

JIO Financial Services



Architecting India's next-gen financial services platform

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Architecting India's next-gen financial services platform

- ❖ Jio Financial Services (JIOFIN) is being architected as a diversified, technology-led financial services platform, aiming to operate across lending, payments, asset management, wealth management, insurance manufacturing and broking, and other digital financial services, while leveraging the unparalleled distribution and data ecosystem of the Reliance group.
- ❖ The core investment thesis for JIOFIN centers on its ecosystem-led operating advantage, leveraging Jio's subscriber base of over 500m and the extensive retail footprint of the Reliance Group. Unlike traditional NBFCs that face high customer acquisition costs, JIOFIN benefits from a lower-cost entry into the daily digital lives of nearly half of India's population. This captive audience enables hyper-personalized credit underwriting through proprietary AI models that analyze data from telecom and retail behavior, providing a unique risk assessment edge, while operating within regulatory guardrails.
- ❖ JIOFIN offers a compelling long-term growth runway, supported by the breadth of its financial services platform and multiple embedded value-creation levers. While current valuations reflect a part of the medium-term growth potential, we believe they do not fully capture the scale opportunity across lending, asset management, insurance, and digital financial services as these businesses transition from incubation to meaningful profitability.
- ❖ Near-term earnings and return metrics are likely to remain constrained as operating franchises are built across lending, asset and wealth management, and payments and insurance (broking and manufacturing). However, parallel scaling of multiple businesses, anchored in digital-first distribution, capital discipline, and selective partnerships, provides meaningful medium-to-long-term optionality.
- ❖ JIOFIN trades at 1x FY27E P/BV. We model consolidated PAT CAGR of 48% over FY26-FY28E, and initiate coverage on JIOFIN with a BUY rating and TP of INR320 (based on Mar'28E SOTP).

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Financials and valuations

JIO Financial Services

BSE Sensex 77,550 S&P CNX 24,058



Stock Info

	JIOFIN IN
Bloomberg	JIOFIN IN
Equity Shares (m)	6353
M.Cap.(INRb)/(USDb)	1499.3 / 16.3
52-Week Range (INR)	339 / 200
1, 6, 12 Rel. Per (%)	-6/-21/1
12M Avg Val (INR M)	4558
Free float (%)	52.9

Financial Snapshot (INR b)

Y/E March	FY26E	FY27E	FY28E
NII	12.4	21.1	35.3
PPP	17.8	29.1	46.5
PAT	16.7	25.0	36.7
EPS (INR)	2.6	3.6	5.4
EPS Gr. (%)	3.7	38	47
BV/Sh. (INR)	226	248	272

Ratios (%)

NBFC NIM	3.8	4.1	4.2
NBFC C/I ratio	40.0	28.1	21.8
Consol. core RoA	2.0	2.0	2.4
Consol. core RoE	4.3	4.6	7.1

Valuation

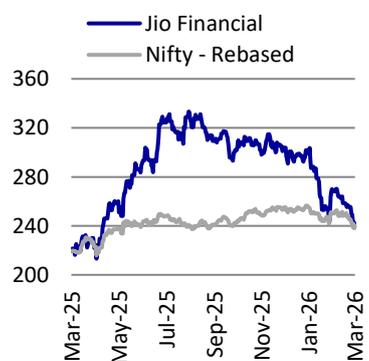
P/E (x)	89.7	64.8	44.0
P/BV (x)	1.0	1.0	0.9
Div. Yield (%)	0.0	0.0	0.0

Shareholding Pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	47.1	47.1	47.1
DII	15.6	15.0	12.6
FII	11.6	11.8	15.6
Others	25.8	26.1	24.6

FII includes depository receipts

Stock's performance (one-year)



CMP: INR236

TP: INR320 (+36%)

Buy

Architecting India's next-gen financial services platform

Leveraging ecosystem synergies, data, distribution and discipline for scalable finance

- Jio Financial Services (JIOFIN) is being architected as a diversified, technology-led financial services platform, aiming to operate across lending, payments, asset management, wealth management, insurance manufacturing and broking, and other digital financial services, while leveraging the unparalleled distribution and data ecosystem of the Reliance group.
- The core investment thesis for JIOFIN centers on its ecosystem-led operating advantage, leveraging Jio's subscriber base of over 500m and the extensive retail footprint of the Reliance Group. Unlike traditional NBFCs that face high customer acquisition costs, JIOFIN benefits from a lower-cost entry into the daily digital lives of nearly half of India's population. This captive audience enables hyper-personalized credit underwriting through proprietary AI models that analyze data from telecom and retail behavior, providing a unique risk assessment edge, while operating within regulatory guardrails
- JIOFIN's 'Reliance Pedigree' serves as more than just a brand; it provides a structural capital advantage. This was reflected in the recent preferential issue of warrants to the promoter group, which will infuse ~INR157b of equity capital, strengthening the company's balance sheet and supporting long-term growth. The company enjoys a structurally lower cost of borrowings, with cost of funds (CoF) averaging ~6.99% as of Dec'25, supported by its AAA credit rating and diversified funding access.
- JIOFIN's diverse product suite is designed to address every stage of a consumer's financial journey. The lending business, Jio Credit, will remain the primary growth engine, with AUM surging ~5x YoY to over INR190b as of Dec'25. The Payments Bank and payments solution ecosystem will act as a critical acquisition layer, processing trillions in transaction volume and doubling its customer base, thereby providing a steady stream of data to cross-sell higher-margin products. Moreover, the company's wealth and insurance verticals are preparing for a nationwide rollout, targeting Tier 2 and Tier 3 cities, where digital penetration is high but formal credit remains scarce.
- JIOFIN is a structural play on the financialization of India's digital economy. By successfully shifting its revenue mix, where core business income now accounts for over ~55% of total earnings, JIOFIN has proven its ability to pivot to an operational powerhouse. Its primary strength lies in its triple-threat advantage: an industry-leading liability franchise, a low-cost customer acquisition funnel through its Jio telecom and retail ecosystem, and global financial product manufacturing expertise via the BlackRock and Allianz joint ventures.
- **While near-term profitability remains subdued due to the incubation phase of multiple businesses, the groundwork laid across technology, partnerships, and distribution positions the company for scalable growth over the medium to long term. We model consolidated PAT CAGR of 48% over FY26-28E and initiate coverage on JIOFIN with a BUY rating and TP of INR320/share (based on Mar'28E SoTP). Our SoTP does not factor in valuation from businesses, which are still in their incubation phases.**

Jio Credit: Lending engine with market leadership ambition

- Jio Credit (JCL) has entered a strong AUM scale-up phase, supported by a secured-led portfolio mix, rapid execution, and a conservative risk framework. Growth has been driven by the swift ramp-up of secured retail products—home loans, LAP, and LAS which provide decent risk-adjusted returns and lower loss volatility during the early stages of balance sheet expansion.
- Alongside retail lending, JCL has gradually expanded its corporate and supply-chain finance portfolio, resulting in a more balanced retail-corporate mix and lower concentration risk.
- Asset quality remains a core strategic priority for JCL, particularly as the company focuses on building its portfolio around prime and near-prime customer segments. Given the early stage of portfolio seasoning and the rapid pace of balance sheet expansion, the company has placed strong emphasis on risk management and credit discipline to ensure that growth is sustainable and resilient across cycles.
- JCL is in the early stages of expanding its business operations, and return metrics are expected to remain modest in the near term as the company continues to invest meaningfully in its business platform, technology infrastructure, talent base, and product capabilities.
- We expect earnings momentum to strengthen every year, driven by a disciplined scale-up of business and a strong focus on profitability. We expect AUM CAGR of 90% and PAT CAGR of 152% over FY26-FY28E, with an RoA/RoE of 2.4%/12.4% in FY28 (this includes fresh equity infusion by JFSL into Jio Credit in each of FY27 and FY28).

Jio Payments Bank: Building a digital-first, inclusion-led payments franchise

- Jio Payments Bank (JPBL) offers a comprehensive yet focused product suite aligned with the regulatory framework of payments banks. Its offerings include digital savings and salary accounts, UPI services, virtual and physical RuPay debit cards, domestic money remittance, toll processing, and Aadhaar-enabled payment system facilities.
- JPBL's business model is anchored in a digital-first approach, complemented by a phygital distribution network. As of Dec'25, the bank operated through a network of ~287K BC touchpoints (including both owned and corporate BC). This network plays a critical role in extending banking access to rural and semi-urban areas, enabling account opening, cash-based services, and assisted digital transactions. The JioFinance app serves as the primary customer interface, enabling digital onboarding, account management, payments, and access to banking services with minimal friction.
- Engagement levels continue to rise, reflecting growing adoption of JPBL as a preferred digital payments platform. As of Dec'25, JPBL built a customer base of 3.2m accounts, while deposits stood at INR5.1b. Both metrics have exhibited strong traction, with a rapid scale-up and improving customer acquisition momentum.

Jio-BlackRock AMC: Creating a scalable, technology-led AMC platform

- Jio BlackRock AMC (JB AMC) is a joint venture between JIOFIN and BlackRock, combining Jio's digital distribution scale and customer access with BlackRock's global investment research, risk management systems, and systematic investing capabilities. The platform is positioned as a differentiated, digital-first entrant in India's mutual fund industry.
- Within its first year, JB AMC has built meaningful scale by launching a broad suite of low-cost passive, cash management, and select active funds, aligned with the industry's shift toward digital onboarding, SIP-led investing, and cost-efficient products. With over one million investors onboarded, of whom ~18% are first-time investors, the AMC is tapping into the next wave of retail financialization.
- The long-term thesis is anchored on low customer acquisition costs through the Jio ecosystem, strong product credibility driven by BlackRock's investment processes, and operating leverage from a gradual mix shift into active and specialized strategies, supporting sustainable AUM and revenue growth.

Jio Insurance Broking: Well-positioned to capture India's underpenetrated insurance opportunity

- Jio Insurance Broking Limited (JIBL) is a diversified insurance distributor offering life, health, and general insurance products through partnerships with leading insurers. The company operates across D2C, institutional, embedded insurance, and POSP channels, with a clear focus on digital-first journeys supported by limited human intervention to improve scalability and customer experience.
- JIBL is well placed to tap India's structurally under-penetrated insurance market, where protection gaps remain high across life, health, and SME segments despite rising digital adoption and regulatory support. Increasing product complexity and growing awareness in Tier-2+ markets continue to strengthen the relevance of the broker-led distribution model.
- The company is transitioning from a historically captive, intra-group broker to a market-facing franchise, with a strategic focus on reducing captive business and scaling higher-margin non-captive corporate, SME, and retail segments. This shift, along with operating leverage from digital and POSP-led distribution, is expected to support sustained growth and gradual improvement in profitability over the medium term.

Valuation and view

- JIOFIN represents a long-term platform opportunity in India's evolving financial services landscape, supported by strong parentage, a robust balance sheet, and access to a large digital and consumer ecosystem.
- Near-term earnings and return metrics are likely to remain constrained as operating franchises are built across lending, asset and wealth management, and payments and insurance (broking and manufacturing). However, parallel scaling of multiple businesses, anchored in digital-first distribution, capital discipline, and selective partnerships, provides meaningful medium-to-long-term optionality.
- JIOFIN offers a compelling long-term growth runway, supported by the breadth of its financial services platform and multiple embedded value-creation levers. While current valuations reflect a part of the medium-term growth potential, we believe they do not fully capture the scale opportunity across lending, asset

management, insurance, and digital financial services as these businesses transition from incubation to meaningful profitability.

- JIOFIN trades at 1x FY27E P/BV. We model consolidated PAT CAGR of 48% over FY26-FY28 and initiate coverage on JIOFIN with a BUY rating and TP of INR320 (based on Mar'28E SoTP). Our SoTP does not factor in valuation from businesses like Insurance manufacturing, Wealth management, broking, and marketplace, which are still in their incubation phase.

Jio Financial: SoTP – Mar'28

	Stake	Value (INR B)	INR per share	% to Total	Target multiple	Rationale
Jio Standalone	100	158	25	8	1.0	❖ Based on 1x FY28E P/BV
Jio Credit	100	360	57	18	2.2	❖ Based on 2.2x FY28E P/BV
Jio Insurance Broking	100	42	7	2	25	❖ Based on 25x FY28E EPS
Jio Payment Solutions	100	52	8	3	5.0	❖ Based on 5x FY28E sales
Jio Payment Banks	100	9	1	0	1.8	❖ Based on 1.8x FY28E P/BV
Jio Blackrock AMC	50	23	4	1	8%	❖ Based on 8% of FY28E AUM
RIIHL and RSHL (Investments in RIL)	6.1	1,300	205	64	1.0	❖ Target value of 6.1% stake held in Reliance Industries (based on MOSL TP on RIL); 10% Holding discount
Cash and investments of RIIHL	NA	89	14	4		
Target Value		2,034	320	100		

STORY IN CHARTS

Building a diversified digital financial services ecosystem

Jio Credit: Lending engine with market leadership ambition

Jio Payments Bank: Building a digital-first, inclusion-led payments franchise

BUY rating and TP of INR320 (based on Mar'28E SoTP)

Jio-BlackRock AMC: Creating a scalable, technology-led AMC platform

Jio Insurance Broking: Well-positioned to capture India's underpenetrated insurance opportunity

Jio Financial: Growth drivers



Ecosystem-led customer acquisition



Data-driven underwriting and AI capabilities



Rapid expansion of the lending business



Payments platform as a customer acquisition funnel



Expansion into multiple financial services verticals

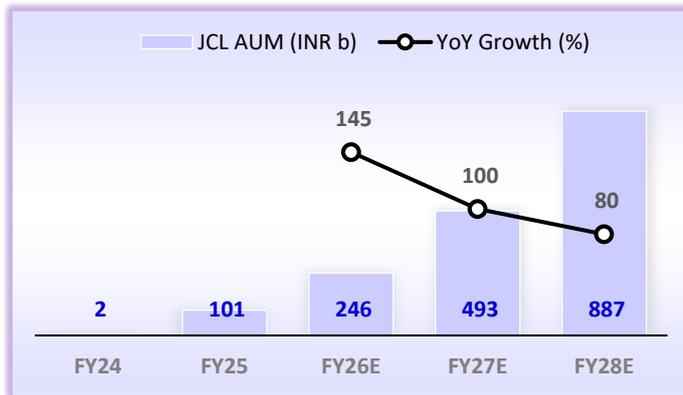


Strategic partnerships for product manufacturing

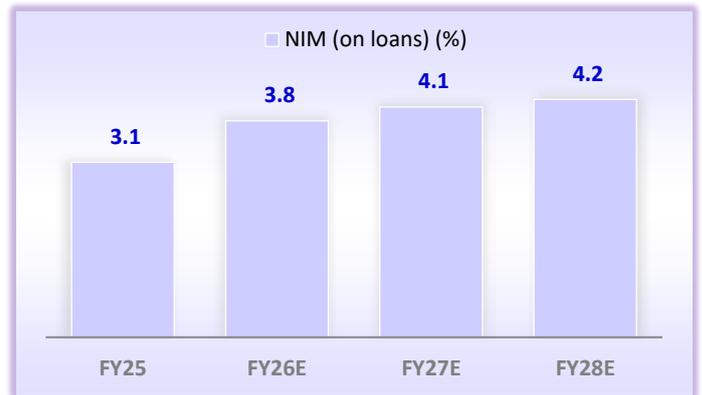


Structural funding advantage

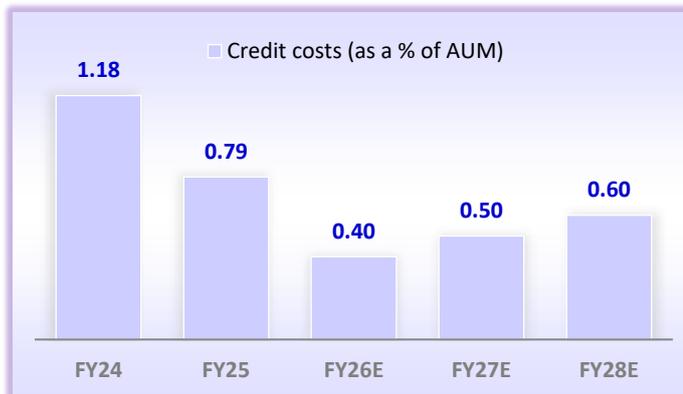
JCL AUM CAGR of 90% over FY26-28E



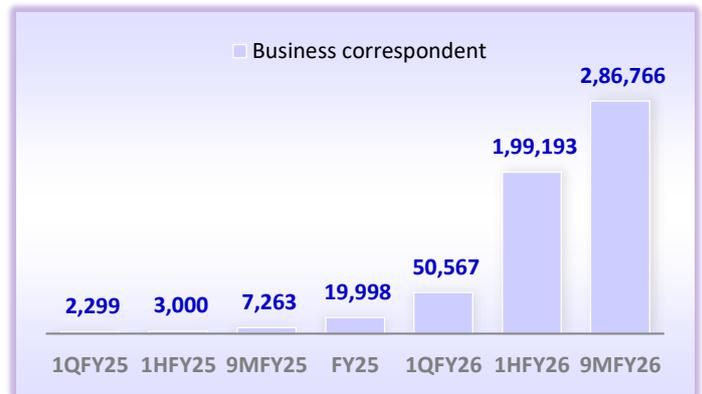
Expect JCL's NIM to expand in FY27/FY28E



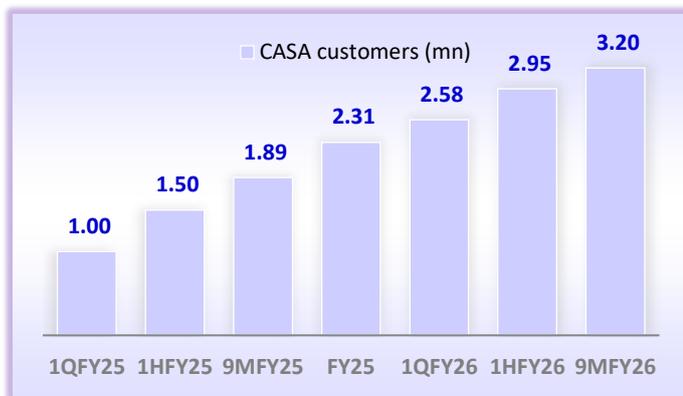
Expect credit costs to remain stable over the medium term



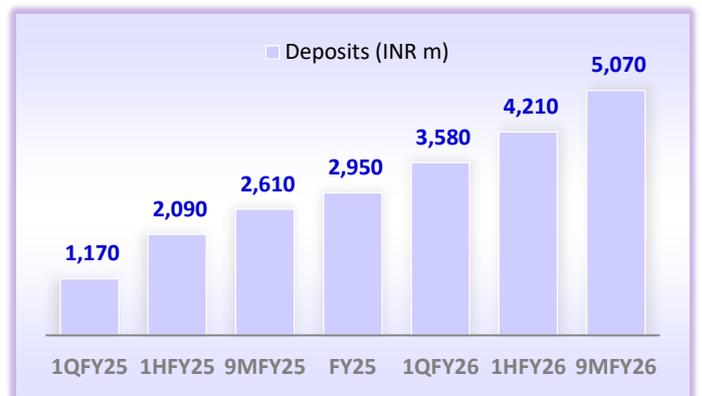
Strong growth in the business correspondent network



