



July 16, 2024

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai 400 001

**National Stock Exchange of India Limited**

Exchange Plaza,  
Plot No. C/1, G Block, Bandra-Kurla Complex,  
Bandra (East), Mumbai 400 051

**Scrip Code:** 543940

**Trading Symbol:** JIOFIN

Dear Sirs,

**Sub: Transcript of Presentation on Unaudited Financial Results (Consolidated and Standalone) for the quarter ended June 30, 2024**

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Pursuant to Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the transcript of the presentation made to analysts on July 15, 2024, on Unaudited Financial Results (Consolidated and Standalone) of the Company for the quarter ended June 30, 2024, is attached. The presentation concluded at 7.35 p.m. (IST) on July 15, 2024.

Kindly take the same on record.

Thanking you,

Yours faithfully,

**For Jio Financial Services Limited**

**Mohana V**

**Group Company Secretary and  
Compliance Officer**

**Encl: a/a**



Jio Financial Services Limited Q1 2024 – 2025

Analyst Call Transcript

Call Participants:

Mr. Hitesh Sethia, MD & CEO – Jio Financial Services Limited

Mr. Abhishek Pathak, Group Chief Financial Officer - Jio Financial Services Limited

Ms. Jill Deviprasad, Head, Investor Relations – Jio Financial Services Limited

Transcript:

**Ms. Jill Deviprasad, 2:36**

Good evening, everyone. My name is Jill Deviprasad and I'm the head of Investor Relations for Jio Financial Services Limited. On the declaration of the results for the first quarter ended June 30, 2024 for FY 2024-2025, it gives me immense pleasure to welcome the analysts, investors and our colleagues to this virtual meeting. We have with us today, our MD & CEO Mr. Hitesh Sethia and our Group Chief Financial Officer, Mr. Abhishek Pathak. In this call, all participants will be in a listen-only mode. The earnings presentation is uploaded on our website [www.jfs.in](http://www.jfs.in) and on the stock exchanges.

Before I hand over the call, I would like to read out the Safe Harbor statement.

This presentation contains forward-looking statements which may be identified by their use of words like plans, expects, estimates or other words of similar meaning. All statements that address expectations or predictions about the future, including, but not limited to, statements about strategy for growth, product development, market position are forward-looking statements based on rationale and data. Actual results may vary materially given market circumstances.

I will now hand over the call to Hitesh to discuss the business in detail.

**Mr. Hitesh Sethia, 4:03**

Thank you, Jill, and good evening everyone. A warm welcome to all joining this call today.



We are delighted to discuss the exciting developments of the first quarter of FY 2024-25 in the backdrop of what continues to be a robust economic growth and a positive outlook for our country.

Over the last three full quarters of Jio Financial Services as a listed company, we have been working on multiple fronts, importantly, setting the governance & policy framework in line with the highest regulatory standards, hiring and integrating the right talent at all levels across all our operating entities and setting a modern, fit-for-purpose, cost effective technology and data architecture to enable product launches at pace and distribution at scale. While strengthening these pillars will continue to be an ongoing journey, I am happy to note that on the back of these foundational blocks that have been established, we have reached certain critical milestones in Q1 FY 2025.

Key amongst these milestones was the launch of the Jio Finance App in a beta version on May 30, 2024 on the iOS and Play store. This app consolidates the offerings of the JFS group, setting up a digital, simple and unified platform to distribute our products to the consumers. This consumer app is in addition to the merchant app, which was launched in December 2023. With both these apps in place, we believe now we have created a vital digital channel to reach our target customers. I am happy to update that, as on date, we have approximately half a million downloads.

In addition to the app launch, as mentioned in our earlier calls, we have also been working towards accelerating our secured lending proposition and to this effect we have launched Loan Against Mutual Funds for our customers from our NBFC. We have also launched Home Loans in a beta mode which will be generally available to our consumers in due course.

Thanks to the overwhelming approval from our esteemed shareholders on our postal ballot for the related party transactions, we were able to commence our operating lease business with AirFiber devices.

On our payments Bank, the digital revamp undertaken over the last quarters has led to over a million CASA accounts in the bank, underscoring our commitment to provide simple and robust digital banking solutions.

