



February 1, 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: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Intimation of Credit ratings assigned by CRISIL Ratings Limited to Jio Finance Limited

Pursuant to Regulation 30(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform that 'CRISIL Ratings Limited' has assigned the following ratings to Jio Finance Limited, wholly owned subsidiary of the Company, on January 31, 2024 at 9.23 pm.

Name of Instrument	Rating assigned with outlook
Proposed LongTerm Bank Loan Facility*	CRISIL AAA/Stable
Commercial paper	CRISIL A1+

**interchangeable with short-term bank loan facility*

Rating rationale received from CRISIL Ratings Limited is attached.

Thanking you,

Yours faithfully,

For Jio Financial Services Limited

V Mohana

**Group Company Secretary and
Compliance Officer**

Encl: a/a

Rating Rationale

January 31, 2024 | Mumbai

Jio Finance Limited

'CRISIL AAA/Stable' assigned to Bank Debt; 'CRISIL A1+' assigned to Commercial Paper

Rating Action

Total Bank Loan Facilities Rated	Rs.3000 Crore
Long Term Rating	CRISIL AAA/Stable (Assigned)

Rs.2000 Crore Commercial Paper	CRISIL A1+ (Assigned)
--------------------------------	-----------------------

Note: None of the Directors on CRISIL Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.

1 crore = 10 million

Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL Ratings has assigned its 'CRISIL AAA/Stable' rating to the long-term bank facilities of Jio Finance Limited (JFL). CRISIL Ratings has also assigned its 'CRISIL A1+' rating to the company's commercial paper.

JFL is a wholly owned subsidiary of Jio Financial Services Ltd (JFS) - JFS is a holding company for operating a set of financial services businesses through its subsidiaries (together referred to as JFS group). In fiscal 2024, JFS was demerged from Reliance Industries Ltd (RIL; rated 'CRISIL AAA/Stable/CRISIL A1+') and listed as a separate entity.

Mr. Mukesh D. Ambani is the promoter of JFS. The Promoter Group holds 47.12% in JFS as on December 31, 2023, and it is not expected to significantly reduce its holding from current levels.

The ratings factor in JFS group's healthy capital structure, robust liquidity including its holding of 6.1% of RIL shares, and its experienced management team. The ratings are further driven by the demonstrated track record of the promoter group in building businesses across various sectors. These strengths are partially offset by nascent stage of operations of the JFS group in the financial services business.

As on December 31, 2023, it held a significant stake in RIL. JFS group derives financial flexibility from the 6.1% stake that it holds in RIL worth around Rs 1.07 lakh crore^[1].

Through its subsidiaries, JFS will be involved in businesses such as retail and merchant lending (through JFL), payments bank operations, payments solutions and insurance broking. The company has also entered into a joint venture with BlackRock to foray into the asset management business and has sought in-principle approval from SEBI in relation to the same. Within retail lending, the company intends to provide both secured and unsecured loans. On a consolidated basis, JFS had a sizeable networth of Rs 1,24,925 crore as on December 31, 2023, which includes the mark-to-market valuation of the 6.1% stake held in RIL. Liquidity was strong with liquid assets of about Rs 22,000 crore as on the same date.

^[1] Based on the closing share price of December 29, 2023

Analytical Approach

As the loan book grows, JFL's operating income is expected to contribute significantly to the consolidated operating income of the JFS group. Further, the capitalisation profile of JFL is expected to eventually benefit from robust liquidity of the JFS group and the 6.1% stake in RIL as investments held by JFS through its wholly owned subsidiary Reliance Industrial Investments and Holdings Limited (RIIHL). Hence, CRISIL Ratings has taken a consolidated approach of JFS and its subsidiaries/associates. Further, the ratings factor in the strategic importance of the JFS group to, and the demonstrated track record of, the promoter group in building businesses.

Please refer Annexure - List of entities consolidated, which captures the list of entities considered and their analytical treatment of consolidation.

Key Rating Drivers & Detailed Description Strengths:

- **Proven track record of the Promoter Group**

JFS marks the foray of the promoter group into the financial services business and will be a critical part of the promoter group's overall strategy. The promoter group has an extensive track record in building successful and leading operations in sectors such as petrochemicals, retail and telecom.