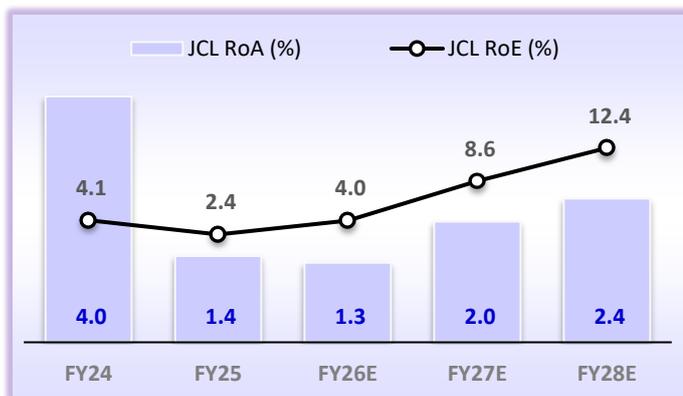
Steady growth in CASA customers



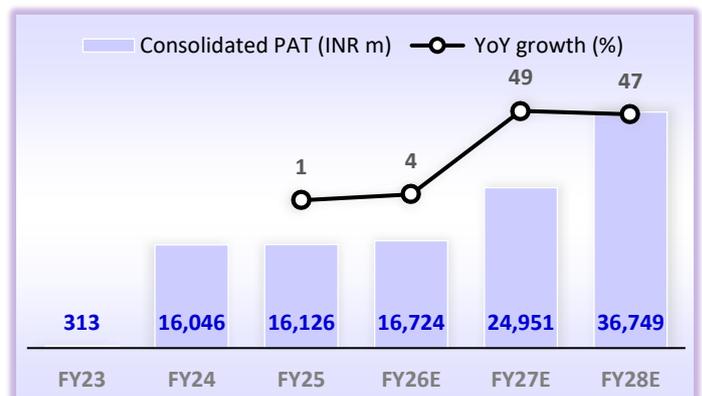
Deposits growth momentum continues



JCL RoA/RoE of 2.4/12.4% in FY28E



Consolidated PAT CAGR of 48% over FY26-FY28E



Source: MOFSL, Company

Source: MOFSL, Company

Key milestones in the journey of the company

JV agreement with BlackRock to undertake wealth and broking businesses



Jio Payments Solutions Limited (JP SL) secured an online payment aggregator licence from RBI
JIOFIN and BlackRock received in-principle SEBI approval to act as co-sponsors for an AMC

Launched the JioFinance app, bringing UPI, bill payments, insurance, and easy loans to millions of users



JioFinance app received major upgrade
Jio BlackRock Asset Management and Jio BlackRock Trustee were incorporated for the asset management business

JIOFIN received approval to operate as a core investment company (CIC)



Jio SoundPay - Instant audio alert for UPI payments on JioBharat feature phones launched, powered by JP SL

JioFinance UPI made its international debut at the Paris Olympics 2024



JioFinance app scored up to 4m downloads
8m monthly active users across all digital properties

Jio BlackRock Investment Advisers was incorporated for wealth management

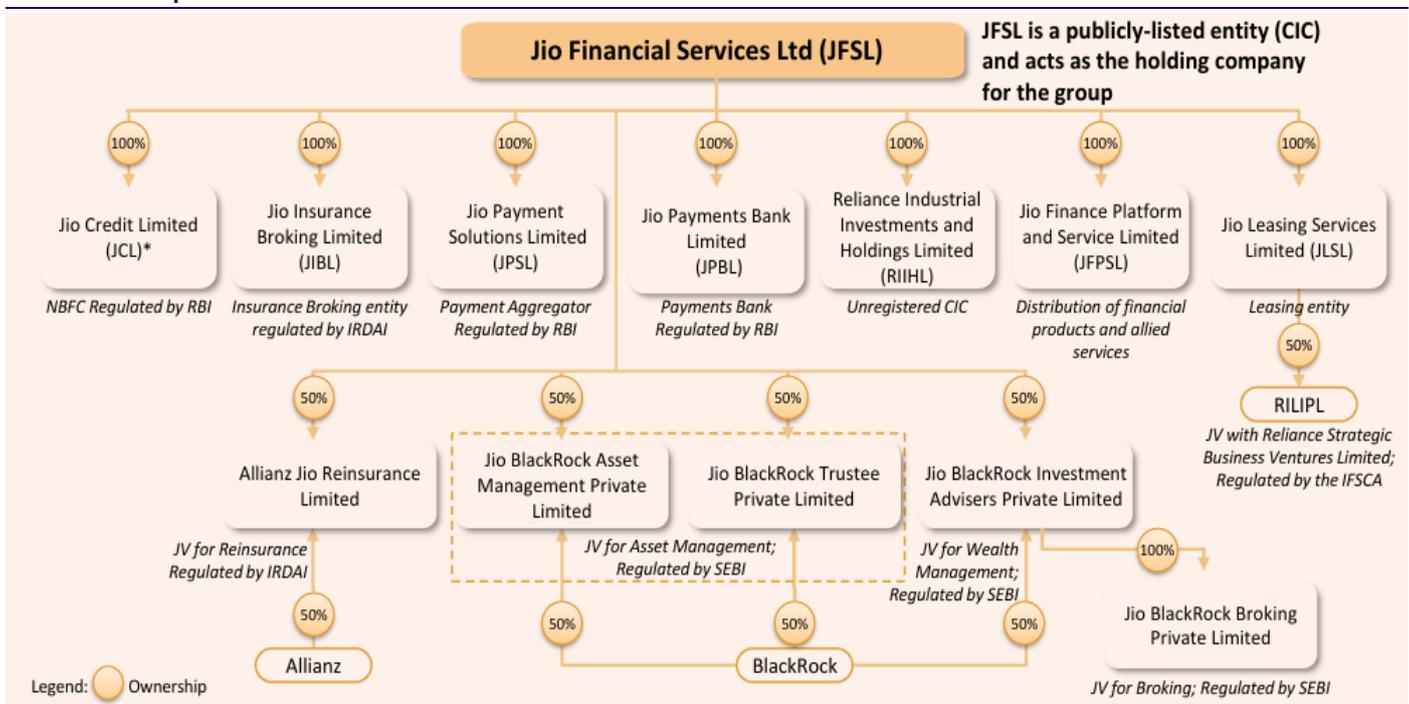


JCL AUM stood at INR190b; CASA customers stood at 3.2m; AMC AUM stood at INR150b

Company overview

- JIOFIN is a digital-first financial services platform focused on enhancing the holistic financial wellbeing of Indians. Anchored in customer-centricity and powered by technology and data intelligence, the company aims to deliver seamless, affordable, and intuitive financial solutions that address the core financial needs of individuals and businesses.
- JIOFIN’s approach is centered on simplifying access to financial services and enabling customers to meet their evolving financial goals across borrowing, payments, savings, protection, and investments.
- The company operates an integrated, single financial services platform catering to the end-to-end financial needs of customers across four key pillars: **Borrow**, addressed through JCL; **Invest**, delivered via JVs with BlackRock in the asset management business, wealth management and broking; **Transact**, enabled through its payments solutions and payments bank business; and **Protect**, offered through its insurance broking subsidiary and insurance underwriting JVs with Allianz spanning across Life, General and Reinsurance.
- JIOFIN is creating a future-ready and scalable financial services platform. The company’s strategy is anchored in democratizing access to financial services through digital distribution and embedded finance models, positioning it to create impact at scale. Through its integrated offerings and ecosystem-led approach, JIOFIN seeks to empower customers, support financial inclusion, and contribute meaningfully to India’s economic progress and prosperity.

Exhibit 1: Group structure of JIOFIN



Source: Company Presentation

Note: RILIPL - Reliance International Leasing IFSC Private Limited

* Formerly known as Jio Finance Limited

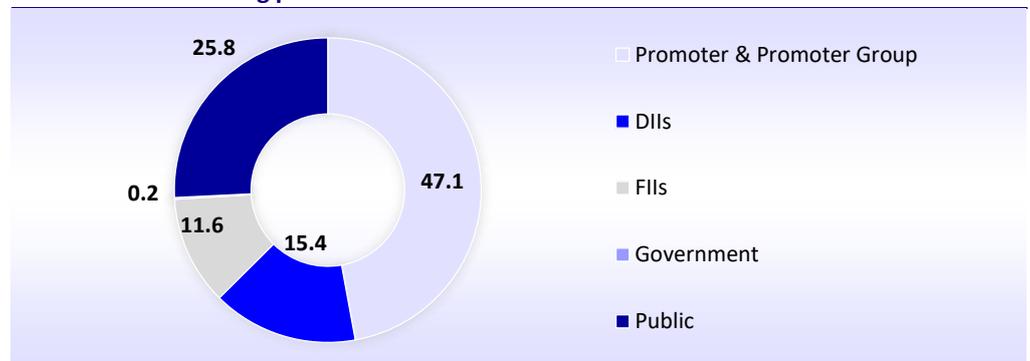
Shareholding pattern

Exhibit 2: Top 10 institutional investors as of Dec'25

Investor	%
Life Insurance Corporation of India	6.77
Quant Money Managers	2.25
Vanguard Group Inc	2.12
Blackrock Inc	1.68
SBI Funds Management	1.19
Teachers Insurance & Annuity Association of America	0.64
ICICI Prudential Asset Management	0.64
Norges Bank	0.55
Kotak Mahindra Asset Management Company	0.52

Source: MOFSL, Company, and Bloomberg

Exhibit 3: Shareholding pattern



Note: Shareholding as of Dec'25; Source: MOFSL, Company

Exhibit 4: Key business parameters as of Dec'25

AUM (INR b)	Deposits (INR m)	AMC AUM (INR b)	CASA customer (INR m)
190	5,070	149.7	3.2
Business correspondent	Transaction processing volume (INR m)	CRAR (%)	Consolidated net worth (INR b)
2,86,766	163,150	24.3	1,496

Note: BC includes owned and corporate BC touchpoints

Jio Credit: Digital-first lending platform

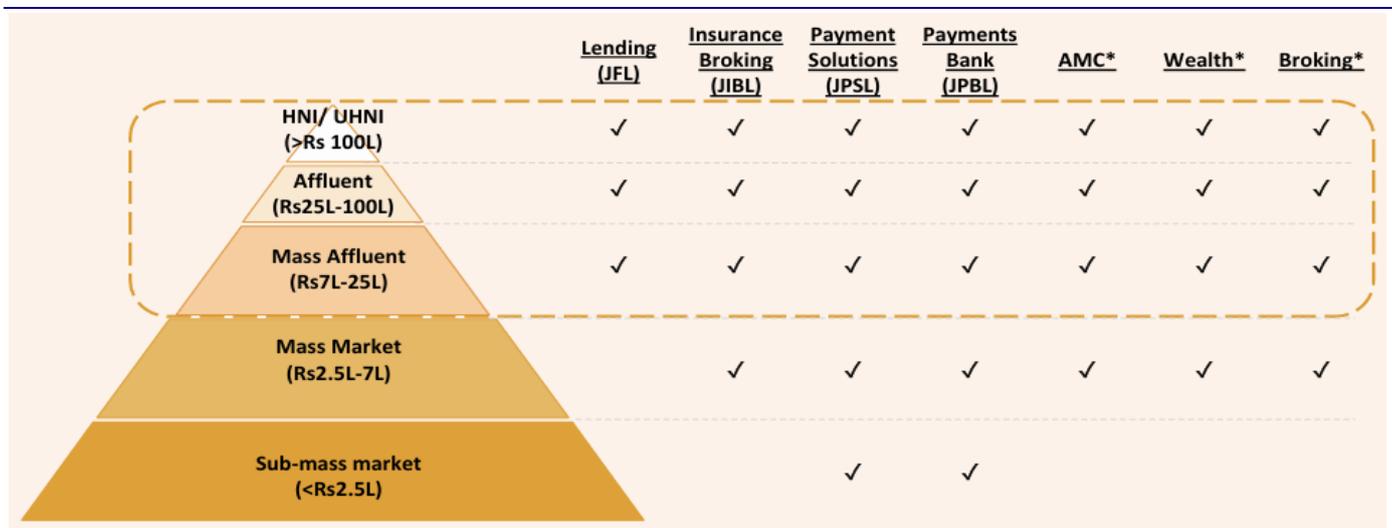
Flagship growth engine with a clear ambition for market leadership over the next five years

- Jio Credit (JCL), formerly known as Jio Finance, is the flagship lending subsidiary of JIOFIN. The platform is being scaled as a digital-first NBFC, with a clear strategic mandate to address India’s evolving retail and corporate credit demand while adhering to strong risk governance and regulatory discipline.
- JCL’s operating model integrates traditional credit underwriting with a modern, cloud-native technology stack, enabling faster turnaround times, transparent pricing, flexible repayment structures, and a superior, end-to-end customer experience across lending products.
- While still in the early stages of franchise build-out, JCL is laying the foundation for a high-quality, technology-led lending platform. A conservative customer acquisition strategy, focusing on secured products, disciplined underwriting, and scalable digital infrastructure position the business to scale sustainably while preserving asset quality.

Strategic positioning anchored in disciplined, secured scale-up

- JCL is building a diversified lending franchise with a clear bias toward secured products and prime and near-prime customer segments. We believe that the company has articulated a conservative risk philosophy, deliberately avoiding lower-credit-quality cohorts to mitigate the elevated credit losses witnessed across segments of the lending industry in recent years.
- This disciplined customer selection framework underpins JCL’s objective of scaling a high-quality loan book with stable asset quality and predictable earnings visibility over the medium term.
- The lending model is firmly customer-centric, with product structures focused on faster TAT, transparent pricing, risk-adjusted yields, and flexibility across tenor and repayment options.
- JCL leverages a predominantly digital origination model to drive speed and convenience, complemented by assisted and physical channels for larger or more complex products. This hybrid approach enables pan-India reach while preserving underwriting control and customer engagement.

Exhibit 5: Current focus on mass affluent and above customers

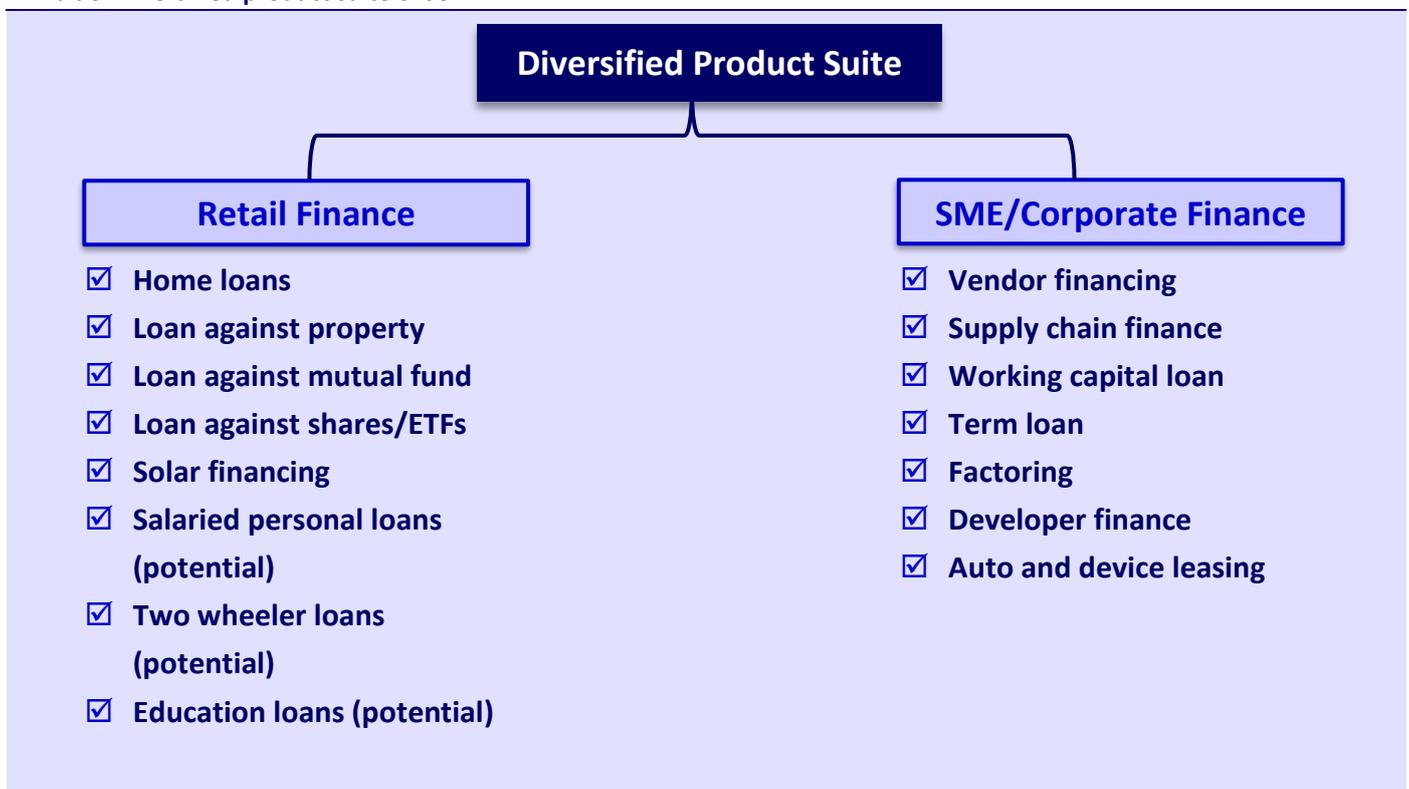


Source: Company, MOFSL; Note: JCL was formerly known as Jio Finance Limited (JFL)

Balanced retail-corporate mix with a disciplined product expansion roadmap

- JCL operates a fully digital, app-led lending platform via the JioFinance app and website, enabling seamless end-to-end loan origination, servicing, and tracking. The company maintains a diversified retail–corporate lending mix (fairly balanced across both retail and corporate), providing multiple growth levers while mitigating concentration risk.
- Within retail lending, JCL has prioritized secured products, including home loans, loans against property, loans against securities (mutual funds, shares, and ETFs), and solar financing. This secured orientation supports lower loss volatility and superior risk-adjusted returns, particularly during the balance sheet ramp-up phase.
- In the corporate segment, JCL offers supply chain finance, working capital loans, auto and device leasing, and term loans. These products enable the company to address a broad spectrum of SME and corporate credit needs, while selectively leveraging transaction visibility and cash-flow-based underwriting.
- Given the data moat of the company, we believe that the company might do a calibrated product expansion, with launches across fully digital salaried personal loans, education loans, two-wheeler loans, and other fee-income generating products.
- Over time, these initiatives are expected to deepen customer engagement, increase wallet share, and generate incremental fee income, strengthening the platform’s earnings profile.

Exhibit 6: Diversified product suite of JCL



Source: MOFSL, Company

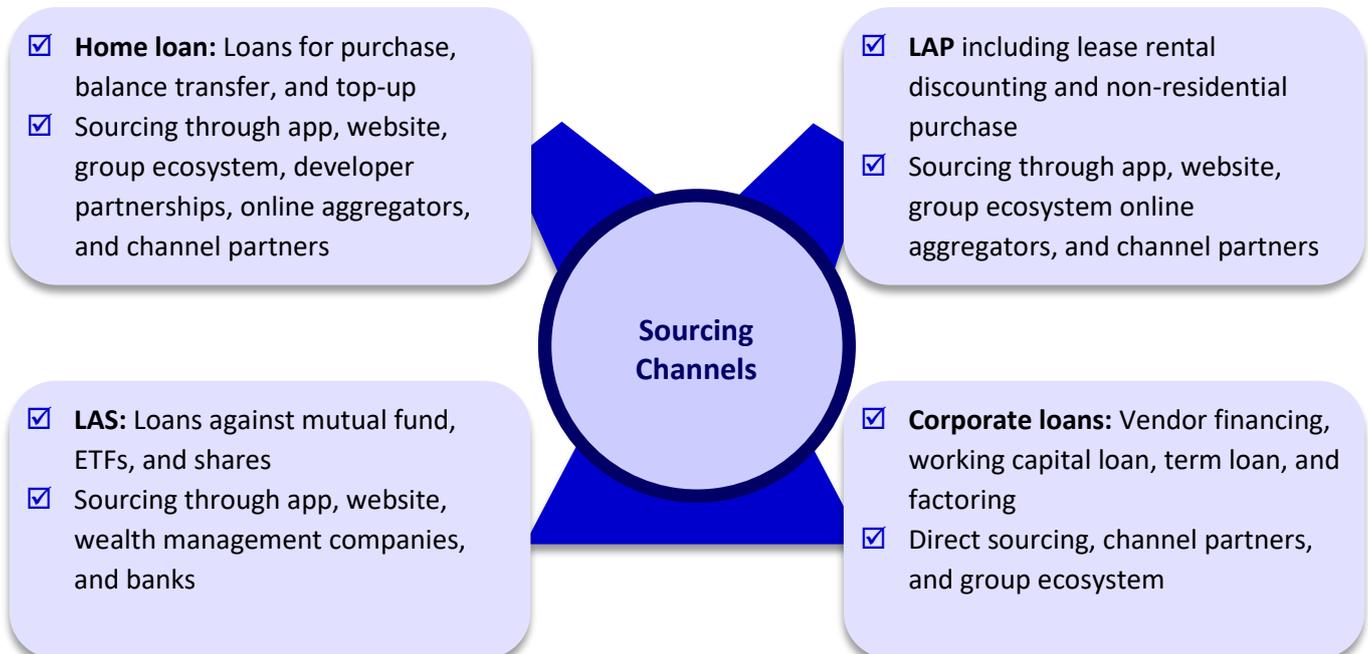
Overview of the product segments offered by JCL

JCL leverages the group’s ecosystem and distribution capabilities to originate both retail and corporate loans, while also accessing external channels for select products.