Before we move to each of the businesses, I would like to mention two more points.

Firstly, I would like to express our deepest gratitude to our shareholders who have voted on our postal ballot resolutions. I am very pleased to announce that 99.9% of our shareholders have voted in favor of our postal ballot notice dated May 23, 2024, demonstrating strong shareholder confidence in our initiatives. Amongst other items, as mentioned earlier, this shareholder approval has indeed enabled us to commence the operating lease business in the first quarter of this financial year.



Second and very importantly, we have also received the final approval from the Reserve Bank of India on our application for converting Jio Financial Services from an NBFC to a Core Investment Company or a CIC. This completes a very important milestone for JFSL from a regulatory perspective.

Before we get to the various businesses, a quick overview about our unified app. This app has various payment features including UPI, a digital bank account where the account opening can be done end to end online in just a few minutes, an auto insurance offering from our partner insurance companies and loan against Mutual funds from our NBFC. This app is modular and parts or whole of the app can be embedded in other apps such as MyJio app to offer an embedded experience to our customers.

We will continue to expand our product suite in the coming quarters with a few more launches across all our business verticals, the bank, NBFC and the insurance solutions and also build interesting engagement layers to keep our customers' experience best-in-class while solving for their financial needs.

In line with our philosophy of being customer-first, we have launched the app in a beta version and will evolve the app into a world-class offering with active participation and support of our customers.

Turning to our subsidiaries and starting with Jio Finance Ltd. (JFL)

Our non-banking financial entity has strategically positioned itself to capitalize on opportunities in the lending market. Recently, we successfully launched loan against mutual funds following an extensive beta testing phase. This is now available to our consumers on our JFS app. In parallel, the vendor financing business, which was kickstarted earlier, continues to add customers which fit our risk and return criteria. In this quarter, we have also introduced enterprise solutions for providing device finance solutions to the employees of our customers. We are progressing with home loans, which is currently in a sandbox, and slated for consumer launch post our beta phase.

Moving forward, our focus remains on expanding secured lending products, such as loan against securities and loan against property. In all the areas, we will leverage the vast ecosystem in which we operate, certainly on an arm's length basis and within risk and regulatory guardrails.

During the last quarter and as mentioned earlier, thanks to the approval from our esteemed shareholders on the postal ballot, we have kickstarted the operating lease business with AirFiber devices. This, an innovative solution, is actually an integrated offering for our customers with a single interface across device charges, connectivity and content. This not only enhances convenience but also expands affordability for our customers. For Jio Leasing Services Limited, for JLSL, this gives access to potentially a large customer base at low acquisition and collection costs while at the same time mitigating risks given that asset



ownership is with our leasing company. The necessary leadership, management and tech stack have all been put in place to scale this business.

Additionally, JLSL also has a 50:50 JV with Reliance Strategic Business Ventures Limited in the GIFT city and this entity is called Reliance International Leasing IFSC Limited. This entity was formed with an intent to undertake leasing in the IFSC, the International Financial Services Centre, in GIFT city. This GIFT city JV has already initiated the operations of ship leasing in Q1 of FY2025.

With the revamped tech stack, the Jio Payments bank is now able to open a digital savings account for its customers online in only a few minutes. The bank also offers a virtual Rupay platinum debit card. This digital savings account, though in its very nascent phase, has garnered over a million active customers till date. The customer value proposition is as follows: Proliferation of UPI as we all know as the dominant payment method in daily use has now indeed created the need for a second daily expense account which, in turn, helps customers declutter their primary bank. Our product roadmap for the payment bank here includes interesting variants of the savings account and physical debit cards in the near future.

In addition to our digital distribution which I spoke about, JPBL has also been working towards expanding its physical distribution network through a network of business correspondents. To this effect, the Jio Payments Bank has received approval from the Reserve Bank of India to expand its network by about 16,000 Business Correspondent outlets. This roll out will be undertaken in a phased manner by leveraging the vast distribution network of our ecosystem. These outlets will primarily facilitate three things in the first phase – an assisted account opening, Aadhar enabled payment service and Domestic money transfers. This physical channel, we believe, will serve a complementary target customer segment compared to the digital channel which I spoke about earlier.