The promoter group has demonstrated its ability to incubate and scale up multiple consumer-oriented businesses, including Reliance Retail Ventures Ltd (RRVL, rated CRISIL AAA/Stable/CRISIL A1+) and Reliance Jio Infocomm Ltd (RJIL, rated CRISIL AAA/Stable/CRISIL A1+).

The promoter group has long-term commitment towards the JFS group. It has increased its stake in JFS post listing to the current level of 47.12% from 45.8%. The promoter group has also publicly articulated that, like Jio and Retail, JFS too will prove to be an invaluable addition to the Reliance ecosystem of customer-facing businesses.

Further, usage of the "Jio" brand, is a positive given the wide recognition among retail customers, merchants and small businesses. The brand recall and direct-to-customer approach leveraging the ecosystem could enable the JFS group to acquire customers at a lower acquisition cost and enable faster product scale up, allowing strong brand recognition in a competitive market. JFL intends to provide a full stack of secured loans and unsecured loan products. Further, the lending products will be distributed through a digital journey. The product plan involves, among other things, leveraging the distribution network of select partners for product rollout, such as providing financing options for consumer durables and devices sold through retail stores.

The products in pipeline include business and merchant loans for self-employed individuals, sole proprietors and small business entities. Additionally, they will eventually also offer home loans and loan against shares. JFL also plans to provide financing options for merchants.

CRISIL Ratings expects that these aspects, combined with robust financial strength of the JFS group, will help JFL derive benefits to successfully scale up its businesses over the medium term.

- **Healthy capitalisation and liquidity, which will support planned growth**

On a consolidated basis, JFS reported networth of Rs 1,24,925 crore as on December 31, 2023, which includes the mark-to-market valuation of the 6.1% stake held in RIL (standalone networth of JFS and JFL as on same date stood at Rs 24,359 crore and Rs 3,796 crore respectively). The JFS group's strong lineage is expected to provide significant benefit in terms of access to capital markets for expanding funding sources and implementing a well-diversified funding plan.

Gearing level is currently negligible as the company has recently started lending operations and should remain comfortable going forward too. The company will further benefit from robust capitalization and liquidity of JFS group. As on December 31, 2023, group liquidity was strong with liquid assets of about Rs 22,000 crore. Along with this it had 6.1% stake in RIL, which is completely unencumbered (worth ~Rs 1.07 lakh crores as on closing share price of December 29, 2023) and had nil borrowings as on same date.

- **Experienced management team**

JFS has a well experienced management team to run operations and build scale, especially in retail financing. The management's ability to scale up the business and tap into opportunities within the group's ecosystem is further strengthened by an experienced board of directors.

The management is developing a unified application to address the diverse financial needs of customers and actively engage with them throughout their life journey. This will also allow the company to harness the potential synergies within the JFS group arising from the multiplicity of touch points and diversified product offerings. The management is focused on putting in place adequate systems, processes and policies to scale up the business.

Weakness:

- **Nascent stage of operations**

JFS, through its subsidiaries, will be involved in financial services businesses such as retail lending, merchant lending, payments bank operations, payments solutions and insurance broking.

It is expected that JFS will benefit from harnessing group synergies and build on its brand franchise across its different businesses as it ramps up its financial services verticals.

JFL, which will be housing the consumer and merchant lending businesses, commenced operations in a sandbox environment of two products in fiscal 2024. The first is a consumer durable loan and the second is personal loans. It plans to grow the loan book prudently over the medium term with increased focus towards building a secured book. However, given the early stage of operations, underwriting and asset quality performance are yet to be tested. Core operating earnings may remain modest in the near term and gradually improve with scaling-up of operations. Ability to successfully scale up the business, while maintaining healthy asset quality and profitability will be a monitorable.

Liquidity: Superior

As on December 31, 2023, liquid assets were worth about Rs 22,000 crore, including cash and cash equivalents at Rs. 12,692 crores. The company has nil borrowings as on the same date.