Key product segments are outlined below:

- **Home loans:** JCL offers loans for property purchase, balance transfers, and top-ups. Origination is diversified across the company’s app and website, the group ecosystem, developer tie-ups, online aggregators, and channel partners.
- **LAP:** The company provides LAP, lease rental discounting, and non-residential property purchase loans to prime and near-prime borrowers. Sourcing is routed through digital channels, the group ecosystem, online aggregators, and channel partners.
- **Loan against shares/mutual funds:** Collateral-backed loans against mutual funds and shares are originated via the app and website, as well as through partnerships with wealth management firms and banks, enabling access to high-quality customers.
- **Corporate loans:** JCL offers vendor financing, working capital loans, term loans, and factoring. Origination is driven through direct sourcing, channel partners, and the group ecosystem, supporting the build-out of a diversified, relationship-led corporate loan book.

Exhibit 7: Secured loan book catering to prime and near-prime retail customers and high-credit-rated corporates



Source: MOFSL, Company

Origination strategy: Digital and partnership-led

JCL follows a multi-channel origination strategy with a strong emphasis on partnerships. Currently, there is a fair mix of sourcing from digital platforms - primarily the JioFinance app, MyJio App, and website – as well as through external channels (including DSAs).

- **Home loans and loans against property:** These are sourced through a mix of digital platforms, the group ecosystem, online aggregators, channel partners, and developer tie-ups.
- **Loans against mutual funds, shares, and ETFs:** These are originated via the app and website, as well as through partnerships with wealth management firms and banks, providing access to high-quality, collateral-backed customers.
- **Corporate loans:** These are sourced through a combination of direct origination, channel partners, and the broader group ecosystem, supporting the build-out of a diversified corporate lending portfolio.

Distribution expansion: Omnichannel physical scale-up

- JCL has rapidly scaled up its physical distribution footprint over the past 18 months. From a single-city presence in Mumbai, the company now operates across 16 cities with 18 offices, up from just four offices in 2QFY25. We believe that the company's focus will be on the top 20 cities, which are expected to provide coverage of ~60-65% of the addressable lending market.
- This physical expansion meaningfully complements JCL's digital channels, strengthening its omnichannel model and supporting customer acquisition, credit assessment, and on-ground servicing capabilities.

Robust risk architecture anchored by disciplined underwriting and collections

- JCL has embedded risk management as a core strategic pillar, supported by an experienced leadership team across credit, risk, and operations. Strong fraud controls and proactive pre-delinquency frameworks are in place to identify early warning signals and intervene before accounts slip into delinquency.
- Collections for the corporate portfolio are managed entirely in-house, enabling tighter control and relationship-led resolution. In retail lending, collections are currently handled in-house, with selective support from external agencies as required.
- Importantly, collection readiness is integral to JCL's expansion strategy, with collection teams onboarded ahead of market entry in new cities. Asset quality remains strong, with no delinquencies beyond 30 days past due reported in the home loan portfolio.

Technology platform: Cloud-native, analytics-led, and scalable

JCL has built a fully cloud-native technology stack that forms the backbone of its digital-first operating model and underpins scalable growth. The SaaS-led, low-code/no-code architecture enables rapid product launches, real-time portfolio visibility, and automated workflows, positioning the platform to deliver operating leverage as the loan book scales.

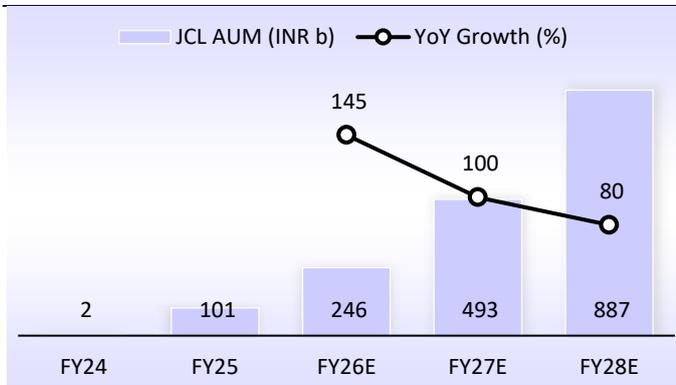
- The platform is designed to balance agility with enterprise-wide standardization, ensuring seamless interoperability across systems while maintaining consistency and control. Automation and AI are embedded across workflows to enable straight-through processing, continuous monitoring, and minimal manual intervention, with system design prioritizing reliability, resilience, and high availability.
- JIOFIN further strengthens JCL’s digital capabilities through a robust, data-led infrastructure. An integrated data layer consolidates inputs from credit bureaus, account aggregators, alternate datasets, and proprietary sources, creating a unified view across customers and portfolios.
- This data foundation is leveraged through advanced analytics and AI within a strong data governance framework, enabling sharper risk assessment, more targeted product design, and deeper customer engagement. Cybersecurity and data privacy are embedded as core design principles, with stringent controls across the data lifecycle to ensure regulatory compliance and safeguard customer information.

Leveraging core capabilities for scalable growth

Secured-led AUM ramp-up with a balanced retail-corporate mix

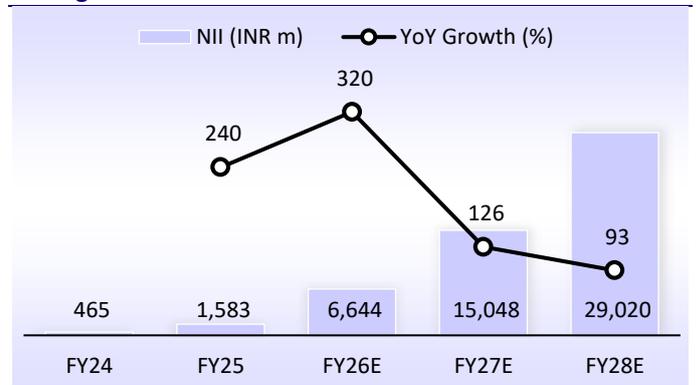
- JCL has entered a strong AUM scale-up phase, anchored by a secured-led portfolio strategy, rapid execution, and conservative risk management. AUM acceleration has been driven by the swift ramp-up of secured retail products, such as home loans, LAP, and LAS, which offer superior risk-adjusted returns and lower loss volatility during the early stages of balance sheet expansion.
- This secured orientation has enabled JCL to scale meaningfully while maintaining tight control over asset quality, particularly amid a challenging environment for unsecured lending. The focus on collateral-backed products, disciplined underwriting, and robust monitoring frameworks has effectively mitigated downside risks as the portfolio expands.
- In parallel, JCL has selectively expanded its corporate and supply-chain finance portfolio, resulting in a more balanced retail–corporate mix and reduced concentration risk. Corporate AUM growth has been supported by direct sourcing, ecosystem-led opportunities, and the deployment of modern loan origination and management systems, improving turnaround times, underwriting efficiency, and client experience.
- The AUM ramp-up is further supported by strong funding traction, with increasing liability diversification and access to market instruments, enhancing balance sheet scalability while enabling competitive product pricing.

Exhibit 8: JCL AUM CAGR of ~90% over FY26E-28E



Source: MOFSL, Company

Exhibit 9: NII will continue to increase, driven by strong AUM growth



Source: MOFSL, Company

- JCL reported AUM of INR190b as of Dec’25, rising sharply from INR42b in Dec’24, translating into ~5x YoY growth. While the base was relatively small, the pace of scale-up highlights strong execution capabilities, with asset quality maintained through the rapid expansion phase.
- We expect JCL to sustain its strong growth momentum, driven by rising traction in existing secured products and the potential rollout of newer products. While the initial focus has been on secured products, we believe that there will be a calibrated expansion into unsecured segments as well, perhaps starting with salaried personal loans and gradually broadening the product suite.
- JCL has crossed monthly disbursements of **INR25b** and reported quarterly disbursements of **INR86b** in Dec’25. With existing products scaling and new

launches planned, disbursement momentum is expected to strengthen further, translating into sustained AUM growth over the medium term.

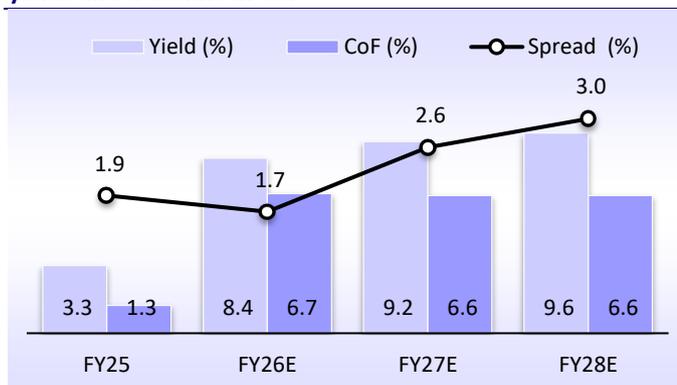
- While management aspires to achieve market leadership in AUM scale over the next 4-5 years, we believe JCL can emerge as a leader in monthly disbursements within the next 18-24 months, underscoring execution speed and distribution leverage.
- Over the medium term, disciplined execution across product diversification, geographic expansion, and data-driven risk management should position JCL as a scaled, profitable, and strategically important NBFC within the broader Jio Financial ecosystem.

Best-in-class funding cost and product mix improvement to drive spread and margin expansion

Average CoF at sub-7%; Well diversified borrowing mix

- JCL has built a best-in-class liability franchise, supported by strong promoter backing, scale, and balance sheet credibility. This structural advantage has enabled access to funding at highly competitive rates, positioning JCL’s cost of borrowings among the lowest in the industry and creating a durable funding edge over peers.
- In a declining interest rate environment, the blended CoF is expected to soften further, providing incremental tailwinds to spreads and margins. Liability diversification has progressed meaningfully, with the successful CP and NCD issuances at competitive market rates reflecting strong investor confidence, widening market access, and strengthening balance sheet credibility.
- Supported by a favorable interest rate environment and a strong credit profile, JCL reduced its average CoF to 6.99% in 3QFY26 from 7.06% in 2QFY26, with incremental CoF also below 7%. Lower funding costs enhance pricing competitiveness across products while preserving healthy spreads.
- JCL’s ability to consistently raise debt at best-in-class rates underscores the strength of its brand, balance sheet, and long-term funding franchise. We expect JCL’s margins to expand over FY27-FY28E, supported by a rise in yields as the product mix improves toward higher-yielding segments. We model NIMs of ~4.1%/4.2% in FY27/FY28E (vs. 3.8% in FY26E).

Exhibit 10: Spreads to expand, driven by an increase in yields and a decline in CoF



Source: MOFSL, Company

Exhibit 11: Expect margins to expand over the next two years, primarily driven by an increase in yields



Source: MOFSL, Company

- While JCL’s initial emphasis on prime and near-prime customers is likely to cap margins in the early phase, we view this as transitory. As scale builds, the combined benefits of a lower CoF, operating leverage, and the gradual ramp-up of higher-yielding products, such as salaried personal loans and adjacent offerings, should drive a steady expansion in spreads over the medium term. Importantly, JCL’s strong focus on prime and near-prime cohorts should result in superior risk-adjusted yields and margins relative to peers.

Exhibit 12: JCL has the highest credit rating of AAA/Stable from both CRISIL and CARE

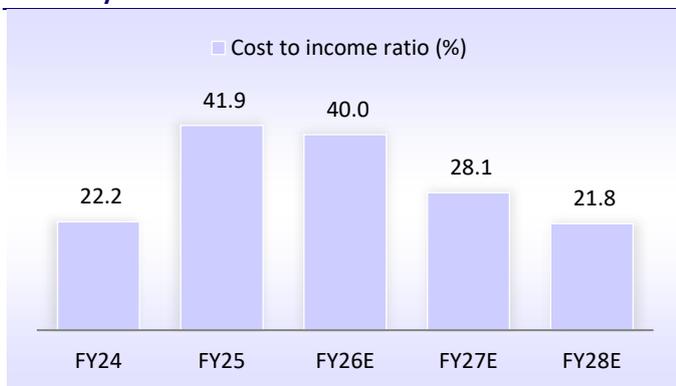
Credit rating agency	Long term	Short term
CRISIL	AAA/Stable	A1+
CARE	AAA/Stable	A1+

Source: Company, MOFSL

Phygital-led operating model drives efficiency and operating leverage

- JCL is scaling its business with a strong focus on operating efficiency. While operating expenses remain elevated in the early phase of expansion, the company is actively mitigating cost pressures through a phygital distribution model.
- Under this approach, JCL leverages a robust digital platform for customer acquisition, onboarding, and servicing, while maintaining a lean physical footprint focused primarily on underwriting and collections. This structure ensures cost-efficient scale-up without compromising credit control or customer engagement.
- The hybrid model optimizes the operating structure by reducing the need for an extensive branch network and automating routine processes through technology. As scale builds, this is expected to drive operating leverage, lower the cost-to-income ratio, and support sustainable profitability.
- JCL’s technology backbone is built on fully cloud-based, low-code/no-code platforms, enabling rapid deployment, real-time portfolio tracking, and end-to-end workflow automation, further reinforcing cost efficiency.

Exhibit 13: Improvement in the C/I ratio due to operating efficiency



Source: MOFSL, Company

Exhibit 14: Employee cost will gradually decline

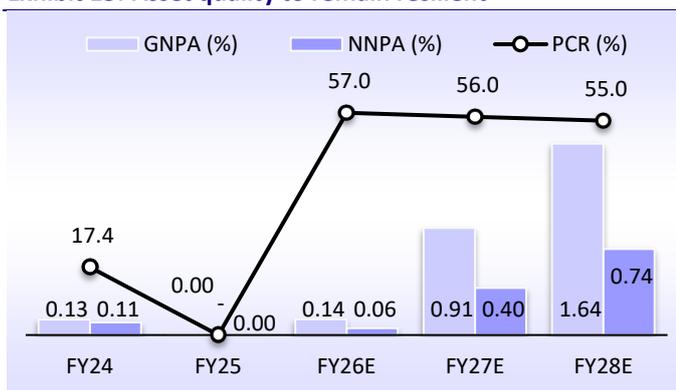


Source: MOFSL, Company

Secured-led strategy and robust risk framework underpin asset quality

- Asset quality remains a core strategic priority for JCL as it scales its portfolio with a strong focus on prime and near-prime customer segments. Given the early stage of portfolio seasoning and rapid balance sheet expansion, the company has embedded stringent risk management and credit discipline to ensure growth remains sustainable across cycles.
- The risk management function at JIOFIN plays a central role in safeguarding business resilience and long-term value creation. JCL operates within an enterprise-wide risk framework aligned to the group’s defined risk appetite, ensuring that growth initiatives are consistently evaluated through a risk-adjusted lens and risk awareness is embedded across the organization.
- From inception, JCL has adopted a secured-first portfolio strategy with a focus on home loans, LAP, and LAS. This materially limits downside credit risk compared to unsecured lending, as exposures are backed by tangible collateral such as property and financial securities. Secured products typically exhibit lower loss severity and LGD, making them well-suited to the early phases of balance sheet build-up while reinforcing risk-based pricing discipline and containing slippages as scale increases.
- At the current stage, JCL has reported no delinquencies, reflecting both limited portfolio seasoning and conservative origination filters. While these early indicators are encouraging, the company remains mindful that asset quality performance will be more meaningfully tested as vintages mature and the product mix gradually expands to include select unsecured segments.
- In the context of the broader NBFC landscape, where diversified lenders typically report GNPA of ~1-3% or higher, JCL’s secured orientation and early-stage asset quality metrics position it favorably. As seasoning progresses, close monitoring of GNPA, NNPA, and PCR will remain critical. We expect JCL’s asset quality to remain superior to peers, with benign credit costs over the next two years.

Exhibit 15: Asset quality to remain resilient



Source: MOFSL, Company

Exhibit 16: JCL credit costs to normalize going ahead

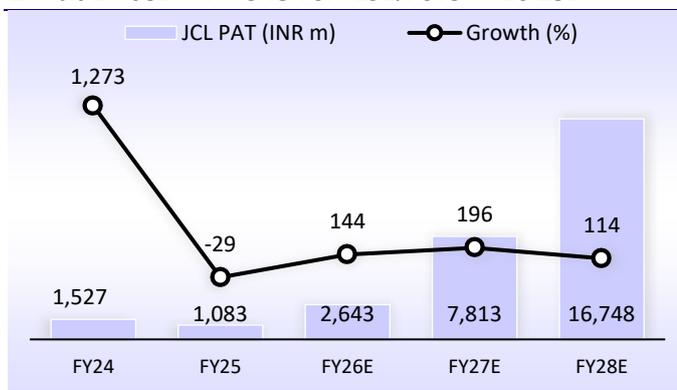


Source: MOFSL, Company

Earnings momentum set to strengthen gradually

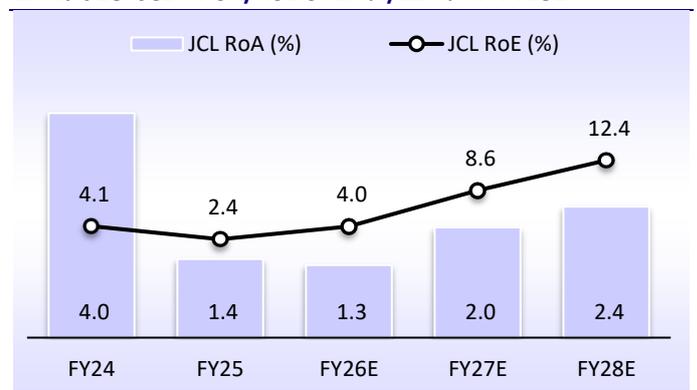
- Despite being in the investment phase, JCL has already turned profitable, supported by strong growth in NII, driven by rapid AUM scale-up, favorable borrowing costs, and tight control over operating expenses. Earnings are further underpinned by negligible credit costs, reflecting the company’s emphasis on strong asset quality and focus on prime and near-prime customer segments.
- As the portfolio seasons and operating leverage improve with scale, JCL is well positioned to deliver a steady improvement in profitability and return metrics over the medium term, while maintaining conservative risk discipline.
- We expect earnings momentum to strengthen progressively, driven by disciplined balance sheet expansion and a sustained focus on profitability. We model an earnings CAGR of 152% over FY26-FY28.

