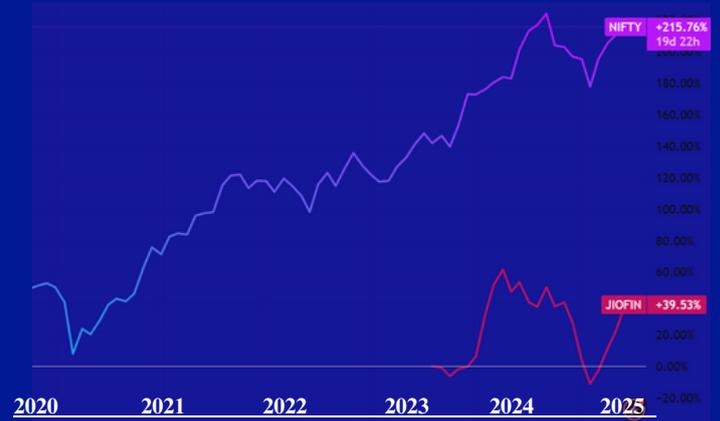
Standalone Performance

- **FY25 PAT: Rs. 549 crore (vs Rs. 383 crore in FY24)**
- **Total Income: Rs. 839 crore (vs Rs. 639 crore in FY24)**
- **Net Worth: Rs. 24,985 crore (March 31, 2025)**
- **Total Assets: Rs. 25,096 crore**

Stock data (as 2nd July25)

Nifty Price	: 25,149.85
52 week High (in Rs.)	: 363
52 week Low (in Rs.)	: 199
Market Cap. (in Crore)	: 2,06,990
NSE Code	: <u>JIOFIN</u>

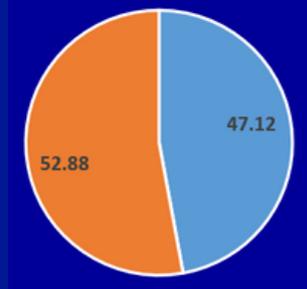
Stock data



-NIFTY50

-Jio Financial Services Limited

Shareholding Pattern (March 2025)



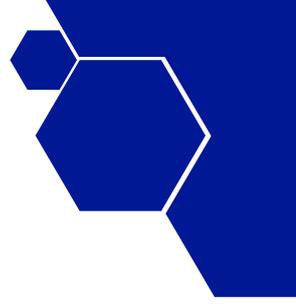
-PUBLIC GROUP

-PROMOTER GROUP

Financial Summary

Particulars	Mar-23	Mar-24	Mar-25
Sales	45	1,855	2,043
Sales Growth %		4036%	10%
Expenses	6	296	495
Operating Profit	39	1,559	1,548
OPM %	88%	84%	76%
Net Profit	31	1,605	1,613
EPS in Rs		2.53	2.54

Quarterly Results



Particular	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
Sales	608	414	418	418	694	438	493
Expenses	66	94	98	74	140	125	155
Operating Profit	542	320	320	344	553	313	338
OPM %	89%	77%	77%	82%	80%	71%	69%
Other Income	218	67	78	62	226	70	71
Interest	0	0	0	0	0	0	8
Depreciation	5	5	5	5	6	6	6
Profit before tax	754	381	393	400	773	377	396
Tax %	11%	23%	21%	22%	11%	22%	20%
Net Profit	668	294	311	313	689	295	316

Source: Screener

Key Ratios

Particulars	As at 31 st March, 2024			As at 31 st March, 2023	Variance
	Numerator	Denominator	Ratio	Ratio	
	₹ in crore	₹ in crore			%
Capital to risk-weighted assets ratio (CRAR)	9,652.41	5,051.18	191.09%	195.04%	-2.02%
Tier I CRAR	9,652.04	5,051.18	191.08%	195.04%	-2.03%
Tier II CRAR	0.37	5,051.18	0.01%	-	-
Liquidity Coverage Ratio	19.52	2.51	777.69%	5739475%	-99.99%

Source: Annual Report

Yearly Results

Particulars	Mar-23	Mar-24	Mar-25
Equity Capital	2	6,353	6,353
Reserves	1,14,118	1,32,794	1,17,143
Borrowings	743	0	3,970
Other Liabilities	66	5,715	6,043
Total Liabilities	1,14,930	1,44,863	1,33,510
Fixed Assets	158	172	188
CWIP	38	3	7
Investments	1,08,141	1,33,292	1,18,910
Other Assets	6,593	11,395	14,405
Total Assets	1,14,930	1,44,863	1,33,510

Synopsis Quarter Results

Concall Notes - May-2025: Key Highlights

Capital Allocation & Investments

- **Equity Infusion:** Rs. 1,346 crore invested in FY25 across group entities—Jio Finance Limited (NBFC), Jio Payments Bank Limited, and BlackRock JVs (asset/wealth management)—to expand market presence.
- **SBI Stake Buyout:** Board approved acquisition of SBI's remaining stake in Jio Payments Bank Limited for Rs. 105 crore. Transaction pending regulatory approval.