Jio Payment Solutions limited, our payment service company, is a payment aggregation platform that aims to specialize in comprehensive solutions for enterprise and delivery merchants. Our services include QR codes and Point of Sale devices integrated with payment gateway supporting over 100+ payment options. Key innovations here include embedded payments, enabling UPI solutions on existing point of sale devices used by large merchants which can further enhance seamless customer experiences. We have also piloted tailored Point of Sale solutions, such as PIN POS for home delivery service merchants, ensuring secure payment processing. Further, the Jio Bharat phone also facilitates peer-to-peer merchant onboarding for MSMEs and unorganized retail, empowering the small businesses across the country with seamless payment solutions. Our affordability suite will offer Brand EMI for white goods, thereby expanding accessibility and promoting affordability.





Through these initiatives, JPSL drives operational efficiencies and delivers targeted insights across its customer segments and this we believe will be reflected in the growing net margin of our business.

Moving on to our insurance subsidiary.

At Jio Insurance Broking Limited, we aim to establish ourselves as a key player by leveraging digital distribution channels. Our diverse portfolio today includes life, non-life, auto, and health insurance products from over 30 insurance companies, catering comprehensively to the varying customer needs.

In the last few months, we have worked towards obtaining necessary regulatory approvals from the insurance regulator IRDA to sell insurance policies online. In parallel, we have also established a modern, fit for purpose technology stack essentially to create a two-sided platform - at one end, we will now have the capability to tie up with our insurance partners digitally and at the other end, we are able to offer to our customers a choice of insurance policies best suited for their needs. Our first offering on the app is in the category of auto insurance. In the coming months, we will be able to expand this offering across both the dimensions i.e. increase the number of insurance companies and the number of products to offer a full range of policies to our customers.

Given our modular technology architecture across the app, we will now have the capability to embed insurance digitally in a customer's journey which will not necessarily be in our app. Couple of examples of embedded insurance offerings are in Reliance Digital and Metro Cash & Carry where extended warranty and shopkeeper insurance policy, respectively, are optionally enabled to cater to the customer's requirement in the core underlying commerce transaction.

In addition to laying the foundation for the digital channels, we have also launched an institutional sales channel to strengthen our market presence.

Shifting gears, our Asset Management Company, in partnership with Blackrock, has made significant strides. We have identified top talent and are focused on integrating advanced technology platform solutions to deliver superior asset management services. Our process with the regulator for the necessary approvals is well underway.

I take this opportunity to extend my heartfelt appreciation to all our colleagues at Jio Financial Services, across our subsidiaries and partner companies, whose unwavering commitment has been instrumental in building and fortifying our business foundations. Additionally, I also express our very sincere gratitude to our shareholders for their steadfast support and confidence as we advance our mission to democratize financial services across the nation.

Now, I would like to invite Mr. Abhishek Pathak, our Group CFO, to provide a comprehensive overview of our financial performance. Abhishek, over to you.



**Mr. Abhishek Pathak 18:59**

Thank you, Hitesh. Good evening everyone.

I am pleased to present the financial highlights for the first quarter ended June 30, 2024 for the financial year FY24-25. Our financial results for this period are prepared in compliance with Indian Accounting Standards as prescribed by the Ministry of Corporate Affairs.

As indicated earlier by Hitesh, on July 11<sup>th</sup>, 2024, we received the RBI approval for conversion to a CIC – a key milestone in our journey. This conversion will allow us to maintain strategic oversight across our businesses leading to better synergies, improved resource allocation and enhanced group performance. During the past year, a strong foundation has been laid and business teams are in place for each of our businesses.

The legal entities are managed by independent Boards with a robust governance structure. As part of the governance framework, the Company has established comprehensive group-level compliance, audit, and risk functions for effective oversight and monitoring.

During the quarter, green shoots were observed in each of our businesses – setting the stage for business growth. Our operating lease business entity, JLSL, began its operations, post receipt of Related Party Approval from its shareholders. Similarly, RILIL – our entity established in Gift City SEZ, has also commenced operations with Ship leasing transactions.

Coming back to our presentation, JFSL aims to holistically address the four core needs of our customers—borrowing, transacting, investing, and protecting—through its wide array of financial services.