Exhibit 17: JCL – PAT CAGR of ~152% over FY26-28E



Source: MOFSL, Company

Exhibit 18: JCL – RoA/RoE of 2.4%/12.4% in FY28E



Source: MOFSL, Company

Exhibit 19: JCL RoA tree

Dupont (as a % of avg. assets)	FY24	FY25	FY26E	FY27E	FY28E
Interest Income	1.2	2.6	8.0	9.0	9.5
Interest Expenses	-	0.5	4.4	5.0	5.3
Net Interest Income	1.2	2.1	3.6	3.9	4.2
Other Operating Income	5.9	2.1	0.1	0.5	0.7
Net Income	7.1	4.2	3.7	4.4	4.9
Operating Expenses	1.6	1.8	1.5	1.3	1.1
Operating Income	5.5	2.4	2.2	3.2	3.8
Provisions/Write offs	0.1	0.5	0.4	0.5	0.6
PBT	5.5	1.9	1.8	2.7	3.2
Tax	1.4	0.5	0.5	0.7	0.8
RoA	4.0	1.4	1.3	2.0	2.4
Leverage	1.0	1.7	3.1	4.3	5.2
RoE	4.1	2.4	4.0	8.6	12.4

Jio Credit : Financials and valuations

Income Statement					INR m
Y/E March	FY24	FY25	FY26E	FY27E	FY28E
Interest Income	465	1,981	14,926	34,281	66,146
Interest Expenses	0	398	8,282	19,233	37,125
Net Interest Income	465	1,583	6,644	15,048	29,020
Change (%)	584	240	320	126	93
Other Income	2,207	1,603	452	2,171	5,143
Total Income	2,672	3,186	7,096	17,219	34,163
Change (%)	1,357	19	123	143	98
Total Operating Expenses	594	1,335	2,840	4,842	7,454
Change (%)	1,976	125	113	70	54
Employee Expenses	366	831	1,762	2,908	4,362
Depreciation	0	0	20	30	45
Other Operating Expenses	228	504	1,058	1,904	3,047
Operating Profit	2,079	1,851	4,255	12,377	26,709
Change (%)	1,243	-11	130	191	116
Total Provisions	20	402	694	1,847	4,138
% Loan loss provisions to Avg loans ratio	1.9	0.8	0.4	0.5	0.6
Profit before tax	2,058	1,449	3,562	10,530	22,572
Tax Provisions	532	366	919	2,717	5,823
Tax Rate (%)	25.8	25.3	25.8	25.8	25.8
PAT	1,527	1,083	2,643	7,813	16,748
Change (%)	1,273	-29	144	196	114

Balance Sheet

Y/E March	FY24	FY25	FY26E	FY27E	FY28E
Equity Share Capital	681	855	1,191	1,572	2,117
Reserves & Surplus	37,619	48,530	70,836	1,03,267	1,59,471
Net Worth	38,300	49,385	72,026	1,04,839	1,61,587
Borrowings	0	59,700	1,87,521	3,95,300	7,29,708
Change (%)			214.1	110.8	84.6
Other liabilities	232	1,969	2,264	2,604	2,994
Total Liabilities	38,531	1,11,053	2,61,811	5,02,743	8,94,289
Investments	29,225	6,406	6,726	7,130	7,558
Loans	1,733	1,00,531	2,45,125	4,88,025	8,74,949
Change (%)		5,700.7	143.8	99.1	79.3
Other assets	7,573	4,116	9,960	7,588	11,782
Total Assets	38,531	1,11,053	2,61,811	5,02,743	8,94,289

E: MOFSL Estimates

Jio Credit: Financials and Valuations

AUM Mix	FY24	FY25	FY26E	FY27E	FY28E
NBFC AUM (INR m)	1,730	1,00,530	2,46,299	4,92,597	8,86,675
Change (%)		5,711	145	100	80

Ratios (%)

Y/E March	FY24	FY25	FY26E	FY27E	FY28E
Avg. Yield on Loans	0.7	3.3	8.4	9.2	9.6
Avg Cost of Funds	0.0	1.3	6.7	6.6	6.6
Spread of loans	0.7	1.9	1.7	2.6	3.0
NIM (on loans)	53.7	3.1	3.8	4.1	4.2

Profitability Ratios (%)

RoE	4.1	2.4	4.0	8.6	12.4
RoA	4.0	1.4	1.3	2.0	2.4
Cost/Income	22.2	41.9	40.0	28.1	21.82
Opex to avg. assets	1.6	1.8	1.5	1.3	1.1

Asset quality

	FY24	FY25	FY26E	FY27E	FY28E
GNPA (%)	0.13	0.00	0.14	0.91	1.64
NNPA (%)	0.11	0.00	0.06	0.40	0.74
PCR (%)	17.39	-15.79	57.00	56.00	55.00
Credit costs (as a % of avg. assets)	0.05	0.54	0.37	0.48	0.59

JIO Payments Bank: Building a digital-first, inclusion-led banking franchise

Company overview

- Jio Payments Bank Limited (JPBL) is redefining everyday banking through a digital-first model that combines technology, trust, and accessibility. The bank offers a secure and seamless suite of banking solutions tailored to the evolving needs of customers.
- By integrating core banking products with intuitive digital experiences, JPBL enables customers to manage their finances with greater ease, speed, and control.
- With a strong emphasis on financial inclusion, the bank continues to expand its reach across geographies and customer segments, bringing formal banking services closer to underserved communities as well as digitally native users.
- JPBL was originally incorporated as a joint venture between JFSL and the State Bank of India (SBI) in 2016. At the time of de-merger, JFSL had a ~77% stake in JPBL, and ~23% was held by SBI. Since listing, JFSL has gradually increased its stake to 100%, giving an exit to SBI. As a result, JPBL is now a wholly owned subsidiary of JFSL. This change in ownership structure has received the requisite approval from the RBI, ensuring full regulatory continuity.

Value proposition

- JPBL offers a comprehensive yet focused product suite aligned with the regulatory framework of the payment banks. **Its offerings include digital savings and salary accounts, UPI services, virtual and physical RuPay debit cards, domestic money remittance, and Aadhaar Enabled Payment System (AEPS) facilities.** This combination enables the bank to address day-to-day banking, payments, and remittance requirements across customer segments.
- The value proposition rests on ease of use, accessibility, and trust. Customers benefit from intuitive digital journeys, wide acceptance of RuPay and UPI-based payments, and assisted services through Business Correspondents (BC) points where required. The recent launch of *Savings Pro* reflects the bank's intent to cater to a differentiated customer cohort and increase engagement depth.

Business model and operating strategy

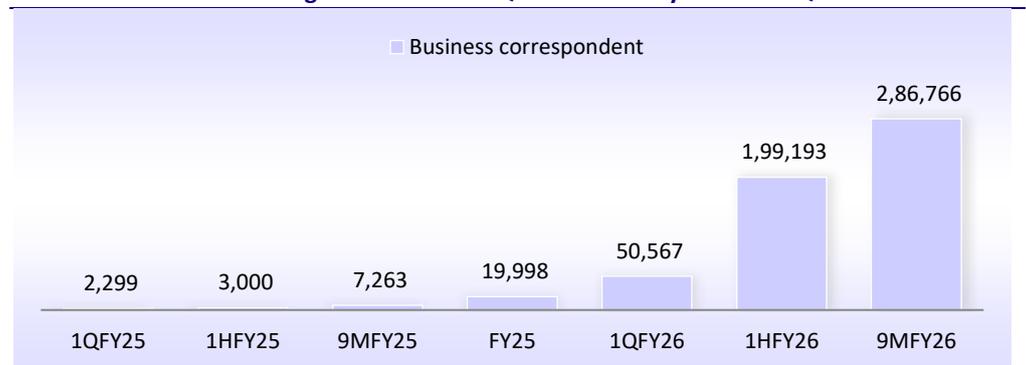
- JPBL's business model is anchored in a digital-first approach complemented by a phygital distribution network. The JioFinance app serves as the primary customer interface, enabling digital onboarding, account management, payments, and access to banking services with minimal friction. This is supported by an extensive BC network that provides assisted banking services and last-mile access, particularly in rural and semi-urban markets.
- The bank operates on the premise that customers increasingly engage in frequent, low-ticket transactions, and routing such activity through primary bank accounts elevates exposure to fraud and operational risk. JPBL seeks to address this by offering a secure, transaction-optimized digital account. In urban markets, the bank is positioned primarily as a secondary savings account, enabling customers to rationalize day-to-day transactions, improve spending visibility, and reduce operational clutter in their primary banking relationships.

- Conversely, banking penetration in India’s tier 4, 5, and 6 towns remains structurally low, as small merchants and kirana stores are often uneconomical for traditional banks to serve. This creates a significant access gap, which JPBL seeks to address. In rural and underbanked markets, the bank functions as a primary savings account, meeting essential banking requirements through assisted digital journeys delivered at BC points.
- All customer interactions and transactions are supported by a robust security framework, ensuring reliability, trust, and protection in an increasingly digital and transaction-intensive operating environment.

Distribution and phygital presence

- A key differentiator for JPBL is its phygital distribution model. As of Dec’25, the Bank operated through a network of ~287k BC points (both owned and corporate BC). This network plays a critical role in extending banking access to rural and semi-urban areas, enabling account opening, cash-based services, and assisted digital transactions.
- The combination of app-led digital journeys and on-ground assisted access allows JPBL to address diverse customer needs, ranging from digitally savvy urban users to first-time banking customers in underserved regions.
- JPBL aims to build its own digital channel for distribution exclusivity, as margins are better when the channel is proprietary vs. corporate and open channels.

Exhibit 20: BC network surged to ~287k in 3QFY26 from only ~2.3k in 1QFY25



Source: Company, MOFSL

Strong traction in deposits and CASA customers

- JPBL has demonstrated strong traction across key operating parameters. As of Dec’25, the Bank had built a customer base of 3.2m accounts, while deposits stood at INR5.1b. Both metrics have received strong traction, indicating rapid scale-up and improving customer acquisition momentum.
- Engagement levels continue to rise, reflecting growing adoption of JPBL as a preferred digital payments platform. Debit card issuance also scaled meaningfully, strengthening the bank’s participation in India’s cashless transaction ecosystem.
- Key growth drivers for JPBL include growing adoption of digital payments, rising preference for app-based banking solutions, and continued expansion of its BC network. The bank’s ability to serve as both a secondary account in urban markets and a primary account in rural areas expands its addressable customer base.

JPBL’s diversified monetization engine!

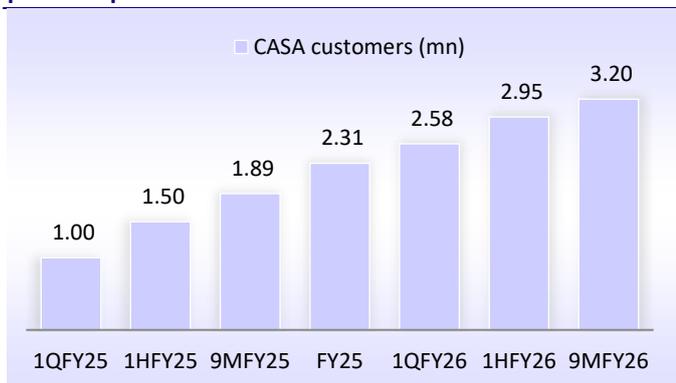
Building a multi-layered, transaction-led monetization framework

- JPBL has designed its revenue model around the objective of monetizing everyday banking behavior across both urban and rural customer segments. The bank is positioning itself as a comprehensive solution for daily financial needs, spanning high-frequency digital transactions in urban markets and core banking and cash-access requirements in underbanked regions. This strategy is underpinned by a strong digital interface, supported by an assisted distribution network and the scale of the broader Jio ecosystem, enabling JPBL to address a wide spectrum of customer use cases.
- The revenue architecture has been deliberately structured to be multi-layered, with several monetization levers that can scale and multiply over time as customer engagement deepens and new services are introduced.
- At its current stage of evolution, the earnings profile remains predominantly transaction-driven, with limited reliance on balance sheet-led income. While deposit accretion and CASA balances are expected to support net interest income in stronger operating phases, near-term revenues are anchored in fee and service income, allowing the bank to monetize customers from the outset.

Core revenue pillars

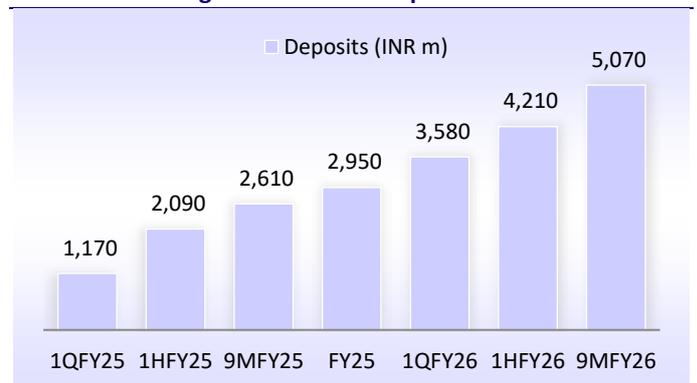
- JPBL’s revenue streams span a diversified set of transaction-led and account-based offerings. Key pillars include CASA variants such as regular savings accounts, sweep-linked accounts, salary accounts, AEPS transactions, UPI and wallet-based payments, Domestic Money Transfer (DMT) services, subscription charges, issuance and usage of physical and virtual debit cards, and toll processing services. Collectively, these offerings allow the bank to monetize both customer balances and high-frequency transaction activity across retail, assisted, and merchant-linked channels, creating multiple touchpoints for fee generation.

Exhibit 21: Three-fold increase in CASA customers over the past 6-7 quarters



Source: MOFSL, Company

Exhibit 22: Strong traction in the deposit base



Source: MOFSL, Company

Transaction-led fee income

AEPS

- AEPS has emerged as a meaningful and fast-growing revenue contributor, particularly within JPBL's assisted and rural distribution network. Cash withdrawals, balance inquiries, and other AEPS transactions conducted through BC outlets generate stable, volume-linked fees that scale with outlet density and transaction throughput.
- The bank has also begun rolling out face-recognition-enabled cash withdrawals, which are expected to improve transaction success rates, enhance customer convenience, and strengthen security. These initiatives should support higher transaction volumes and deeper engagement at outlet points, reinforcing AEPS as a structurally important fee stream.

DMT

- DMT services form another important transaction-led revenue stream, particularly relevant for migrant workers and cash-reliant customer segments. DMT transactions generate predictable, fee-based income and complement AEPS activity across assisted channels. Together, AEPS and DMT represent the backbone of JPBL's transaction banking revenues in rural and semi-urban markets.

Account-based monetization and subscriptions

- In parallel with transaction fees, JPBL has implemented a subscription-based monetization model that has seen encouraging early traction. Customers pay INR100 for a basic account and around INR400 for an account bundled with a debit card.
- Account openings are already running at six-figure volumes, providing early validation of both customer willingness to pay and the underlying pricing construct. This upfront monetization allows the bank to recover a meaningful portion of acquisition costs at or near the point of onboarding, improving unit economics from inception.

Debit cards and CASA variants

- The issuance and usage of physical and virtual debit cards represent an additional monetization layer, linked to account subscriptions, transaction activity, and ecosystem usage. CASA variants, including sweep and salary accounts, not only support future net interest income potential but also enhance customer stickiness and engagement, indirectly supporting higher transaction volumes and fee income across the platform.

Saving Pro account to attract CASA growth with up to 6.5% interest offered to customers

- JPBL has launched Saving Pro, an innovative feature that enables customers to earn from idle funds in their Jio Payments Bank account through investments in growth plans of overnight mutual funds.
- Customers need to set a threshold amount of their choice starting at INR5k during the initial launch phase, and any surplus funds in their account exceeding this threshold will be automatically invested in select overnight funds, which carry low risk.

- Customers can invest up to INR150k per day through this facility. Customers have the flexibility to instantly redeem up to 90% of their investments, with a maximum instant redemption limit of INR50k. Funds exceeding this amount can be redeemed within one to two working days.

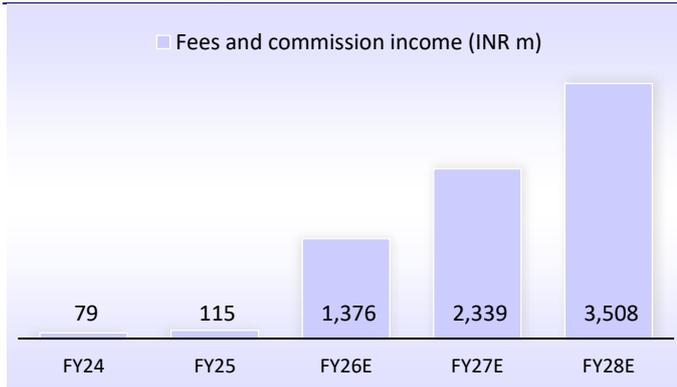
Toll processing as an emerging revenue stream

- JPBL has also begun building a presence in toll processing, adding a new institutional, transaction-led revenue vertical. During 1QFY26, the Bank received toll collection mandates for three national highway toll plazas, marking its entry into this segment. Momentum accelerated in 2QFY26, with the Bank securing toll collection mandates for 12 national highway plazas, of which 11 are already operational.
- In addition, JPBL won two bids for barrier-free multi-lane free-flow (MLFF) toll plazas in Rajasthan. In 3QFY26, the bank secured two additional MLFF mandates. Notably, the bank has secured four out of eight MLFF mandates awarded so far. Toll processing provides large, predictable transaction volumes and diversifies the revenue base beyond retail customer-led activity.
- The MLFF tolling framework represents an advanced form of electronic toll collection, enabling seamless, barrier-free vehicular movement without requiring vehicles to slow down, stop, or pass through designated toll lanes. The system integrates multiple technologies, including FASTag-based Radio Frequency Identification (RFID), ANPR, Dedicated Short-Range Communication (DSRC), and Global Navigation Satellite System (GNSS), to accurately identify, classify, and charge vehicles across multiple lanes in real time.

Early traction and operating progress

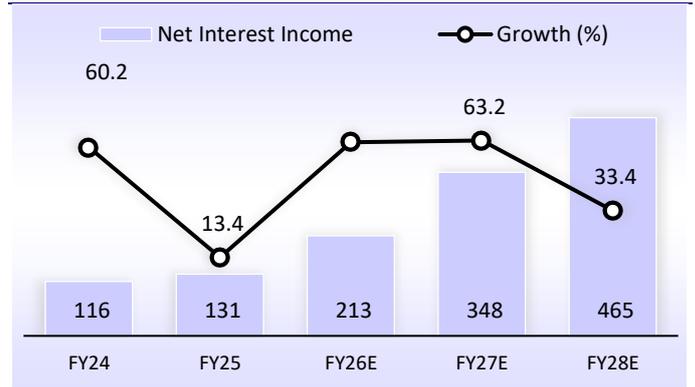
- Transaction banking activity has scaled sharply, with throughput from AEPS and DMT increasing by nearly ten times on a QoQ basis in 1QFY26, reflecting improving traction across assisted and remittance use cases. To support this growth, JPBL launched a dedicated web portal for AEPS transactions for its BC network in 2QFY26, aimed at improving operational efficiency, transaction throughput, and service quality across assisted channels.
- Collectively, this diversified revenue framework supports positive unit economics at the customer acquisition level. While the Bank incurs upfront acquisition costs, these are recovered rapidly through subscription income and early transaction revenues, often at or near the point of onboarding. As customer activity, transaction frequency, and product usage deepen over time, incremental revenues are expected to accrue at low marginal cost, supporting operating leverage and scalability within the payments bank operating model.

Exhibit 23: Healthy growth in fee and commission income



Source: MOFSL, Company

Exhibit 24: NII to expand driven by traction in deposits

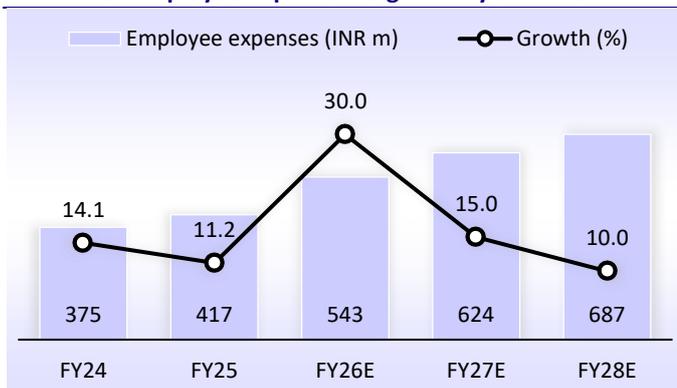


Source: MOFSL, Company

Laying the operating foundation for a high-engagement payments bank

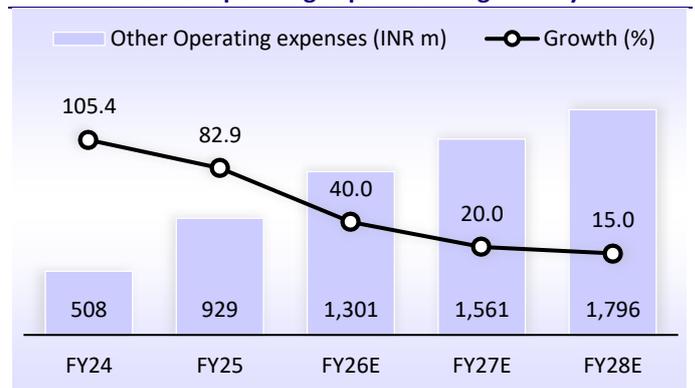
- At its current stage of evolution, JPBL’s operating expense profile reflects a combination of upfront scale-up costs associated with building a digital-first banking platform and sustained investments in technology, distribution, and customer acquisition.
- The principal cost heads comprise technology and platform expenses, employee and operational costs, expenditures related to the establishment and expansion of the BC network, marketing and customer acquisition outlays, and regulatory and compliance-related costs.
- In the initial phase, technology infrastructure accounts for a slightly higher share of expenses, driven by investments in secure digital onboarding, KYC and identity verification systems, transaction processing capabilities, and customer-facing application interfaces. In parallel, spending on cybersecurity, fraud monitoring, and regulatory compliance remains structurally elevated, reflecting the heightened oversight applicable to payment banks and the critical need to safeguard customer funds and data.
- As scale builds and transaction volumes increase, JPBL is likely to benefit from operating leverage, with per-customer servicing costs declining and cost-to-income metrics gradually improving. Over the medium term, an improving CASA profile is likely to support lower funding costs, while deeper cross-selling across the broader Jio ecosystem should enhance revenue per customer without a commensurate increase in operating costs.