4. Business Segment Updates

A. Lending (NBFC – Jio Finance Limited, JFL)

- **AUM Growth:**
 - Rs. 10,053 crore as of March 31, 2025 (vs Rs. 173 crore as of March 31, 2024; Rs. 4,199 crore as of Dec 31, 2024).
 - 139% sequential growth; management highlights both organic growth and direct assignments.
- **Portfolio:**
 - Focused on prime and near-prime retail, and high credit-rated wholesale customers.
 - Comprehensive secured product suite: Vendor Financing, Working Capital, Term Loans, Factoring (corporate); Home Loans, Loan Against Property, Loan Against Mutual Funds/Shares (retail).
- **Distribution:**
 - Expanded to 10 Tier-1 cities; leveraging group ecosystem and external digital marketplaces; channel tie-ups for LAS (Loan Against Securities).
- **Debt Market Entry:**
 - Maiden debt issue of Rs. 1,000 crore at competitive rates closed in FY25.

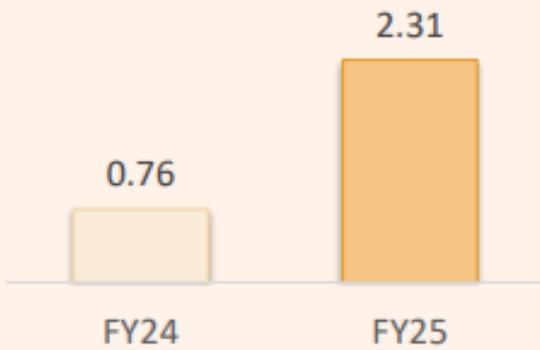
C. Payment Solutions (Jio Payment Solutions Limited, JPSSL)

- **Online Payment Aggregator License:**
 - Received in FY25, enabling expansion in merchant payments.
- **Distribution:**
 - Micro and small merchants via JioBharat feature phones (JioSoundPay for audio UPI alerts); dedicated channels for large clients; leveraging group ecosystem for enterprise acquisition.

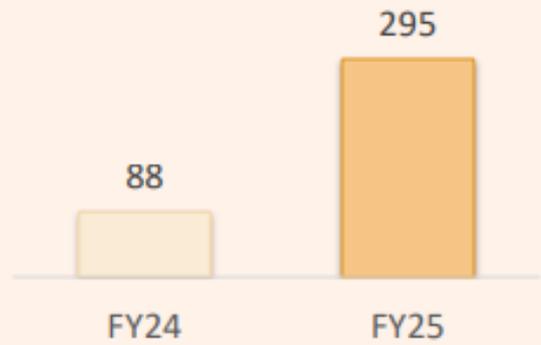
Highlights



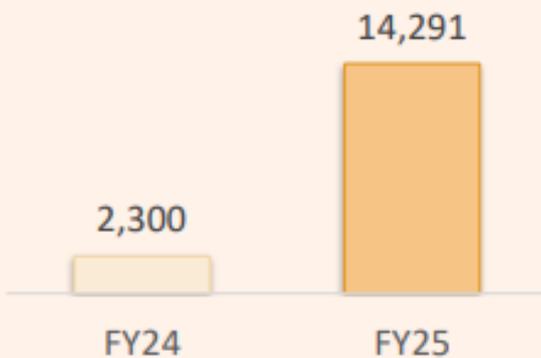
CASA Customers (mn)



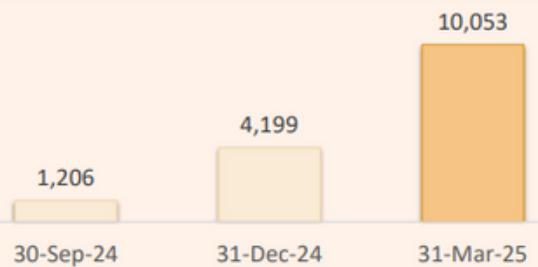
Deposits* (Rs Cr)