The Company is a holding company and consolidates the results of its various businesses. This includes, the consumer facing entities, namely, Jio Finance Limited, Jio Insurance Broking Limited, Jio Payment Solutions Limited, Jio Payments Bank - our JV with SBI, Jio Leasing Services Limited.

Further, the consolidated financial statements also include the results of three more entities. Reliance Industrial Investments and Holdings Limited, which is an investment holding company accounted for on a fully consolidated basis. Reliance Services and Holdings Limited, which has been accounted for as an associate and Reliance International Leasing IFSC Limited – our entity in Gift City SEZ, which has been accounted for as a Joint Venture in accordance with Ind AS 110.

Moving onto the financial performance.

For Q1 FY25, our Consolidated Profit after Tax stood at Rs. 313 crore as compared to Rs. 311 crore for Q4 FY24. The total income for the quarter was Rs



418 crore. This amount was similar to the previous quarter, that is Q4 FY24. The total income is represented by interest income on interest bearing investments - predominantly income from our treasury book, net gain on fair value changes on money market and liquid mutual funds, and fees and Commission income.

On the Treasury Income, high yielding fixed deposits matured in this quarter and the proceeds of which were re-invested in money market liquid mutual fund investments. This was done to ensure that liquidity was available at all times given the evolving business needs. Therefore, there was a reduction in treasury income and a corresponding increase in net gain on fair value changes resulting in a treasury income of Rs 380 crores as compared to Rs. 388 crores in the previous quarter i.e. Q4 FY24.

The reduction of Rs 8 crores between Q1 FY25 and Q4 FY24 is broadly due to fall in yields in the treasury book and the overall increase in the average Treasury book size during the quarter. This was offset by increase in insurance brokerage commission classified under Fees and Commission income.

Total expense for Q1 FY25 was Rs. 79 crores as compared to Rs. 103 crore in Q4 FY24. Decrease in total expenses can be attributable to expenses incurred in Q4 FY24 which were done on account of setting up new businesses.

Going forward, the Standalone Profit after Tax of the Company for Q1 FY25 was Rs. 72 crores as compared to Rs. 78 crores for Q4 FY24.

The total Income for this quarter was Rs. 134 crore compared to Rs. 141 crore in Q4 FY24. As indicated earlier, the total income is represented by interest income on interest bearing investments, net gain on fair value changes on money market and liquid mutual fund investments and Fee & Commission income.

Total expenses for Q1 FY25 was Rs 36 crores as compared to Rs. 37 crores in Q4 FY24. Of the total expense of Rs 36 crores, Rs 6 crores pertains to provision recognised on Standard asset on inter-group loans. There has been decrease in other operating expenses which can be attributable to one-time expenses incurred in Q4 FY24 on account of new businesses setup.

Our endeavour is to optimize the cost-to-income ratios across entities, by leveraging technology and efficient use of resources.

Lastly, before I conclude, I would like to reiterate our guiding principles. Our commitment to the four core business principles remains unwavering, prioritizing between 1) Reputation above all, 2) Adherence to Regulatory compliances, 3) Return of capital, and 4) Return on capital.

JFSL's strategic focus is on building a comprehensive product portfolio across promising financial services segments. Furthermore, the Company's Direct-to-Consumer (D2C) approach aims to leverage the group's internal ecosystem to drive low-acquisition costs.





Born in the new digital era, JFSL is uniquely positioned to leverage emerging technologies and drive innovation in the financial services sector. Looking ahead, the Company focus remains on expanding its digital footprint and empowering its digital infrastructure to optimize process and elevate efficiency.

We are dedicated to enhancing accessibility, affordability, financial literacy, and prosperity for all our customers, simplifying financial services through innovation and customer-centric solutions. We appreciate your continued interest and support as we navigate opportunities for growth and value creation in each of our businesses.

With this, I would like to hand over the call to Jill. Thank you so much for your time.

**Ms. Jill Deviprasad, 28:00**

Thank you, Hitesh and Abhishek. And thank you everyone, for joining this call. As we conclude our earnings call, we invite you to explore the detailed earnings presentation available on our website and the stock exchanges. Have a good evening.