Exhibit 25: Employee expenses to gradually stabilize



Source: MOFSL, Company

Exhibit 26: Other operating expenses will gradually stabilize

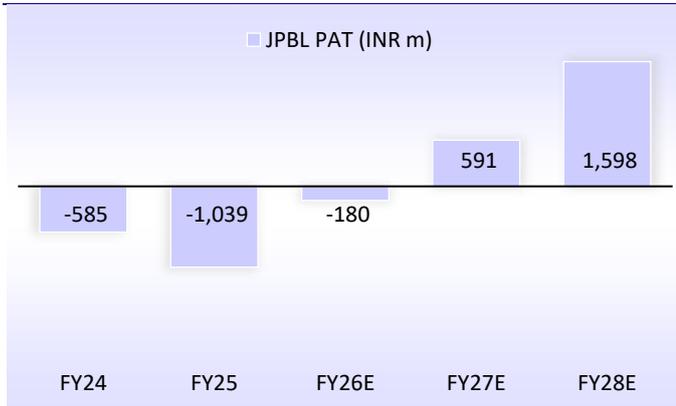


Source: MOFSL, Company

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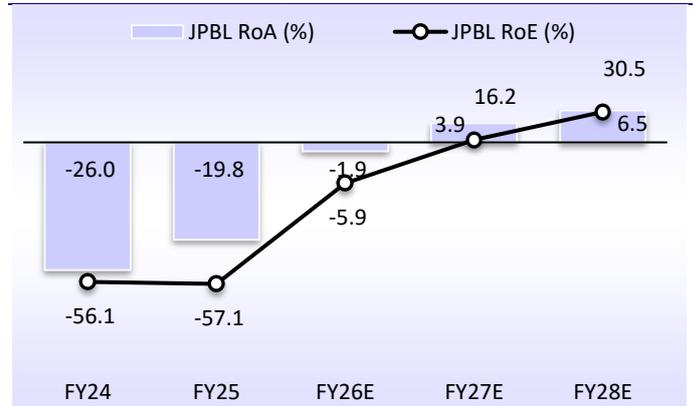
- JPBL is emerging as a scaled, digital-first payments bank leveraging technology-led distribution, a strong phygital footprint, and the trust of the Jio ecosystem to drive financial inclusion and everyday banking adoption. The bank’s strategy of combining intuitive digital journeys with assisted last-mile access positions it well to serve both urban digital-native users and underserved rural customers.
- Rapid growth in accounts, deposits, UPI engagement, and debit card issuance reflects increasing customer relevance, while recent product launches indicate a gradual broadening of use cases and customer cohorts.
- We believe JPBL is well placed to deepen engagement, improve deposit stickiness, and strengthen monetization over time within the regulatory framework of payment banks.
- JPBL’s near- to medium-term outlook remains constructive, supported by strong customer acquisition momentum, rising UPI engagement, and continued expansion of its phygital footprint. The Bank’s focus on financial inclusion, combined with intuitive digital journeys and a trusted brand association, positions it well to deepen penetration across segments. Over time, increasing account balances, higher transaction throughput, and broader use-cases are expected to enhance the sustainability of the business model within the payments bank framework.

Exhibit 27: Improving profit outlook in JPBL from FY27 onwards



Source: MOFSL, Company

Exhibit 28: Healthy ROA/ROE from next year and beyond



Source: MOFSL, Company

JIO Payment Solution: Scaling a tech-led payment ecosystem

Company overview

- Jio Payment Solutions Limited (JPSL) is positioned as a key enabler in India’s rapidly evolving digital payments ecosystem, offering a comprehensive portfolio of omnichannel payment solutions for merchants across segments as well as individual consumers.
- Backed by the scale, reach, and credibility of the Jio platform, JPSL’s offerings are designed for high throughput, reliability, and security, enabling efficient collections and frictionless payment experiences. The company’s innovation-led strategy, anchored in advanced technology capabilities, allows it to deliver scalable and future-ready payment solutions across multiple use cases and industries.
- With its extensive market access and strong execution capabilities, JPSL is well aligned with India’s digitalization and financial inclusion objectives, supporting the broader transition toward a cash-light economy and expanding access to formal digital payment infrastructure.

Strategic expansion in payments infrastructure

- **Regulatory milestone:** JPSL received the payment aggregator license from the RBI on 28th Oct’24, marking a critical regulatory approval that reinforces the platform’s compliance standards, governance framework, and operational credibility.
- The payment aggregator license allows JPSL to provide merchants with a full suite of payment acceptance solutions across online and offline channels, including credit/debit cards, UPI, wallets, QR codes, and POS terminals, enabling seamless transaction processing and settlement.
- **Product innovation:** JPSL launched JioSoundPay on JioBharat devices, enabling sound-based UPI payment confirmations that enhance transaction security and customer convenience, while also supporting rapid onboarding of micro and small merchants at scale. In addition, the JPSL VoiceBox was introduced to provide voice-enabled payment alerts for micro-merchants, significantly improving accessibility and ease of use.
- It is also investing in self-onboarding portals to gradually enable scale in the small and medium merchant segment, once distribution and operational readiness are fully established. Cross-sell and upsell opportunities in small offline merchants remain limited, reinforcing the enterprise-led strategy.
- **Technology advancement:** The company upgraded its payments core to a next-generation, cloud-native SaaS architecture, materially improving platform resilience, scalability, agility, and speed of product deployment.
- **Service expansion:** JPSL received certification from NPCI (Bharat BillPay Limited) to onboard billers as a Biller Operating Unit, enabling merchants to offer an additional bill collection interface through the Bharat BillPay ecosystem. As part of its payment gateway offerings, JPSL also introduced Third Party Verification for Net Banking to serve BFSI clients, alongside the launch of eNACH services to strengthen its subscription-based payment capabilities.

Driving scale, innovation, and compliance in digital payments

- JPSL is positioning itself as a full-stack, regulated payments infrastructure platform with a clear focus on scale, reliability, and deep merchant integration. The receipt of the RBI Payment Aggregator license marks a foundational regulatory milestone, enabling JPSL to operate across the payments value chain with strong compliance, governance, and operational credibility. Building on this, the company is differentiating its offering through product innovations that are designed to drive rapid adoption among micro and small merchants by improving accessibility, transaction confirmation, and ease of use, particularly in cash-heavy and feature-phone-led ecosystems.
- At the core, JPSL has invested in a next-generation, cloud-native SaaS payments architecture, enhancing platform scalability, resilience, and speed to market, which is critical for supporting high transaction volumes and frequent product rollouts.

High competitive intensity and strategic positioning

- Despite strong transaction growth, the monetization pool has been under pressure due to the dominance of UPI, which accounts for ~70-75% of total collections and carries zero MDR. As a result, the revenue pool for payment gateways has structurally shrunk, making the space highly competitive.
- The industry is characterized by well-funded incumbents such as Paytm, PhonePe, Google Pay, Razorpay, Cashfree, PayU, BillDesk, Pine Labs, Innoviti, and others, many of whom have built large-scale distribution over the past decade with significant VC funding.
- JPSL has the structural disadvantage of being a late entrant in a market where incumbents have already built strong distribution. However, the company believes this is offset by the strength of the Reliance brand, access to patient capital, and the ability to scale without resorting to aggressive price undercutting. The focus remains on building a sustainable, unit-economics-positive business rather than chasing unprofitable market share.
- The current sales team comprises ~30 members, with the ability to scale rapidly as the platform matures. We believe that the company can scale faster than competitors once core infrastructure and enterprise integrations are in place, supported by brand leverage and ecosystem synergies.

Differentiated product and service suite across merchant segments

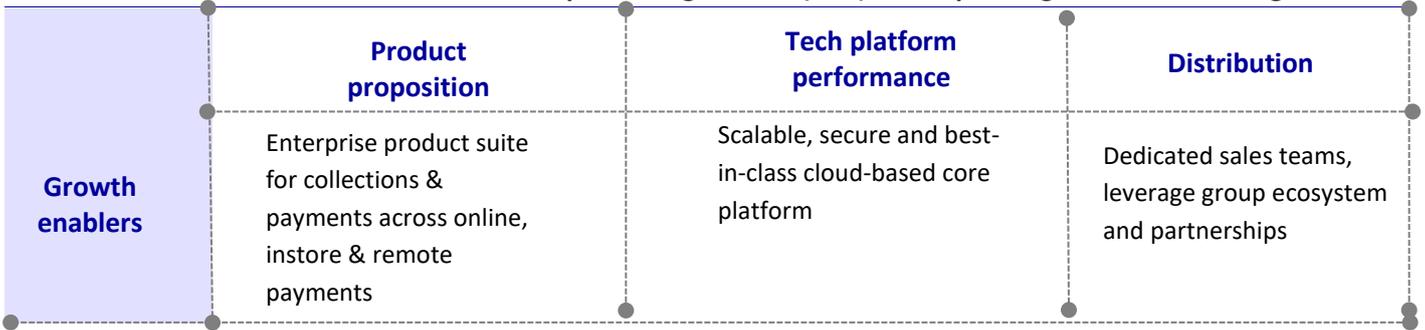
- JPSL's differentiated product and service offerings are designed to address the diverse requirements of both large enterprises and small businesses. For large enterprises, the company provides enterprise-grade payment solutions that deliver industry-standard performance, seamless full-stack integration, and comprehensive support across all payment flows.
- For small and medium enterprises, JPSL focuses on improving financial efficiency through competitive pricing, assured settlement timelines, simplified reconciliation processes, and dedicated customer support.
- The company offers a diverse and comprehensive product suite, including a robust payment gateway supporting over 120 payment options, static and dynamic UPI QR-based solutions, innovative products such as JioVoiceBox and JioSoundPay, and mobile SDK-based payment solutions.

- These offerings are underpinned by a technology-led platform built on a cloud-native SaaS architecture, enabling high availability, scalability, and real-time adaptability. In addition, AI-driven automation enhances operational efficiency, strengthens security, and improves overall service reliability, positioning JPSL as a scalable and future-ready payments platform.
- The business rationale is to capture a structural growth opportunity in payments by: 1) building a merchant payments network across enterprise, retail, and delivery segments; 2) expanding digital acceptance capabilities in both online and offline environments; 3) leveraging Jio’s extensive consumer base and distribution reach; and 4) positioning alongside other fintech players like Razorpay, PayU, and legacy banks with payment services.

A few additional features that JPSL has added over the past two quarters are as follows:

- JPSL has continued to strengthen its product and merchant ecosystem through a series of targeted initiatives aimed at improving acceptance, onboarding efficiency, and monetization.
- The company has partnered with Mastercard to launch tap-and-pay contactless payment solutions, enabling seamless and faster in-store transactions for merchants and customers.
- To accelerate scale-up, JPSL has introduced a DIY digital onboarding process, significantly reducing turnaround time for merchant activation.
- The platform has also rolled out standing instruction capabilities across credit cards and UPI Autopay, supporting recurring payment use cases such as subscriptions and bill payments.
- In parallel, JPSL has developed a secure Software Development Kit (SDK) that allows merchants to easily integrate payment interfaces into their websites and mobile applications.
- Additionally, key bank integrations have been completed, expanding the range of supported payment options while improving transaction economics and margin potential for the company.
- The company has further enhanced its merchant-focused offerings by launching a dedicated developer portal targeted at small and medium businesses, enabling faster integration and scalable adoption of payment solutions through JPSL’s APIs and developer tools.
- For large enterprises, the company has introduced same-day and split settlement capabilities, improving cash-flow visibility and operational flexibility.
- JPSL has also implemented dynamic and smart transaction routing across multiple acquiring banks, which enhances transaction success rates while optimizing costs.
- In addition, the company has rolled out vendor payout solutions for large enterprises, enabling efficient disbursement of payments across complex vendor ecosystems.
- The launch of the UPI Spark plugin allows direct integration with merchant applications, simplifying UPI acceptance and improving checkout efficiency, particularly for high-volume use cases.

JPSL will focus on value-accretive transaction processing volume (TPV) and expanding contribution margin



Sr. No Key services provided by JPSL

1	❖ Jio Sound Pay on Jio Bharat devices
2	❖ JPSL Voice Box
3	❖ Certification from NPCI to onboard billers as a biller operating unit
4	❖ Third-party verification for net banking to serve BFSI clients
5	❖ Launch of E-Nach services to strengthen its subscription-based payment capabilities
6	❖ Enterprise-grade payment solutions for large corporates
7	❖ Robust payment gateway supporting over 120 payment options
8	❖ Static and dynamic UPI QR-based solutions
9	❖ Mobile SDK-based payment solutions.
10	❖ Partnered with Mastercard to launch tap-and-pay contactless payment solutions
11	❖ Introduced a DIY digital onboarding process
12	❖ rolled out recurring payment use cases such as subscriptions and bill payments.
13	❖ Introduced same-day and split settlement capabilities for large enterprises

Technology platform and operating leverage

- A central differentiator in JPSL’s business model is its technology architecture. The company has upgraded its payments core to a cloud-native, SaaS-based platform designed for high availability, scalability, and rapid product iteration.
- This architecture allows JPSL to:
 - 1) process large transaction volumes with minimal latency
 - 2) scale merchant onboarding without proportionate increases in fixed costs
 - 3) deploy new payment features quickly; and
 - 4) Integrate seamlessly with external platforms, banks, and NPCI systems.
- AI-driven automation is increasingly embedded across operations, including fraud detection, transaction monitoring, reconciliation, and customer support. Over time, this reduces manual intervention, improves reliability, and enhances unit economics as volumes scale.
- The company operates with a lean product, technology, and operations team and does not expect linear growth in headcount as transaction volumes scale. Absolute technology costs have declined, positioning the platform to potentially become one of the lowest-cost service providers in the industry. A live data lake has already been established and will be closely integrated with the group’s central data analytics capabilities to drive smarter routing, risk management, and merchant insights.

Selective offline presence and enterprise-led online growth strategy

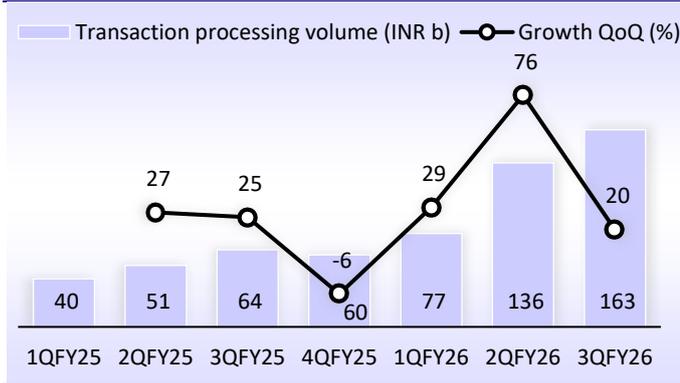
- Within offline payments, the company does not intend to participate in the highly competitive and low-margin small merchant segment (mom-and-pop stores). In the medium offline segment, POS-led models remain bank-dominated. The company's offline strategy is therefore focused primarily on large enterprises, where POS solutions are deeply integrated with billing, ERP, and reconciliation systems, and where differentiated functionalities drive stickiness and better economics.
- The primary strategic focus is on scaling the online payments business, particularly in the mid-market and enterprise segments. These segments offer higher lifetime value, as once integrated into core systems, merchant churn tends to be low. Large enterprises and mid-sized digital businesses are increasingly open to working with multiple payment solution providers, creating opportunities for wallet share gains without aggressive price competition.
- While margins are structurally higher in the small and medium merchant segment, accessing this pool requires heavy distribution investments. Accordingly, the current strategy prioritizes margin-accretive segments such as mid-market, enterprise, and, over time, cross-border payment solutions. Cross-border payments (imports and exports) are viewed as a structurally higher-margin opportunity and a medium-term expansion area.

Revenue stream

JPSL's revenues are generated through multiple channels:

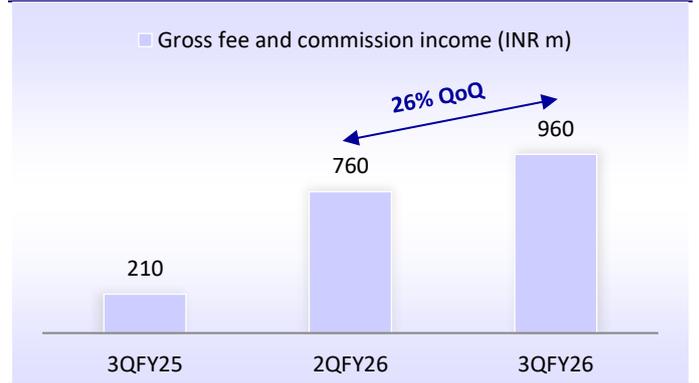
- JPSL generates its core revenues from merchant payment acceptance by earning transaction processing fees and MDR across its payment gateway, including cards, net banking, wallets, UPI-based solutions, QR codes, POS systems, mobile SDK integrations, and contactless tap-and-pay services. JPSL continues to focus on unit-level profitability, with the net processing margin expanding to ~10bp in 3QFY26 from ~9bp in 2QFY26.
- A significant revenue stream is enterprise infrastructure and value-added services, where JPSL earns platform fees, integration charges, and premium service income from large corporates for offerings such as same-day and split settlements, vendor payouts, smart transaction routing, custom APIs, and deep ERP and billing system integrations.
- JPSL earns recurring and subscription-based revenues through mandate and autopay services, including eNACH, credit card standing instructions, and UPI Autopay, supporting EMI, SIP, insurance, utility, and digital subscription payment flows.
- The company generates high-quality regulated revenue from BFSI clients by providing compliance-grade services such as third-party verification for net banking, KYC-linked collections, and other risk-controlled financial payment workflows for banks, NBFCs, insurers, and asset managers.
- JPSL derives additional recurring revenues from utility and bill payments through the Bharat BillPay ecosystem, where it acts as a Biller Operating Unit by onboarding billers and earning onboarding fees, platform usage charges, and per-transaction processing income.

Exhibit 29: Strong growth in transaction processing volume



Source: MOFSL, Company

Exhibit 30: Steady growth in fee and commission income

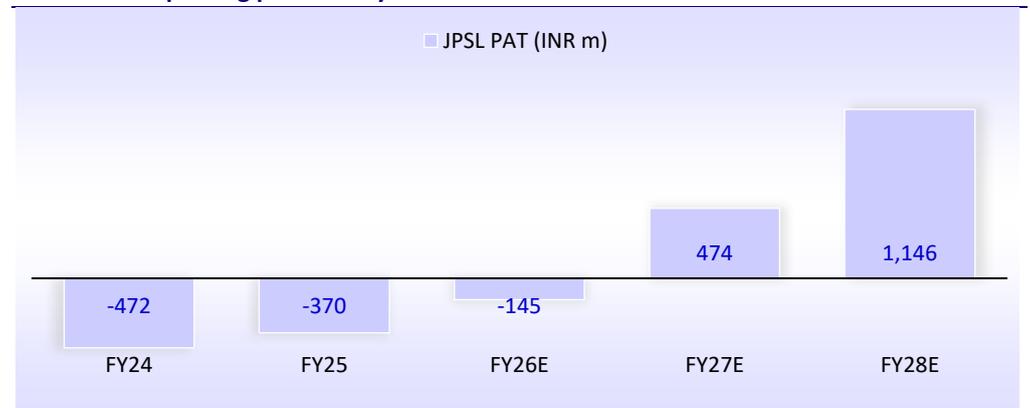


Source: MOFSL, Company

View

- JPSL represents a strategically important payments infrastructure play, built on a regulated foundation, technology-led scalability, and differentiated merchant-focused solutions. While near-term profitability may be modest given competitive intensity and investment in scale, the business model is structurally sound, capital-light, and aligned with long-term growth in digital payments, recurring collections, and merchant digitization. Over time, scale, operating leverage, and ecosystem integration are expected to drive improving economics and strategic value within the Jio Financial Services platform.