Business Correspondent Network

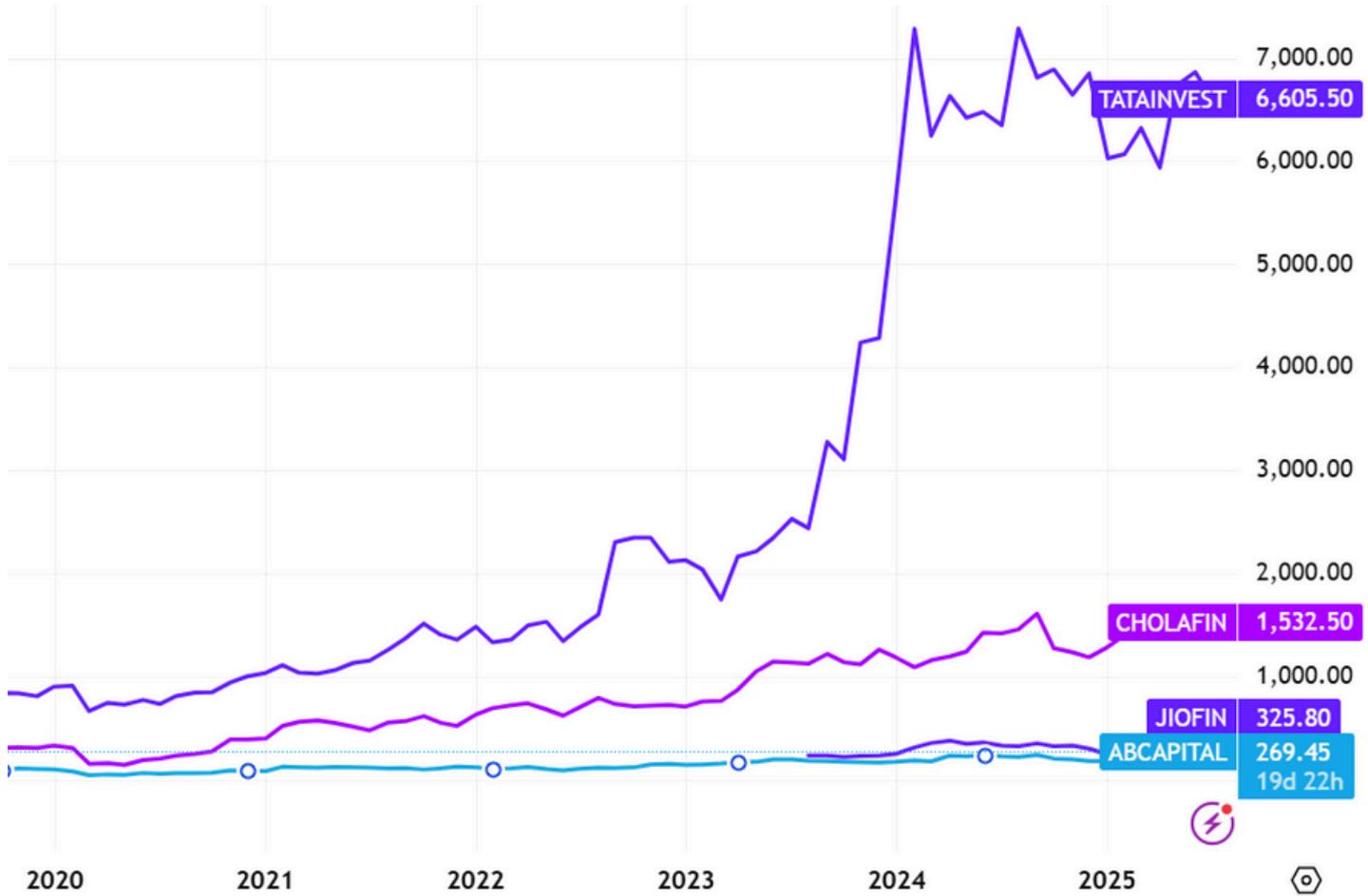


AUM (Rs Cr)



Peer Comparison

Peer Stock Performance (5Y) Indexed



Source: Trading View

Peer Financial Performance

S.No.	Name	CMP Rs.	P/E	Mar Cap Rs.Cr.	Div Yld %	NP Qtr Rs.Cr.	Qtr Profit Var %	Sales Qtr Rs.Cr.	Qtr Sales Var %	ROCE %	Down %
1.	Jio Financial	325.80	128.33	206989.94	0.00	316.11	1.76	493.24	17.97	1.47	10.25
2.	Aditya Birla Cap	269.20	21.32	70267.70	0.00	885.61	-29.66	12214.04	13.31	9.34	4.76
3.	Chola Financial	2060.60	17.81	38693.39	0.06	1362.18	19.59	8913.37	26.15	10.57	7.70
4.	Tata Inv.Corpn.	6597.00	106.94	33377.70	0.41	37.72	-37.62	16.43	-71.23	1.21	18.31
5.	JSW Holdings	21715.00	123.08	24103.65	0.00	9.72	-70.80	29.46	9.15	0.82	21.78

Source: Screener

Final Outlook

JIOFIN: HOLD | LTP: 326

The stock is too expensive (high P/E), and profitability is low. Buying now could be risky unless profits improve.

The company is growing, has strong backing, and is improving operationally. If profits start rising, the stock could justify its high valuation.

HOLD is best: Wait for JioFin to show better profit growth and improved returns on capital. If the company can convert its sales growth into strong profits, it could become a great investment. For now, it's best to hold and watch for improvement.

JioFin is a promising company with strong growth and a big name behind it.

However, the stock price is already very high compared to its current profits, and it isn't making as much money from its business as its competitors. The company is managing its cash well and growing sales, but profits need to improve. Right now, it's best to **HOLD** the stock and wait for better profits before thinking about buying more.

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