Outlook: Stable

JFS group should continue to benefit from robust capitalization and the flexibility derived from the 6.1% stake held in RIL

Rating Sensitivity factors**Downward factors:**

- Any significant decline in shareholding by the promoter group
- Inability to achieve steady-state profitability from core lending operations over a sustained period

About the Company

JFL is a non-deposit taking, systematically important non-banking financial company (NBFC), and a wholly owned subsidiary of JFS. It started its operations in fiscal 2024 and has launched consumer durable loans and personal loans in a sandbox environment. The entity plans to provide consumer finance, through unsecured and secured loans, merchant lending (including trade credit, personal loans, store improvement loans, and unsecured business loans) and lending to micro, small and medium enterprises (working capital funding for suppliers and distributors). The focus in the medium term will be on building a secured lending book.

About the Group

JFS was incorporated as Reliance Strategic Investments Pvt Ltd on July 22, 1999. The company was renamed as Reliance Strategic Investments Ltd on January 14, 2002. It subsequently became Jio Financial Services Ltd on July 25, 2023, following which, a new certificate of incorporation was issued. JFS has also submitted an application to the Reserve Bank of India for conversion to a core investment company (CIC) from an NBFC. JFS, through its subsidiaries, will be involved in the business of retail lending, merchant lending, payments bank operations, payments solutions and insurance broking.

Key Financial Indicators

As On/For the year ended	Unit	Dec 31, 2023 / 9M FY2024	Mar 31, 2023 / FY2023
Total assets	Rs crore	1,29,701	1,14,930
Total income	Rs crore	1,437	45
Profit after tax	Rs crore	1,294	31
Return on assets	%	1.4	0.0
Gearing	Times	0.0	0.0

*Note – The figures of previous fiscals are not comparable as the demerger of financial services business consummated in fiscal 2024. Appointed date of the demerger was March 31, 2023

Key financial indicators: JFL (standalone)

As On/For the year ended	Unit	Dec 31, 2023 / 9M FY2024	Mar 31, 2023 / FY2023	Mar 31, 2022 / FY2022
Total assets	Rs crore	3,825	3,680	3,666
Total income	Rs crore	194	18	37
Profit after tax	Rs crore	118	11	27
Return on assets	%	4.2	0.3	0.7
Gearing	Times	0.0	0.0	0.0

Any other information: Not applicable

Note on complexity levels of the rated instrument:

CRISIL Ratings' complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

CRISIL Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the CRISIL Ratings' complexity levels please visit www.crisilratings.com. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name of Instrument	Date of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs.Cr)	Complexity level	Rating assigned with outlook
NA	Commercial Paper	NA	NA	7-365 days	2000	Simple	CRISIL A1+
NA	Proposed Long Term Bank Loan Facility*	NA	NA	NA	3000	NA	CRISIL AAA/Stable

* interchangeable with short-term bank loan facility

Annexure – List of entities consolidated

Names of Entities Consolidated	Extent of Consolidation	Rationale for Consolidation
Jio Financial Services Ltd (formerly Reliance Strategic Investments Ltd)	-	Parent
Jio Finance Ltd (formerly Reliance Retail Finance Ltd)	Full	Subsidiary
Jio Payment Solution Ltd (formerly Reliance Payment Solution Ltd)	Full	Subsidiary
Jio Insurance Broking Ltd (formerly Reliance Retail Insurance Broking Ltd)	Full	Subsidiary
Reliance Industrial Investments and Holdings Ltd	Full	Subsidiary
Jio Information Aggregator Services Ltd	Full	Subsidiary
Jio Infrastructure Management Services Ltd	Full	Subsidiary
Jio Payments Bank Ltd	Proportionate	Joint Venture
Reliance Services and Holdings Ltd	Proportionate	Associate
Petroleum Trust	Proportionate	Associate

Annexure - Rating History for last 3 Years

Instrument	Type	Current		2024 (History)		2023		2022		2021		Start of 2021
		Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT	3000.0	CRISIL AAA/Stable		--		--		--		--	--
Commercial Paper	ST	2000.0	CRISIL A1+		--		--		--		--	--

All amounts are in Rs.Cr.

Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Proposed Long Term Bank Loan Facility*	3000	Not Applicable	CRISIL AAA/Stable

*interchangeable with short-term bank loan facility

Criteria Details

Links to related criteria
CRISILs Bank Loan Ratings - process, scale and default recognition
Rating Criteria for Finance Companies
CRISILs Criteria for rating short term debt
CRISILs Criteria for Consolidation
Criteria for Notching up Stand Alone Ratings of Companies based on Parent Support

Media Relations	Analytical Contacts	Customer Service Helpdesk
<p>Aveek Datta Media Relations CRISIL Limited M: +91 99204 93912 B: +91 22 3342 3000 AVEEK.DATTA@crisil.com</p> <p>Prakruti Jani Media Relations CRISIL Limited M: +91 98678 68976 B: +91 22 3342 3000 PRAKRUTI.JANI@crisil.com</p> <p>Rutuja Gaikwad Media Relations CRISIL Limited</p>	<p>Ajit Velonie Senior Director CRISIL Ratings Limited B: +91 22 3342 3000 ajit.velonie@crisil.com</p> <p>Subha Sri Narayanan Director CRISIL Ratings Limited B: +91 22 3342 3000 subhasri.narayanan@crisil.com</p> <p>Nishit Betala Rating Analyst CRISIL Ratings Limited</p>	<p>Timings: 10.00 am to 7.00 pm Toll free Number: 1800 267 1301</p> <p>For a copy of Rationales / Rating Reports: CRISILratingdesk@crisil.com</p> <p>For Analytical queries: ratingsinvestordesk@crisil.com</p>

B: +91 22 3342 3000

Rutuja.Gaikwad@ext-crisil.com

B: +91 22 3342 3000

Nishit.Betala@crisil.com

Note for Media:

This rating rationale is transmitted to you for the sole purpose of dissemination through your newspaper/magazine/agency. The rating rationale may be used by you in full or in part without changing the meaning or context thereof but with due credit to CRISIL Ratings. However, CRISIL Ratings alone has the sole right of distribution (whether directly or indirectly) of its rationales for consideration or otherwise through any media including websites and portals.

About CRISIL Ratings Limited (A subsidiary of CRISIL Limited, an S&P Global Company)

CRISIL Ratings pioneered the concept of credit rating in India in 1987. With a tradition of independence, analytical rigour and innovation, we set the standards in the credit rating business. We rate the entire range of debt instruments, such as bank loans, certificates of deposit, commercial paper, non-convertible/convertible/partially convertible bonds and debentures, perpetual bonds, bank hybrid capital instruments, asset-backed and mortgage-backed securities, partial guarantees and other structured debt instruments. We have rated over 33,000 large and mid-scale corporates and financial institutions. We have also instituted several innovations in India in the rating business, including ratings for municipal bonds, partially guaranteed instruments and infrastructure investment trusts (InvITs).

CRISIL Ratings Limited ('CRISIL Ratings') is a wholly-owned subsidiary of CRISIL Limited ('CRISIL'). CRISIL Ratings Limited is registered in India as a credit rating agency with the Securities and Exchange Board of India ("SEBI").

For more information, visit www.crisilratings.com

About CRISIL Limited

CRISIL is a leading, agile and innovative global analytics company driven by its mission of making markets function better.

It is India's foremost provider of ratings, data, research, analytics and solutions with a strong track record of growth, culture of innovation, and global footprint.

It has delivered independent opinions, actionable insights, and efficient solutions to over 100,000 customers through businesses that operate from India, the US, the UK, Argentina, Poland, China, Hong Kong and Singapore.

It is majority owned by S&P Global Inc, a leading provider of transparent and independent ratings, benchmarks, analytics and data to the capital and commodity markets worldwide.

For more information, visit www.crisil.com

Connect with us: [TWITTER](#) | [LINKEDIN](#) | [YOUTUBE](#) | [FACEBOOK](#)

CRISIL PRIVACY NOTICE

CRISIL respects your privacy. We may use your contact information, such as your name, address and email id to fulfil your request and service your account and to provide you with additional information from CRISIL. For further information on CRISIL's privacy policy please visit www.crisil.com.