Exhibit 31: Improving profitability outlook in JPSL from FY27 onwards



Source: Company, MOFSL

Jio Insurance Broking Limited (JIBL)

Company overview

- Jio Insurance Broking Limited (JIBL), through tie-ups with leading insurers, provides insurance distribution across life, health, and general products. The objective of JIBL is to make insurance simpler, smarter, and more relevant to the evolving needs of Indian consumers and businesses. It operates via Direct-to-Customer (D2C), Institutional Sales, and Embedded Insurance channels.

Tapping the large structural opportunity in India's insurance distribution

- India's insurance market remains structurally underpenetrated across life, health, and SME insurance, despite rapid growth in digital adoption and regulatory support for new distribution models.
- Overall penetration for life insurance and general insurance is 4% and 2% of the GDP, respectively. The protection gap in India is as high as 90%, and out-of-pocket healthcare spending is 60%.
- Broker penetration is meaningful in non-life insurance but remains limited in life insurance, creating a multi-year growth opportunity for scaled, trusted intermediaries.
- The convergence of digitization, rising financial awareness in Tier-2+ towns, and increasing complexity of insurance products makes the broker model structurally relevant rather than disintermediated.
- JIBL is well positioned to capture this opportunity by combining digital-first journeys with selective human assistance, rather than relying on a manpower-intensive agency model.

Transforming the business from a captive to market-facing franchise

- JIBL was originally formed in 2006 as an inward-focused insurance broker within the Reliance ecosystem. Historically, the business was primarily captive, servicing group entities rather than building an external franchise.
- Under the current leadership team, the company is undergoing a clear strategic reset to become a scaled, competitive, market-facing insurance broker.

Key strategic shifts include:

- Reducing captive business significantly to align with regulations that state that not more than 50% of the remuneration shall emanate from any one client in a financial year.
- Driving non-captive growth across corporates, SMEs, retail customers, and Tier-2+ geographies.
- Building distribution-led scale rather than relationship-led dependence on large accounts.
- This transition will improve profitability, as a high captive mix typically suppresses margins and limits pricing power.

Targeting the underserved SMEs in the corporate insurance segment

- Rather than competing aggressively in large corporate accounts that are already over-brokered, JIBL is focusing on SMEs and mid-sized enterprises where insurance needs are underserved, and value addition is meaningful.

The corporate and SME strategy is built on:

- Providing simplified, technology-enabled advisory rather than high-touch relationship management.
- Leveraging scale, analytics, and standardized processes to improve client outcomes.
- Offering differentiated servicing in segments where insurance complexity is high but broker attention is low.
- This segment offers superior economics due to lower competitive intensity, higher stickiness, and better scope for cross-sell over time.

Scaling up the POSP business segment

- The POSP industry is becoming an important distribution layer used by Insurance brokers, Insurers, Corporate agents, and Insurance Marketing Firms to drive mass-market motor/health/travel/PA and other simple covers (often via apps and assisted sales).
- The number of POSP as of 31st Mar'25 was 2.7m. App-based onboarding, along with vernacular-assisted sales, is making POSP a natural distribution layer for Tier 2/3 and is becoming an integral part of the growth strategy for insurers. Here, JIBL is creating a structured roadmap to evolve POSPs from pure sourcing agents into full lifecycle facilitators. For which, Phase-1 of the portal has been launched, with Phase-2 focused on servicing, renewals, claims assistance, and customer lifecycle management.
- Over the medium term, we expect JIBL to garner a 20–25% share of the active POSP market. Growth will be driven by embedded insurance, extended warranty products, worksite sales, and affinity-based distribution models. Importantly, this channel scales with limited incremental fixed costs, supporting operating leverage and RoIC expansion.

The Direct-to-Consumer segment at an inflection point

- JIBL has invested in D2C insurance distribution for many years, well ahead of the current digital insurance wave. After a long gestation period, the D2C business has turned profitable in the recent quarter, marking a key inflection point.

For JIBL, the D2C strategy is built around:

- Strong call-center infrastructure to support assisted digital journeys.
- Digital-first product flows with minimal human intervention wherever possible.
- A segmentation-based approach where standardized products are fully self-served, and complexity is handled selectively.
- The company has digitized journeys with multiple insurers and plans to scale this significantly going ahead that will lead to further improvement in product breadth and customer choice.

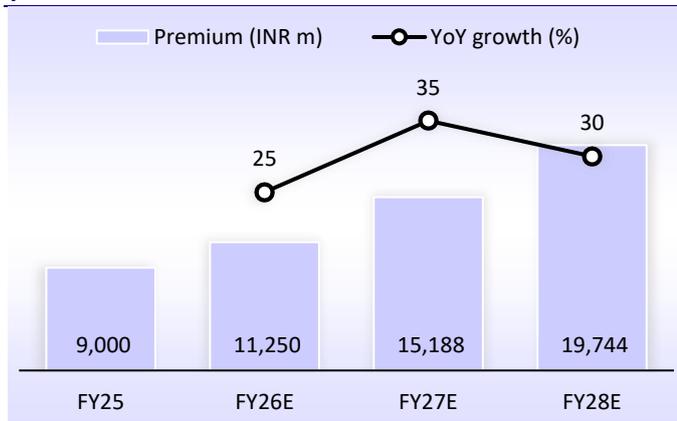
Simplifying insurance through digital and AI-enabled design

- JIBL is actively challenging the conventional belief that insurance journeys cannot be self-served. The company has created a retail experience unit that simplifies policy documentation into clear, concise explanations of what is covered and what is not covered.
- This approach 1) replicates the traditional agent’s role through digital and AI-assisted interfaces, 2) improves transparency, trust, and customer confidence, and 3) reduces dependence on manpower-heavy distribution models. The long-term emphasis is on agentic and AI-enabled solutions rather than building large field teams, especially as the company expands into Tier-2+ markets.

Retail product mix and life insurance optionality

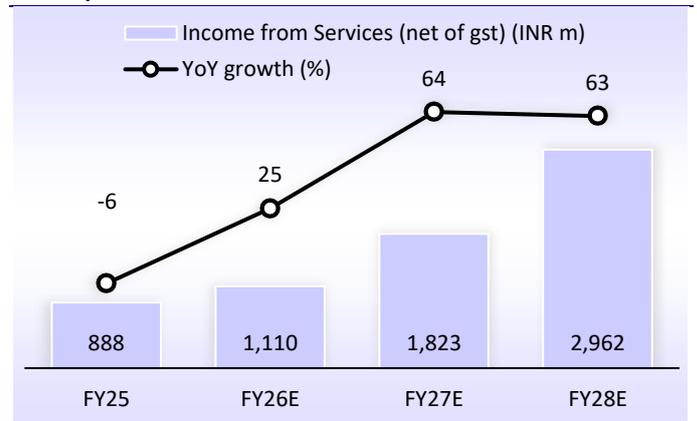
- We believe that currently, the majority of the retail business is derived from the general insurance segment, with a relatively larger contribution from the motor segment. Life insurance for the retail segment is scaling up meaningfully.
- Life insurance journeys have recently gone live on the portal, opening a significant growth avenue. Given low broker penetration in life insurance and JIBL’s data capabilities and brand strength, the company is well positioned to scale life insurance distribution over time through cross-sell and POSP-led models.

Exhibit 32: Premium to grow 30-35% over the next 2-3 years...



Source: MOFSL, Company

Exhibit 33: ...leading to 60-65% growth in revenue with an assumption of 12-15% take rate

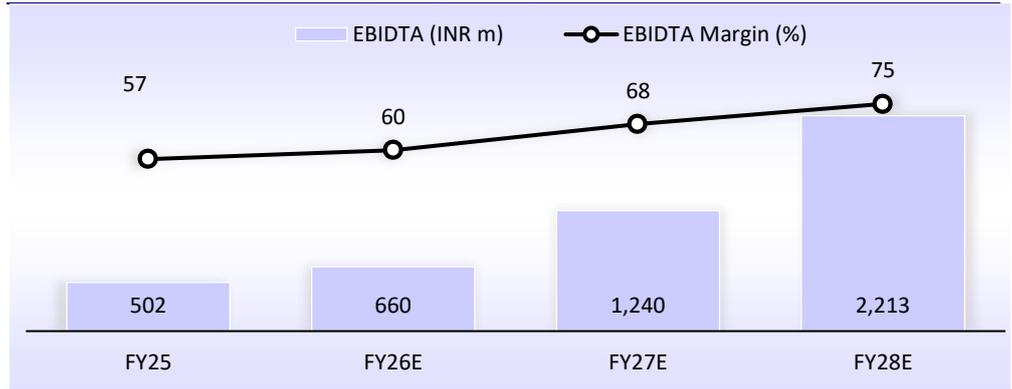


Source: MOFSL, Company

Profitability to improve with scale and reducing share of captive

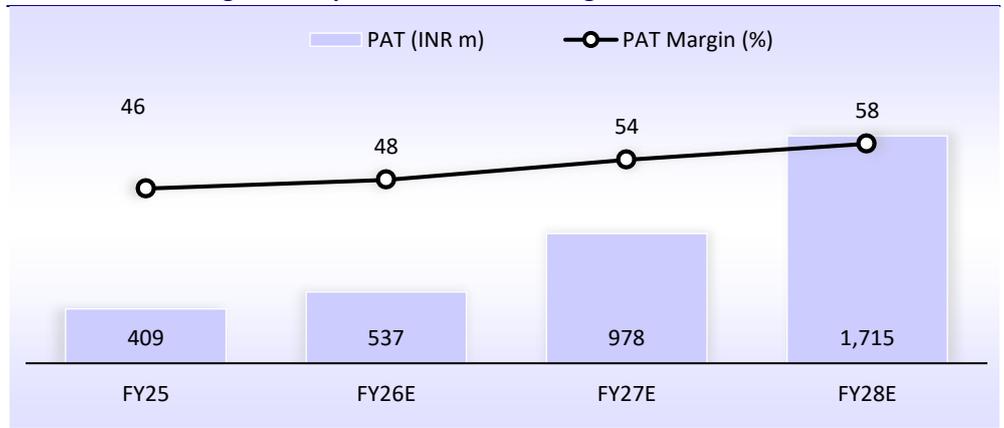
- JIBL reported approximately INR9b of premium in FY25. Current margins are in the early-to-mid teens, reflecting a high captive mix and ongoing investments in technology and distribution.
- Going ahead, we expect margins to improve, led by 1) a declining share of captive business with growth in higher-margin non-captive corporate, SME, and retail segments and 2) operating leverage from digital journeys and POSP scale. Commission sharing rates have normalized to more sustainable levels, and we expect further decline with scale that will support margin improvement.

Exhibit 34: EBITDA margin to improve gradually...



Source: MOFSL, Company

Exhibit 35: ...leading to an improvement in PAT margin



Source: MOFSL, Company

Jio Blackrock AMC

Company overview

- Jio BlackRock AMC (JB AMC) is a joint venture between Jio Financial Services – distribution, customer access, brand, digital rails, and BlackRock – investment research, risk management systems such as Aladdin, and systematic investing frameworks. JB AMC represents a structurally differentiated entrant in the Indian mutual fund industry, combining Jio Financial Services’ digital distribution scale with BlackRock’s global investment technology and systematic portfolio construction capabilities.
- The AMC has rapidly built scale in its first year of operations by launching a broad range of low-cost passive and cash management products, while simultaneously introducing higher-yield active strategies such as the Flexi Cap Fund and a Sector Rotation Fund.
- With over 1m investors already onboarded, of whom ~18% are first-time mutual fund investors, JB AMC is demonstrating early success in tapping India’s next wave of retail participation. The long-term thesis rests on three pillars: 1) low customer acquisition cost via the Jio ecosystem, 2) product credibility via BlackRock’s global processes, and 3) operating leverage through mix shift into active and specialized products.

Positioning itself to gain from industry tailwinds and trend changes

- India’s mutual fund industry is at an inflection point driven by 1) rising household financialization rate, 2) rapid adoption of SIPs and app-based investing, and 3) strong growth in passive and low-cost investment products. While incumbents dominate distributor-led growth, the next leg of industry expansion is increasingly digital-first, where onboarding is frictionless, and customers are choosing funds with lower costs. JB AMC is entering the market precisely at this point, with a product architecture aligned to this shift: index funds, liquid funds, and systematic strategies rather than niche alpha-heavy funds at launch.

Exhibit 36: Launched a series of funds over the past three quarters

Scheme (INR b)	Fund Size	Launch
Liquid Fund	87.9	1QFY26
Money Market Fund	29.6	1QFY26
Overnight Fund	6.5	1QFY26
Flexi Cap Fund	26.1	2QFY26
Nifty 50 Index Fund	1.9	2QFY26
Nifty 8-13-year G-Sec Index Fund	0.3	2QFY26
Nifty Midcap 150 Index Fund	2.0	2QFY26
Nifty Next 50 Index Fund	1.9	2QFY26
Nifty Smallcap 250 Index Fund	2.4	2QFY26
Arbitrage Fund	3.4	3QFY26
Short Duration Fund	2.7	4QFY26
Low Duration Fund	3.3	4QFY26
Total	174.1	

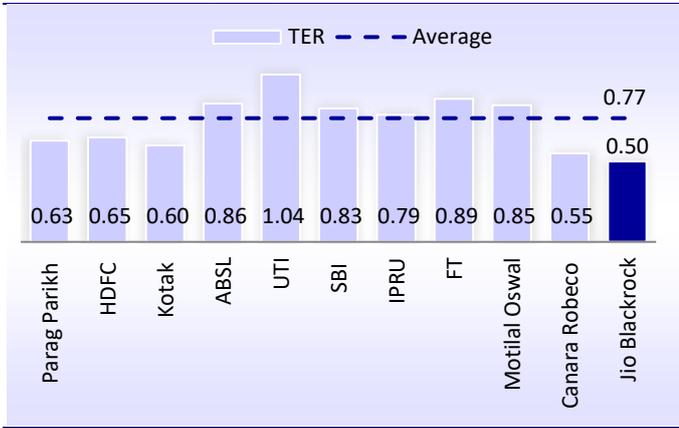
Source: MOFSL, Company; Note: Data as on Jan’26

- During 4QFY26, the company closed its NFO of Short Duration, Low Duration, and Sector Rotation Funds.

Low-cost schemes – an attractive proposition

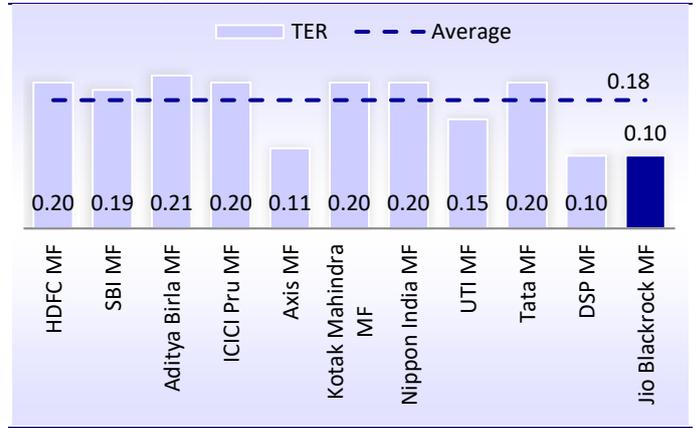
- JB AMC's strategy has been to create schemes at a significantly lower cost (TERs) vs. the current large schemes in the respective categories. Across the schemes launched so far, we observe that JB AMC TERs are significantly lower than the TERs of the top-10 schemes in their respective categories.

Exhibit 37: Flexicap – top-10 schemes and their direct TER



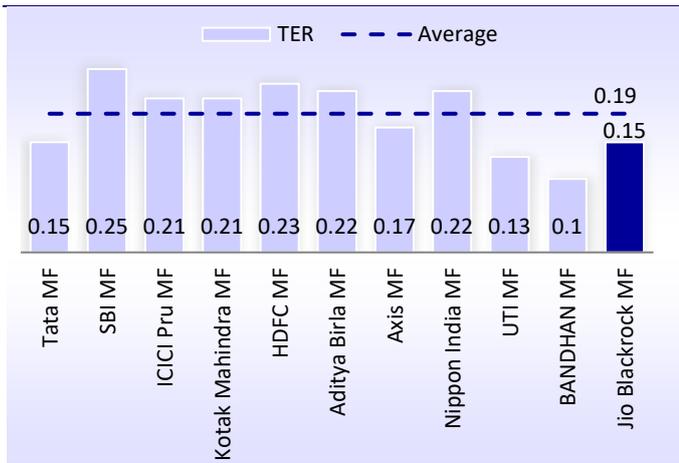
Source: MOFSL, Company

Exhibit 38: Liquid – top-10 schemes and their direct TER



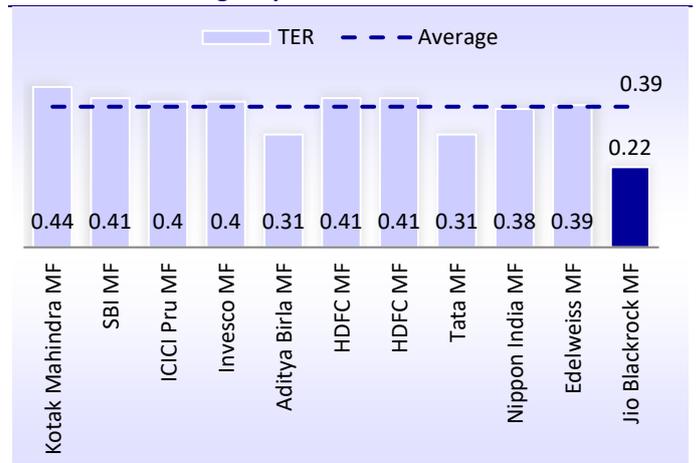
Source: MOFSL, Company

Exhibit 39: Money market top-10 schemes and their direct TER



Source: MOFSL, Company

Exhibit 40: Arbitrage top-10 schemes and their direct TER



Source: MOFSL, Company

Investment process – The differentiator

The AMC's active strategies explicitly rely on 1) quantitative screening, 2) factor-based portfolio construction, and 3) human portfolio oversight. The Flexi Cap fund is positioned as a systematic active equity strategy rather than a discretionary stock picking. The Sector Rotation Fund formalizes this approach by dynamically allocating capital across sectors based on valuation, momentum, and macro indicators. This reduces key-man risk, improves scalability, and aligns well with digital distribution, where consistency is valued over star managers.

Incubating new businesses to encompass all financial products

Jio + Allianz: Creating a full bouquet of insurance products

A] The reinsurance JV: large potential segment

- JFSL and Allianz (via Allianz Europe B.V.) signed a binding agreement (50:50) to set up a domestic reinsurance joint venture in India in Jul'25. The JV is positioned as a capacity + underwriting + risk-selection platform, leveraging Allianz's reinsurance know-how and Jio's local reach/digital footprint. The reinsurance venture is already incorporated as Allianz Jio Reinsurance Ltd (AJRL) and is awaiting IRDAI approval to launch the business.
- Reinsurance is a B2B market where relationships, pricing discipline, and capital matter more than retail brand marketing. That fits Allianz's global playbook and can reduce the consumer CAC burn that new retail insurers typically face. If executed well, reinsurance can become a credible wedge into the broader ecosystem—partnering with multiple primary insurers, building data/claims learnings, and later cross-pollinating product design and risk models.

B] Life Insurance and General Insurance JV with Allianz: An optionality in the making

- Alongside reinsurance, JFSL and Allianz have signed a non-binding agreement to establish 50:50 joint ventures for life and general insurance in India. Akin to the reinsurance JV, JFSL will bring to the table its deep understanding of the Indian customer and its digital tools, while Allianz will bring its global experience in underwriting, product innovation, and processes for building top-notch insurance companies.
- These businesses are still at the incubation stage and have long lead times to achieve scale. With insurance penetration in India at 3.7%, significantly lower than in other emerging economies and the developed world, and the government's target of "Insurance for all by 2047", the tie-up will play a meaningful role.

Wealth management & Broking – completing the financial investing ecosystem

- JFSL's strategy is to be a digital-first, direct-to-customer financial platform where a customer can borrow, transact, invest, and protect inside a single platform (JioFinance + MyJio distribution). Within that, Wealth + Broking is positioned as the "Need to Invest" pillar alongside the AMC. For these businesses, JFSL has created two entities under the Jio-BlackRock relationship: 1) Jio BlackRock Investment Advisers Pvt. Ltd. (wealth management/investment adviser) and 2) Jio BlackRock Broking Pvt. Ltd. (brokerage). These entities will have BlackRock's global investment capabilities and JFSL's digital distribution scale and understanding of the Indian customer, which will allow the products to be made digitally, affordably, and at scale.
 - Both businesses have received approval from regulators for the setup
 - Appointed the leadership and senior management teams
 - Product roadmap and go-to-market strategy for the broking business are under development.

Launched wealth management business

- JioBlackRock Investment Advisers, the wealth management arm of the Jio-BlackRock platform, has launched JioBlackRock Personalized Investment Advice, a digital advisory offering aimed at addressing gaps in India's rapidly expanding retail investment ecosystem. While retail participation in capital markets has increased significantly, many investors continue to face challenges such as commission-driven product distribution and the complexity of DIY investing platforms.
- Although digital brokers have improved market access, aligning portfolios with individual financial goals, risk tolerance, and investment horizons remains a key challenge for investors. The new offering seeks to bridge this gap by providing simple, affordable, and personalized investment advice.
- The platform delivers customized investment plans based on each investor's objectives and risk profile, aiming to offer an institutional-quality portfolio construction experience through a digital interface. Portfolios are designed to evolve, adapting to changes in market conditions as well as investors' life-stage needs.

Reliance Industrial Investments and Holdings Limited (RIIHL)

- RIIHL is a key group investment and holding entity within the Jio Financial Services structure, engaged primarily in financial services, trading, and strategic investments. RIIHL holds a significant indirect economic interest in Reliance Industries Limited (RIL) through trust and holding structures, reflecting its role as an important investment conduit within the broader Reliance group.
- RIIHL holds a 3.56% equity stake in RIL, and also derives economic interest in an additional 2.54% stake in RIL held through Reliance Services and Holdings Limited (RSHL). RSHL functions as a strategic holding company for group investments and is capitalized largely through preference share instruments. Through these structures, RIIHL provides Jio Financial Services with indirect exposure to RIL while maintaining separation between operating financial services activities and long-term strategic holdings.
- From an income perspective, RIIHL's earnings are largely non-operational and investment-driven in nature. Its income primarily comprises dividend income from investments (including indirect exposure to RIL), interest income from treasury and financing activities, and gains from trading and investment operations. Consequently, RIIHL's profitability can be lumpy and market-linked, reflecting dividend flows, investment income recognition, and valuation movements rather than steady operating cash flows. Importantly, RIIHL does not represent a core lending or operating financial services franchise but rather functions as an investment and holding vehicle within the JFSL group.
- At the consolidated JIOFIN level, RIIHL is fully consolidated, with its assets and liabilities forming part of JFSL's balance sheet, while investments held through associates and trusts continue to be reflected as single-line items. For analytical purposes, we view RIIHL primarily as a strategic investment and treasury entity, with limited relevance to the assessment of JIOFIN's core financial services earnings trajectory but with meaningful implications for balance sheet strength, capital flexibility, and indirect exposure to group investments.

Jio Leasing: Overview and strategic rationale

Company overview

- Jio Leasing Services Limited (JLSL) is foraying into the operating lease segment through a Device-as-a-Service (DaaS) offering. Under this model, enterprises and individual customers can access devices on a lease basis rather than purchasing them outright. The DaaS framework typically bundles the device with end-to-end services such as installation, ongoing maintenance, technical support, and periodic upgrades, enabling customers to convert upfront capital expenditure into predictable operating expenses while ensuring hassle-free device management.
- The model involves embedding a leasing solution along with installation, maintenance, and/or support of digital equipment and devices. JLSL has also formed a JV company with Reliance Strategic Business Ventures Limited, called Reliance International Leasing IFSC Private Limited, which is engaged in the business of ship and aircraft leasing, based out of the GIFT City in Gujarat.

Operating lease and DaaS business model

- JLSL's primary strategic thrust centers on operating lease offerings, led by the Device-as-a-Service model. Under DaaS, customers lease hardware, including smartphones, tablets, laptops, IoT devices, and other tech equipment with bundled services such as installation, ongoing maintenance, technical support, and software updates.
- This converts customers' upfront capital expenditure into predictable operating expenses, enhancing budget flexibility and lifecycle management. The integrated service line approach strengthens stickiness, reduces device downtime, and enhances customer experience.

Revenue model

- JLSL's revenue model is anchored in recurring lease rentals and associated service fees. Revenue streams include monthly lease rentals from customers, device installation charges, maintenance and support service fees, upgrade or refresh fees, and potential analytics or management dashboard subscriptions. The bundling of services and long-term contracts increases the predictability of cash flows and enhances customer retention.

Jio Finance Platform and Service: Unified digital gateway for consumer financial services

Company Overview

- Jio Finance Platform and Service (JFPSL) hosts the JioFinance application, a unified, digital-first platform that integrates the full spectrum of customer-facing financial products and services offered across the JIOFIN ecosystem. The platform's offerings include payments, lending, insurance broking, digital gold, and wealth management tools, including "Finances" (earlier known as MyMoney), an investment portfolio tracker, and a spend analyzer. The objective is to provide customers with a single, seamless interface to manage their financial needs across products and use cases. Jio Finance app offerings are also available on the MyJio app.
- The platform is built on the core philosophy that financial services should be intuitive, accessible, and transparent. JioFinance seeks to challenge the perception that new-age financial services are inherently complex, instead focusing on clarity, ease of use, and trust as the foundation of customer engagement.
- The Jio Finance app serves as a one-stop destination for millions of Indian users across age groups and income segments. Whether making a payment, applying for a loan, purchasing insurance, or exploring investment options, customers are able to complete transactions within a single ecosystem. The platform is designed for immediacy and reliability, offering secure, end-to-end digital journeys that minimize friction and improve engagement.

Digital strategy and platform ownership

- JFPSL anchors the group's digital-first customer strategy by owning, hosting, and managing the JioFinance app. JFPSL functions as the central digital gateway for the JIOFIN group, enabling customers to borrow, transact, invest, and protect themselves through a unified interface.
- By consolidating owned and third-party financial services into a single platform, JFPSL aims to drive higher engagement, cross-product adoption, and data-driven personalization. The platform-led approach allows the group to build deeper customer relationships while maintaining a consistent experience across products and services.

A smart, secure, and personalized financial platform

- The JioFinance platform offers a single consolidated view of a customer's financial ecosystem, allowing users to link bank accounts, fixed deposits, stocks, and mutual fund investments in one place. This eliminates the need to navigate multiple applications and provides users with greater visibility and control over their finances.
- The platform also enables access to new-age financial products such as digital gold, contextual lending solutions, and embedded insurance offerings, seamlessly integrated within user journeys. These products are designed to be intuitive and relevant, embedded at appropriate points within the customer experience rather than offered as standalone services.

- Brand trust is a key pillar of the platform’s value proposition. The credibility and scale of the Jio brand provide customers with confidence around security, transparency, and reliability across transactions. This is further reinforced by a robust security architecture, incorporating advanced encryption protocols and multi-factor authentication to safeguard user data and financial activity.
- Data and intelligence form another core differentiator. Proprietary, AI-driven algorithms power the “*Finances*” module, offering features such as cashflow tracking, real-time financial insights, proactive alerts, and personalized product recommendations. This enables users to make more informed financial decisions and enhances the relevance of product offerings over time.
- The app’s clean and intuitive interface supports seamless digital journeys across use cases such as UPI payments, bill payments, investments, and account opening. Customers can complete actions such as purchasing digital gold, applying for a loan, or opening a savings account within minutes, reinforcing ease of access and speed.

JFPSL launches intelligent digital marketplace

- JFPSL has unveiled a significantly upgraded JioFinance app, positioning it as an intelligent digital marketplace aimed at delivering a hyper-personalized financial experience for “Bharat”. The launch is accompanied by an early access program, ‘Finsider’, under which users can test the app, provide feedback, and earn JioPoints redeemable across a curated rewards catalogue.

Core features at launch

- **Marketplace for Intelligent Finance:** The app offers an integrated financial marketplace spanning lending, insurance, payments, savings, and investments. Products include home loans, LAS, personal loans, credit cards, life and general insurance, UPI, fixed deposits, digital gold, tax solutions, and an automated liquidity management savings account. It also distributes mutual funds and advisory offerings from JioBlackRock. The architecture is positioned as open and multi-brand, incorporating both group and partner institutions.
- **Tailored recommendations:** The platform shifts from static product listings to AI-led, decision-based recommendations. Offers are dynamically generated based on user profile, transaction history, and inferred financial goals, with a focus on improving relevance and cross-sell effectiveness.
- **Dynamic personalization:** Home screens are non-static and context-driven, ensuring differentiated user journeys based on financial needs and behavior, moving away from campaign-led product pushes.
- **Natural language interface:** A conversational chat interface enables users to express financial needs in plain language, simplifying discovery and execution.
- **JioPoints rewards ecosystem:** A unified rewards layer allows users to earn and redeem JioPoints on transactions, replacing the ad hoc scratch-card incentives with a structured value-back program.

Features under development

The roadmap indicates a transition toward a financial operating system model:

- **Financial Fitness Score:** A consolidated index measuring overall financial health across spending, leverage, protection, wealth creation, and tax compliance.
- **Personal CFO:** A conversational advisory layer providing actionable financial guidance with in-app execution.
- **Autonomous execution:** Automation of recurring payments and investments through simplified workflows.
- **Exclusive membership program:** Assured value-back benefits to enhance engagement and transaction density.

Finances module: Unified and comprehensive asset tracking platform

- The JioFinance app has been strengthened with the launch of an advanced personal finance management capability designed to enhance how users engage with and understand their money. The feature allows customers to link, view, and analyze bank accounts, mutual fund holdings, and stock portfolios in one place. By eliminating the need to navigate multiple applications, the platform addresses a key pain point in an increasingly fragmented financial ecosystem.
- The solution is built on the principle of consent-led data aggregation, enabling the app to consolidate financial information, analyze spending and investment behavior, and deliver personalized insights. Users gain a clear and granular view of cash flow trends, expenses, and portfolio performance, supported by contextual recommendations for improved money management. The use of advanced analytics and intelligent nudges helps users align day-to-day spending decisions with longer-term financial goals, simplifying decision-making and improving financial discipline.
- At the core of this offering is a unified financial dashboard that provides a consolidated, real-time view of a user’s financial position. This includes both relationships held within the JioFinance ecosystem, such as loans and deposits, as well as externally linked bank accounts and investments. The platform supports comprehensive asset tracking across CASA balances, mutual funds, equities, and ETFs, offering performance analytics and portfolio insights. Support for fixed deposits and recurring deposits is expected to be added, further expanding the completeness of the financial overview.
- The platform goes beyond passive tracking through AI-driven intelligence embedded within the “*Finances*” module. Users receive personalized insights, alerts, and recommendations tailored to their financial behavior, helping them make more informed and proactive financial decisions. This data-led engagement model strengthens user stickiness and positions the app as a daily financial companion rather than a transactional utility.

Key operating milestones and platform traction

- The JioFinance platform has been successfully integrated with the MyJio super app, unlocking access to Jio’s large and engaged user base. This integration has driven higher daily active user engagement through contextual marketing and embedded financial use-cases within the broader Jio ecosystem. As of Dec’25, there were 20m+ unique users across all digital properties with a quarterly MAU of 9.2m.
- Customer feedback plays a key role in refining the user experience. Additionally, on the savings and payments side, the app integrates the digital savings account offered by JPBL, which can be opened digitally in under five minutes and is secured through biometric authentication.
- The company has also enabled international UPI payments for Indian travelers, first rolled out during the Paris Olympics 2024, marking a significant milestone in extending India’s digital payments capabilities globally.
- The platform continued to expand its product capabilities, strengthening support for contextual lending, embedded insurance, digital gold investments, and full-service bill payments. Advanced analytics and AI-driven personalization tools were deployed to deliver targeted product recommendations and contextual notifications tailored to individual user behavior and financial profiles.

Technology-led, cloud-native architecture driving cost efficiency and scalability

Modern technology stack with legacy-free design

Technology philosophy and guiding principles

JIOFIN began building its technology stack around two years ago under the guidance of senior leadership, with a few clear foundational principles. The group aimed to be a completely cloud-native, SaaS-driven, modern technology enterprise, with a strong preference for open-source technologies and minimal dependence on proprietary or legacy systems. A key operating philosophy is ‘fit-for-purpose’ technology, where systems are selected based on business relevance and scalability needs rather than adopting the most complex or feature-heavy solutions upfront. Technology decisions are, therefore, tightly aligned with business outcomes and cost efficiency.

Role of technology in cost structure

From a financial services perspective, the costs broadly fall into three buckets: cost of funds, cost of origination, and cost of servicing. While JIOFIN expects a structural advantage in funding costs given strong capital backing, technology is expected to meaningfully differentiate the business in reducing origination and servicing costs. A cloud-native, modular technology stack enables lower day-to-day operating costs, more efficient customer onboarding, sharper customer targeting, and reduced dependence on manual processes.

Cloud-native and modular architecture

JIOFIN has adopted a fully API-driven, modular architecture built on open-source technologies. This allows different systems to communicate seamlessly and enables faster replacement or upgrading of individual components without disrupting the entire stack. Unlike legacy institutions, where system changes can take 12-18 months, JIOFIN can implement meaningful changes within a few months due to this modular design. Importantly, the cost structure is variable rather than fixed, ensuring that technology costs scale in line with business growth and do not become a structural drag.

Core systems and re-platforming initiatives

While certain core systems, such as the loan management system and core customer systems, are designed to be stable and long-term, peripheral layers such as origination, CRM, and customer interaction modules are kept intentionally nimble. The group has already demonstrated execution capability through multiple large-scale migrations. In the payments business, legacy core banking systems were re-platformed to a SaaS-based variable pricing model in less than three months. Similarly, JPSSL’s core payments platform was migrated to a new system within two months, resulting in improved latency, high availability, and industry-leading uptime across UPI, cards, and other payment modes.

Internal configurability and faster product launches

A key benefit of the technology approach is the ability to internally configure and deploy new products without vendor dependency. For example, new products such as solar financing were configured and made ready for testing within two months by internal teams. This significantly reduces time-to-market and costs compared to traditional vendor-led development models.

Enterprise data lake and customer intelligence

JIOFIN has invested early in building an enterprise-wide data lake spanning multiple entities, with clear data boundaries but centralized sourcing capabilities. Every new system is required to integrate with the data lake from day one, ensuring continuous enrichment of data assets. Alongside this, the group has implemented a customer data platform (CDP) that enables a unified customer view across products and entities through a unique customer identifier at both entity and group levels.

This unified customer architecture allows JFS to view customers holistically across lending, payments, banking, and future businesses such as asset management and insurance. While currently a foundational building block, this structure is expected to significantly enhance cross-sell, product per customer metrics, and lifecycle engagement over time.

Advanced analytics, AI, and propensity models

The group is actively building machine learning-based propensity models to identify the right customer, right product, and right timing for engagement. These models operate within regulatory guardrails and combine bureau data, transaction footprints, clickstream behavior, declared customer preferences, and account aggregator data (subject to consent). Customer behavior often differs from stated preferences, making behavioral data and clickstream analysis critical inputs.

JIOFIN is consciously avoiding mass “spray-and-pray” marketing approaches and instead aims for sharply targeted customer engagement. While early-stage targeting may be broader due to limited historical data, precision is expected to improve as data depth increases.

In-house ownership of critical layers

While most systems are SaaS-based, JIOFIN has chosen to retain in-house ownership of two critical layers: the customer-facing app experience and the data/modeling layer. App design, journeys, and feature prioritization remain fully under internal control, while data science and modeling capabilities are being built as core competencies. The group has invested in a sizable data science and analytics team across entities, including a dedicated team within the NBFC.

Early evidence and execution outlook

The company has seen early success in targeted campaigns, particularly in payments and account onboarding, where conversion and engagement metrics have been materially better than industry averages, even without reliance on broader ecosystem data. These early results provide confidence in the technology-led targeting and engagement approach.

Future roadmap

With core systems, data infrastructure, and customer identity layers now in place, the next phase involves deeper integration of AI-driven capabilities, including chatbots, voice bots, and advanced personalization. We believe that once the company's foundational technology stack has been established, any incremental innovation will be faster and more cost-efficient.

Risk management framework and philosophy

Core philosophy and governance

The risk management function at JIOFIN plays a strategic role in safeguarding business resilience, protecting stakeholder interests, and enabling sustainable long-term value creation. The function operates through a comprehensive, enterprise-wide risk management framework that is closely aligned with the company's stated risk appetite and strategic objectives.

Risk governance is clearly defined across the organization, with well-articulated roles and responsibilities spanning the Board, senior management, risk committees, and business units. Decision-making at all levels is guided by predefined risk tolerance thresholds and supported by proactive, data-led assessment of exposures, allowing the organization to balance agility with disciplined risk control.

Alignment with the 4R's

The risk framework is anchored around four core principles: Reputation, Regulation, Return on Capital, and Return of Capital. All risk identification, assessment, and mitigation efforts are evaluated through the lens of their impact on these four dimensions, ensuring that growth initiatives, investment decisions, and operational strategies remain consistent with long-term stakeholder value creation and regulatory expectations.

Scope of risks managed

The risk function maintains comprehensive coverage across a wide spectrum of risk categories, including credit risk, market risk, liquidity risk, interest rate risk, operational risk, outsourcing risk, strategic risk, fraud risk, model risk, and digital risk. This broad coverage reflects the diversified nature of JFSL's businesses and the evolving risk landscape associated with technology-led financial services.

Monitoring and early warning mechanisms

JFSL has implemented robust monitoring systems to proactively identify, assess, and address emerging risks. These systems leverage a combination of self-assessment frameworks, internal audit findings, management information systems, and data analytics to enable early detection and timely escalation of risk issues. Risk dashboards and periodic reviews provide continuous visibility into risk metrics and threshold breaches.

Key highlights – FY26 focus areas

During FY26, the risk function focused on strengthening enterprise resilience across all business lines and emerging risk categories. The company actively managed exposures across credit, market, liquidity, operational, outsourcing, strategic, fraud, model, and digital risk domains, ensuring comprehensive risk oversight. A forward-looking approach to risk identification and classification was adopted, supported by self-evaluation protocols, internal audit inputs, and advanced analytics.

Mitigation frameworks and controls

All identified risks were evaluated using structured dashboards and assessed against Board-approved policies and risk limits. Clear escalation protocols and monitoring mechanisms were in place to ensure timely corrective action. The integration of technology and automation enabled more efficient monitoring, reduced manual intervention, and improved response times, particularly in high-frequency and operational risk areas.

Business continuity and operational resilience

The risk function maintained a robust business continuity management and disaster recovery framework, including tier-based classification of applications and clearly defined recovery time objectives. This ensured operational resilience and continuity of critical services in the event of system disruptions or external shocks.

Strategic integration of risk management

Risk management was embedded as a strategic lever within the organization, with risk frameworks and oversight integrated into key decision-making processes such as lending, investment evaluation, and platform design across the JFSL group. This ensured that risk considerations were incorporated early in the business lifecycle rather than addressed retrospectively.

Outcome and value contribution

Through disciplined oversight, proactive risk identification, and effective mitigation, the risk management function materially strengthened JIOFIN's ability to uphold its commitments to 4R's. This approach supports resilient growth while maintaining a controlled and transparent risk environment.