DISCLAIMER

This disclaimer is part of and applies to each credit rating report and/or credit rating rationale ('report') that is provided by CRISIL Ratings Limited ('CRISIL Ratings'). To avoid doubt, the term 'report' includes the information, ratings and other content forming part of the report. The report is intended for the jurisdiction of India only. This report does not constitute an offer of services. Without limiting the generality of the foregoing, nothing in the report is to be construed as CRISIL Ratings providing or intending to provide any services in jurisdictions where CRISIL Ratings does not have the necessary licenses and/or registration to carry out its business activities referred to above. Access or use of this report does not create a client relationship between CRISIL Ratings and the user.

We are not aware that any user intends to rely on the report or of the manner in which a user intends to use the report. In preparing our report we have not taken into consideration the objectives or particular needs of any particular user. It is made abundantly clear that the report is not intended to and does not constitute an investment advice. The report is not an offer to sell or an offer to purchase or subscribe for any investment in any securities, instruments, facilities or solicitation of any kind to enter into any deal or transaction with the entity to which the report pertains. The report should not be the sole or primary basis for any investment decision within the meaning of any law or regulation (including the laws and regulations applicable in

the US).

Ratings from CRISIL Ratings are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold or sell any securities/instruments or to make any investment decisions. Any opinions expressed here are in good faith, are subject to change without notice, and are only current as of the stated date of their issue. CRISIL Ratings assumes no obligation to update its opinions following publication in any form or format although CRISIL Ratings may disseminate its opinions and analysis. The rating contained in the report is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment or other business decisions. The recipients of the report should rely on their own judgment and take their own professional advice before acting on the report in any way. CRISIL Ratings or its associates may have other commercial transactions with the entity to which the report pertains.

Neither CRISIL Ratings nor its affiliates, third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively, 'CRISIL Ratings Parties') guarantee the accuracy, completeness or adequacy of the report, and no CRISIL Ratings Party shall have any liability for any errors, omissions or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the report. EACH CRISIL RATINGS PARTY DISCLAIMS ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF MERCHANTABILITY, SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. In no event shall any CRISIL Ratings Party be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the report even if advised of the possibility of such damages.

CRISIL Ratings may receive compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors. Public ratings and analysis by CRISIL Ratings, as are required to be disclosed under the regulations of the Securities and Exchange Board of India (and other applicable regulations, if any), are made available on its website, www.crisilratings.com (free of charge). Reports with more detail and additional information may be available for subscription at a fee - more details about ratings by CRISIL Ratings are available here: www.crisilratings.com.

CRISIL Ratings and its affiliates do not act as a fiduciary. While CRISIL Ratings has obtained information from sources it believes to be reliable, CRISIL Ratings does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives and/or relies on in its reports. CRISIL Ratings has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process. CRISIL Ratings has in place a ratings code of conduct and policies for managing conflict of interest. For details please refer to: <https://www.crisil.com/en/home/our-businesses/ratings/regulatory-disclosures/highlighted-policies.html>.

Rating criteria by CRISIL Ratings are generally available without charge to the public on the CRISIL Ratings public website, www.crisilratings.com. For latest rating information on any instrument of any company rated by CRISIL Ratings, you may contact the CRISIL Ratings desk at crisilratingdesk@crisil.com, or at (0091) 1800 267 1301.

This report should not be reproduced or redistributed to any other person or in any form without prior written consent from CRISIL Ratings.

All rights reserved @ CRISIL Ratings Limited. CRISIL Ratings is a wholly owned subsidiary of CRISIL Limited.

CRISIL Ratings uses the prefix 'PP-MLD' for the ratings of principal-protected market-linked debentures (PPMLD) with effect from November 1, 2011, to comply with the SEBI circular, "Guidelines for Issue and Listing of Structured Products/Market Linked Debentures". The revision in rating symbols for PPMLDs should not be construed as a change in the rating of the subject instrument. For details on CRISIL Ratings' use of 'PP-MLD' please refer to the notes to Rating scale for Debt Instruments and Structured Finance Instruments at the following link: <https://www.crisil.com/en/home/our-businesses/ratings/credit-ratings-scale.html>