Valuation and view

Architecting the future of digital finance

- JIOFIN is being incubated as a diversified, technology-led financial services platform with ambitions to participate across lending, payments, asset management, insurance broking, and other digital financial services, while leveraging the unparalleled distribution and data ecosystem of the Reliance group.
- While near-term profitability remains subdued due to the incubation phase of multiple businesses, the groundwork being laid across technology, partnerships, and distribution positions the company well for scalable growth over the medium to long term.
- The lending business, housed within JIOFIN's NBFC subsidiary, has seen rapid AUM scale-up over the past few quarters, supported by a conservative underwriting approach, a focus on secured and short-tenor products, and leveraging Reliance's customer base and ecosystem strengths. Importantly, the balance sheet is well capitalized, with low leverage and ample liquidity, providing sufficient headroom to scale lending without near-term capital constraints.
- In parallel, the asset and wealth management foray through the Jio-BlackRock JV adds a high-quality, capital-light earnings optionality. With a rapidly growing mutual fund AUM base and the potential to expand into ETFs, advisory, and discretionary offerings, this business can meaningfully diversify revenue toward fee income over time. The payments and digital financial services initiatives, anchored around the JioFinance app, further enhance cross-selling potential and ecosystem stickiness, though monetization is expected to be gradual and back-ended.
- From a profitability standpoint, return ratios are expected to remain modest in the near term as operating expenses, technology investments, and platform build-out continue to weigh on earnings. However, as scale benefits accrue across lending and fee-based businesses, operating leverage should drive a steady improvement in RoA and RoE over the long term. The company's low cost of funds, driven by strong parentage and market access, positions it favorably to benefit from a declining interest rate environment, supporting margin expansion as lending scales.
- We initiate coverage on JIOFIN with a BUY rating, driven by the company's strong medium- to long-term growth visibility and the significant optionality embedded in its diversified financial services platform. While current valuations reflect part of the medium-term growth potential, we believe they do not fully capture the scale opportunity across lending, asset, and wealth management, and digital financial services as these businesses transition from incubation to meaningful profitability. We model a consolidated PAT CAGR of 48% over FY26-FY28 and assign a TP of INR320 (based on Mar'28E SoTP). Our SoTP does not factor in valuation from businesses such as Insurance manufacturing, wealth management, broking, and marketplace, which are still in their incubation phases.

Jio Financial: SoTP – Mar'28 -

	Stake	Value (INR B)	INR per share	% To Total	Target multiple	Rationale
Jio Standalone	100	158	25	8	1.0	❖ Based on 1x FY28E P/BV
Jio Credit	100	360	57	18	2.2	❖ Based on 2.2x FY28E P/BV
Jio Insurance Broking	100	42	7	2	25	❖ Based on 25x FY28E EPS
Jio Payment Solutions	100	52	8	3	5.0	❖ Based on 5x FY28E sales
Jio Payment Banks	100	9	1	0	1.8	❖ Based on 1.8x FY28E P/BV
Jio Blackrock AMC	50	23	4	1	8%	❖ Based on 8% of FY28E AUM
RIIHL and RSHL (Investments in RIL)	6.1	1,300	205	64	1.0	❖ Target value of 6.1% stake held in Reliance Industries (based on MOSL TP on RIL); 10% Holding discount
Cash and investments of RIIHL	NA	89	14	4		
Target Value		2,034	320	100		

Key risks

- **Asset quality risks and lack of credit cycle history:** The lending portfolio has grown rapidly but remains relatively unseasoned. We believe that as the book matures and the company expands into newer customer segments or products, credit costs could normalize at levels higher than expected, especially in a weaker macroeconomic environment or if underwriting discipline is eased to support growth.
- **Execution and scale-up risk:** JIOFIN is in the early phase of simultaneously building multiple business verticals. Any delays in scaling up lending, asset and wealth management, payments, or insurance distribution, or slower-than-expected monetization of its digital platforms, could weigh on earnings visibility and defer improvements in return ratios.
- **Regulatory and competitive risk:** JIOFIN operates across several regulated segments, including lending, payments, asset management, and insurance distribution, exposing it to potential regulatory changes across businesses. In addition, intense competition from banks, NBFCs, fintechs, and global asset managers could constrain growth, compress pricing, and pressure margins.
- **Monetization and profitability risk in digital businesses:** While digital platforms such as the JioFinance app and the payments ecosystem support customer acquisition and engagement, the trajectory toward sustainable monetization remains uncertain. If transaction volumes, cross-sell conversions, or fee income generation are weaker than expected, the timeline to profitability could be extended.
- **Technology, data security, and operational resilience risk:** The company's strategy is heavily dependent on digital platforms, data analytics, and AI-driven processes. Any system outages, cybersecurity breaches, data privacy lapses, or technology execution failures could disrupt operations, trigger regulatory scrutiny, and undermine customer confidence.

Board of Directors



Mr. K.V. Kamath
Non-Executive Chairman

Mr. Kamath is a veteran Indian banker who led ICICI Bank as MD and CEO and later as Chairman, transforming it into a diversified financial services group. He has also served as Chairman of Infosys, President of the BRICS New Development Bank, and Chairman of NaBFID, and currently serves on the Board of Reliance Industries.



Ms. Isha M. Ambani
Non-Executive Director

Ms. Ambani is a business leader and a whole-time director of Reliance Retail Ventures, driving retail expansion, digital initiatives, and new platforms like AJIO and Tira. She is also actively involved in Reliance Foundation's education, women's empowerment, and arts programs, and holds degrees from Yale and Stanford.



Mr. Hitesh Sethia
MD & CEO

Mr. Sethia is a CA and a Harvard Advanced Management Program alumnus. He has over 20 years of global financial services experience, primarily with ICICI Bank, and serves on the boards of JFSL Group entities, including but not limited to, Jio Credit, Jio Payments Bank and Jio BlackRock Asset Management.



Mr. Rajiv Mehrishi
Independent Director

Mr. Mehrishi is a veteran governance and finance professional, former Union Finance and Home Secretary, and Padma Bhushan awardee, serving on the boards of Reliance Retail Ventures, Tata Power, Dabur India, and Piramal Finance.



Mr. Sunil Mehta
Independent Director

Mr. Mehta is a veteran banker with over 40 years of experience, former CEO of the Indian Banks' Association and MD & CEO of Punjab National Bank. He serves on the boards of Jio Credit, Jio Payments Bank, Jio Insurance Broking, Juniper Hotels, CMS Info Systems, PSB Alliance, and Acer Credit Rating.



Mr. Bimal Manu Tanna
Independent Director

Mr. Tanna, a CA since 1986, is an independent director on multiple boards, including Jio Credit and Kirloskar Pneumatic. He retired as senior partner of PwC India after a 40-year career in professional services and now advises businesses, mentors start-ups, and supports not-for-profit initiatives.



Ms. Rama Vedashree
Independent Director

Ms. Vedashree is a cybersecurity and IT veteran with 35+ years of experience, having worked at Microsoft, GE India, NASSCOM, and as CEO of DSCI, driving India's cybersecurity growth and innovation initiatives. She serves on the boards of JCL and JPSL and advisory boards of IIT Bombay Trust Lab and Kautilya School of Public Policy.



Mr. Anshuman Thakur
Non-Executive Director

Mr. Thakur is Senior Vice President at Jio Platforms, overseeing strategy and planning, with 26 years of experience in corporate strategy and investment banking. He has held leadership roles at Morgan Stanley and Rothschild and serves on the boards of companies including Just Dial and JioStar India.

Leadership team



Mr. Hitesh Sethia
MD & CEO

Mr. Sethia is a CA and a Harvard Advanced Management Program alumnus. He has over 20 years of global financial services experience, primarily with ICICI Bank, and serves on the boards of JFSL Group entities, including but not limited to, Jio Credit, Jio Payments Bank and Jio BlackRock Asset Management.



Mr. Venkata Peri
Group Chief Operating Officer

Mr. Venkata Peri has over 25 years of global experience in finance and technology, having worked with IBM, Deloitte and PwC. He has advised Boards and C-suite leaders on finance and risk transformation in banking and insurance, and holds degrees from the London School of Economics and NIT Rourkela.



Mr. Abhishek Haridas Pathak
CFO

Mr. Pathak is a Fellow CA and an MBA from Babson College, USA. He was part of the founding team of the BRICS New Development Bank, where he helped build core finance functions, secure international credit ratings, and raise funds, including the inaugural Green RMB Bond. He previously held roles at ICICI Bank Group.



Sandeep Khetan
Group Chief Risk Officer
(effective Mar 23, 2026)

Mr. Khetan is a Chartered Accountant with over 24 years of banking experience across credit and risk functions. Previously, he spent over 23 years at ICICI Bank, leading credit, policy and business banking functions.



Mr. Ganesh AR
Group Chief Technology Officer

Mr. Ganesh AR is an engineer and IIM Calcutta alumnus with over 30 years of experience in IT transformation and information security, having previously served as CISO at ICICI Bank and held leadership roles at Tesco Shared Services.



Mr. Manish Kumar Singh
Group Chief Human Resources Officer

Mr. Singh has global HR leadership experience across the BRICS New Development Bank, Abu Dhabi Department of Economic Development, and the ICICI Bank Group.



Ms. Rupali Adhikari Sawant
Group Head, Internal Audit

Ms. Rupali is a CA with over two decades of experience in audit, risk advisory, and governance. She previously served as an Associate Partner at B S R & Co., leading audits and advisory assignments across banks, NBFCs, asset managers, and private equity funds.



Mr. R. Shyam Sunder
Group General Counsel

Mr. R. Shyam Sunder has over 24 years of experience in banking and financial services law. A graduate of the National Law School of India University, Bengaluru, he has deep expertise in project finance and banking regulations and previously served as Head – Legal at IDFC First Bank.



Mr. Sudheer Reddy Govula
Group Chief Compliance Officer

Mr. Sudheer has over 28 years of experience across public and private sector banks, including State Bank of India, HDFC Bank, and Bandhan Bank. He brings deep expertise in compliance and regulatory supervision, having managed multiple regulatory inspections under risk-based supervision frameworks.



Ms. Mohana V.
Group Company Secretary

Ms. Mohana V. is a Fellow of the Institute of Company Secretaries of India and a law graduate, with nearly three decades of experience in corporate governance, compliance, and corporate legislation. She previously served at Reliance Industries and has held senior roles at GMR Group and Biocon.



Mr. Dipak Daga
Head Strategy and Investor Relations

Mr. Dipak heads strategy and IR across all businesses and JVs. He has 15+ years of experience across corporates, consulting and investment banking, and has previously worked with firms such as Goldman Sachs, Credit Suisse, McKinsey & Company, ArcelorMittal and EY. He holds a Master's degree from IIM, Calcutta and is also a qualified CA and CFA.

Group Senior Management



Mr. Kusal Roy
MD & CEO, Jio Credit

Mr. Roy has over 30 years of experience in banking and financial services, having served as MD & Country Head at Standard Chartered Bank and MD & CEO of Tata Capital Financial Services. He has also worked with ICICI Bank, Barclays, and Citibank, with expertise in consumer lending, retail banking, and strategic business development.



Mr. Vinod Easwaran
MD & CEO, Jio Payments Bank

Mr. Easwaran is a banking and financial services professional with over 30 years of experience, specializing in retail banking and digital transformation, with prior senior roles at ICICI Bank and Seynse Technologies.



Mr. Kashinath Hariharan
MD & CEO, Jio Payment Solutions

Mr. Hariharan has over 29 years of experience across BFSI, retail, and automotive sectors, specializing in payments, transaction banking, and cash management. He previously served as MD at Standard Chartered Bank for transaction banking in India & South Asia and held senior roles at ICICI Bank.



Mr. Ashish Ahuja
CEO, Jio Insurance Broking

Major Ahuja has over 33 years of experience in the military, banking, payments, digital, operations, and technology. He was previously the COO of Fino Payments Bank. He has also contributed to ICICI Bank's technology initiatives.



Mr. Sid Swaminathan
MD & CEO, JioBlackRock Asset Management

Mr. Swaminathan has over 20 years of global experience in asset management. He previously served as Head of International Index Equity at BlackRock, overseeing large-scale indexed equity portfolios.



Mr. Marc Pilgrem
MD & CEO, JioBlackRock Investment Advisers

Mr. Pilgrem has over 25 years of global financial services experience, specializing in wealth management, investment solutions, and client engagement. He previously led Specialist Clients and Investment Trusts for EMEA at BlackRock and served as COO and Head of Business Strategy for iShares EMEA, overseeing strategic planning and operations for the ETF business.



Ms. Surbhe S Sharma
CEO, Jio Finance Platform and Service

Ms. Sharma has over a decade of experience in financial products and partnerships across lending and credit cards. She previously led MSME and Used Car Finance products at Bajaj Finance and worked on co-branded credit cards at GE SBI Card.

ESG initiatives



Environmental initiatives

- JIOFIN integrates climate actions into its sustainability strategy, aligning environmental priorities with operations, product development, and financing, while leveraging digital solutions to enhance efficiency and reduce its environmental footprint.
- The company focuses on managing energy and emissions, reducing waste, promoting sustainable procurement, and encouraging renewable energy and paperless processes.
- Climate-related disclosures in FY25 included GHG emissions, energy consumption, water usage, and waste management, forming the basis for reduction targets and long-term ESG goals.
- Through collaborative initiatives, JFSL aims to create lasting value for stakeholders and drive an inclusive, low-carbon future.

Social initiatives

- JIOFIN promotes a diverse and inclusive workplace and provides mandatory ESG training to employees, while engaging value chain partners on National Guidelines on Responsible Business Conduct (NGRBC) and BRSR principles.
- The company ensures ethical practices through adherence to the Supplier Code of Conduct and structured ESG assessments of partners.
- CSR initiatives, implemented with Reliance Foundation, focus on rural development, education, healthcare, and culture across several Indian states.
- In FY25, INR177m was allocated to CSR programs, supporting sustainable livelihoods, vocational training, youth and disability employment, and healthcare initiatives, including women's health and preventive care.

Governance

- JIOFIN has strengthened its governance with a well-structured Board and specialized committees, including Audit, Risk, ESG, and CSR, for focused oversight.
- The company's vigil mechanism and whistle-blower policy ensure ethical conduct and accountability across the organization.
- Robust compliance, risk management, and internal audit frameworks monitor and manage operational and regulatory risks.
- Cybersecurity and ESG governance are integrated at the Board level to ensure data protection, sustainability, and stakeholder engagement.

SWOT analysis

- ✔ Strong Reliance Group parentage with brand credibility, capital backing, and ecosystem support.
- ✔ Ability to leverage Jio's large digital user base for low-cost customer acquisition and cross-selling.
- ✔ Digital-first, technology-led operating model with data and analytics capabilities.
- ✔ Strategic partnerships with global players in asset management and insurance.

S

STRENGTH



- ✔ Most businesses are at an early stage with limited scale and weak near-term earnings visibility.
- ✔ Limited operating track record in financial services compared with established peers.
- ✔ Lending portfolio remains largely unseasoned, increasing uncertainty around steady-state credit costs.

W

WEAKNESS



- ✔ Large underpenetrated Indian market across lending, wealth, insurance, and payments.
- ✔ Leveraging RIL customer base and cross-selling to existing JFSL customers can improve unit economics.
- ✔ Increasing digitization and data-led underwriting can drive scalable and efficient growth.

O

OPPORTUNITY



- ✔ Regulatory changes across lending, payments, asset management, and insurance businesses.
- ✔ Slower-than-expected monetization of digital platforms affecting profitability timelines.
- ✔ Intense competition from banks, NBFCs, fintechs, and global asset managers.

T

THREATS



Consolidated: Financials and Valuations

Income Statement					INR m
Y/E March	FY24	FY25	FY26E	FY27E	FY28E
Interest Income	9,377	8,525	19,797	39,584	71,940
Interest Expenses	103	77	7,350	18,481	36,647
Net Interest Income	9,275	8,449	12,447	21,103	35,293
Change (%)	2,319	-9	47	70	67
Other Income	9,169	12,264	16,480	24,535	34,591
Total Income	18,444	20,713	28,927	45,639	69,883
Change (%)	4,013	12	40	58	53
Total Operating Expenses	3,150	4,768	11,085	16,550	23,383
Change (%)	5,565	51	132	49	41
Employee Expenses	1,160	2,149	3,647	5,033	6,713
Depreciation	215	225	296	372	448
Other Operating Expenses	1,774	2,394	7,142	11,145	16,222
Operating Profit	15,294	15,944	17,842	29,089	46,500
Change (%)	3,794	4	12	63	60
Total Provisions	21	404	714	1,867	4,158
% Loan loss provisions to Avg loans ratio	1.9	0.8	0.4	0.5	0.6
PBT before share of profit/loss in associates and JV	15,274	15,541	17,128	27,222	42,342
Add: Share of profit in associate and Joint ventures	4,285	3,928	3,535	3,990	4,145
Profit before tax	19,559	19,469	20,663	31,212	46,487
Tax Provisions	3,513	3,343	3,939	6,261	9,739
Tax Rate (%)	23.0	21.5	23.0	23.0	23.0
PAT	16,046	16,126	16,724	24,951	36,749
Change (%)	5,035	1	4	49	47

Balance Sheet

Y/E March	FY24	FY25	FY26E	FY27E	FY28E
Equity Share Capital	63,533	63,531	63,531	68,531	68,531
Reserves & Surplus	13,27,944	11,71,434	13,72,126	16,30,484	17,94,973
Net Worth	13,91,477	12,34,965	14,35,658	16,99,015	18,63,504
Borrowings	0	39,700	1,87,521	3,95,300	7,29,708
Change (%)			372.3	110.8	84.6
Other liabilities	57,153	60,434	61,370	62,883	64,197
Total Liabilities	14,48,630	13,35,099	16,84,549	21,57,199	26,57,409
Investments	13,32,922	11,89,103	13,53,420	14,85,602	16,29,506
Loans	1,733	1,00,531	2,50,105	4,93,005	8,79,929
Change (%)	321.8	5,700.7	148.8	97.1	78.5
Other assets	1,15,413	47,016	81,023	1,78,591	1,47,973
Total Assets	14,50,068	13,36,651	16,84,549	21,57,199	26,57,409

E: MOFSL Estimates

Consolidated: Financials and valuations

	FY24	FY25	FY26E	FY27E	FY28E
AUM Mix					
NBFC AUM	1,730	1,00,530	2,46,299	4,92,597	8,86,675
Change (%)		5,711	145	100	80
NBFC Ratios (%)					
Y/E March	FY24	FY25	FY26E	FY27E	FY28E
Avg. Yield on Loans	0.7	3.3	8.4	9.2	9.6
Avg Cost of Funds	0.0	1.3	6.7	6.6	6.6
Spread of loans	0.7	1.9	1.7	2.6	3.0
NIM (on loans)	53.7	3.1	3.8	4.1	4.2
Profitability Ratios (%)					
Consol. core RoE	6.2	5.6	4.3	4.6	7.1
Consol. core RoA	4.4	3.4	2.0	2.0	2.4
NBFC Cost/Income	22.2	41.9	40.0	28.1	21.82
NBFC Opex to avg. assets	1.6	1.8	1.5	1.3	1.1
Asset quality					
GNPA (%)	0.13	0.0	0.14	0.9	1.6
NNPA (%)	0.11	0.0	0.06	0.4	0.7
PCR (%)	17.39	0.0	57.0	56.0	55.0
Credit costs (as a % of avg. assets)	0.05	0.5	0.4	0.5	0.6
Valuation					
No. of Shares (m)	6,353	6,353	6,353	6,853	6,853
EPS	2.5	2.5	2.6	3.6	5.4
EPS Growth (%)	5,036.4	0.5	3.7	38.3	47.3
Price-Earnings (x)	93	93	90	65	44
Book Value (INR)	219	194	226	248	272
BV Growth (%)	22	-11	16	10	10
Price-BV (x)	1.1	1.2	1.0	1.0	0.9
DPS (INR)	0.0	0.0	0.0	0.0	0.0
Dividend yield (%)	-	-	-	-	-

E: MOFSL Estimates

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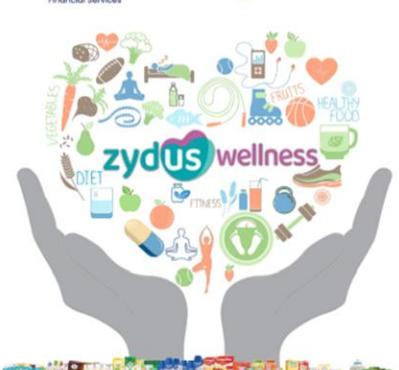


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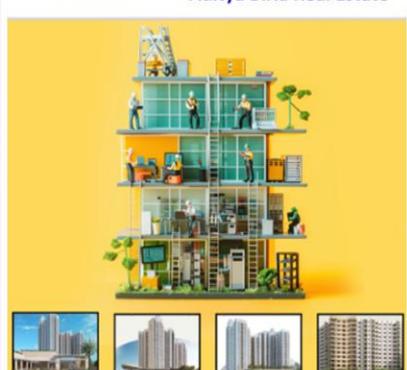


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