

Jio Platforms IPO - Research Note

Jio Platforms Ltd • Subsidiary of Reliance Industries

INDIA | TELECOM | IPO RESEARCH NOTE

Summary

Jio Platforms comes to market as a highly profitable, cash-generative connectivity business: FY26 revenue of ₹1,46,885 cr, EBITDA of ₹76,255 cr (51.9% margin) and PAT of ₹30,049 cr. The RHP confirms a price band of ₹1,065–₹1,119; at the upper end the company is worth about ₹10.3 lakh cr after the issue, or roughly 33x FY26 earnings. The quality of the business is not in doubt; the debate is whether the price leaves room for returns given falling capital efficiency and heavy dependence on prepaid mobile.

Key takeaways

- **A balance-sheet IPO, not a growth-capital IPO.** The issue is 100% fresh (up to 27 cr shares, no OFS), and up to ₹27,500 cr goes to prepaying borrowings at Reliance Jio Infocomm (RJIL), all of it in FY27. The payoff shows up in lower interest cost, not new revenue.
- **A clear market leader.** Jio holds about 49.8% of India's wireless broadband subscribers, carries ~60% of the country's wireless data traffic and has 1.4x the 4G+5G base of the No. 2 operator. It also won 61.7% of net fixed-broadband additions in Q1 FY27.
- **Operating momentum is intact.** Revenue grew 14.6% and EBITDA 18.8% in FY26; Q1 FY27 revenue rose 11.8% with EBITDA margin at 53.3%. Subscribers reached 53.33 cr and ARPU rose to ₹215.6, from ₹181.7 two years earlier.
- **Cash generation has inflected.** Cash capex fell from ₹53,510 cr (FY24) to ₹34,184 cr (FY26), lifting EBITDA less cash capex from ₹1,449 cr to ₹42,071 cr, and reached ₹16,681 cr in Q1 FY27 alone.
- **But returns on capital are slipping.** ROCE has slid from 12.83% (FY24) to 12.50% (FY25) and 10.76% (FY26), and Q1 FY27 PAT grew only 9.2% as depreciation and finance costs from 5G capitalisation rose.
- **Concentration risk is real.** Prepaid services made up 77.08% of FY26 revenue, and Reliance Retail is the sole distributor of those services.

Our read: fundamentally sound business at a full valuation. Suitable for long-term investors comfortable paying ~33x trailing earnings for India's largest telecom franchise; less compelling for those seeking a margin of safety or quick listing gains.

19 October 2026

PRICE BAND

₹1,065–₹1,119

Subscription 21–23 Oct 2026

Listing on or about 28 Oct 2026

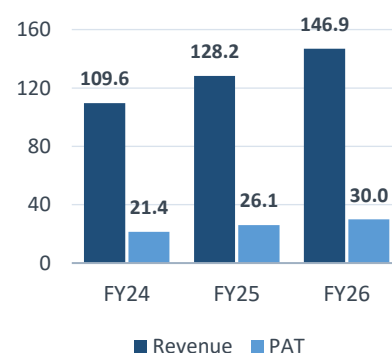
ISSUE DATA

Fresh issue (shares)	Up to 27 cr
Face value	₹10
Bid lot	12 shares
Per lot (upper band)	₹13,428
Total offer size	Up to ₹30,213 cr
Mcap (upper band)	₹10,30,491 cr
P/E on FY26 PAT	~33x
EV/EBITDA FY26	~13.5x
Listing	BSE and NSE
Registrar	KFin Technologies

SHAREHOLDING PATTERN, %

Promoter & group (pre)	66.43
Public (pre)	33.57
RIL post-issue	64.48

REVENUE & PAT (₹ '000 CR)



Source: Company RHP/DRHP

Issue snapshot and timeline

The RHP is filed and the terms are confirmed: a ₹1,065–₹1,119 band, a 12-share bid lot and a 21–23 October subscription window, with listing on or about 28 October 2026.

IPO timeline

21 OCT 2026	23 OCT 2026	26 OCT 2026	28 OCT 2026
IPO Open	IPO Close	Allotment	Listing
Particular	Detail		
Issuer	Jio Platforms Limited (subsidiary of Reliance Industries)		
Issue structure	Mainboard, 100% book-built, 100% fresh issue; no OFS		
Fresh issue	Up to 27 cr equity shares, face value ₹10		
Price band	₹1,065–₹1,119 per share		
Bid lot	12 shares and multiples thereof (₹13,428 per lot at the upper band)		
Total offer size	Up to ₹30,213 cr		
Pre-issue shareholding	Promoter and promoter group 66.43%; public 33.57%		
Listing	BSE and NSE		
Registrar	KFin Technologies		
Book-running lead managers (19)	DAM Capital, Kotak Mahindra, Morgan Stanley, BofA Securities, Axis Capital, BNP Paribas, Citigroup, CLSA, Goldman Sachs, HDFC Bank, HSBC Securities, ICICI Securities, IIFL Capital, Jefferies, JM Financial, J.P. Morgan, SBI Capital, UBS Securities, 360 ONE WAM		
Reservations	RIL shareholder quota (bid up to ₹2 lakh) and employee quota		

Source: Company RHP

₹30,188 cr Total offer size (upper band)	27 cr Fresh equity shares, face value ₹10	100% Fresh issue; no OFS	19 Book-running lead managers
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Promoter (Reliance) holding: pre-issue vs post-issue (%)

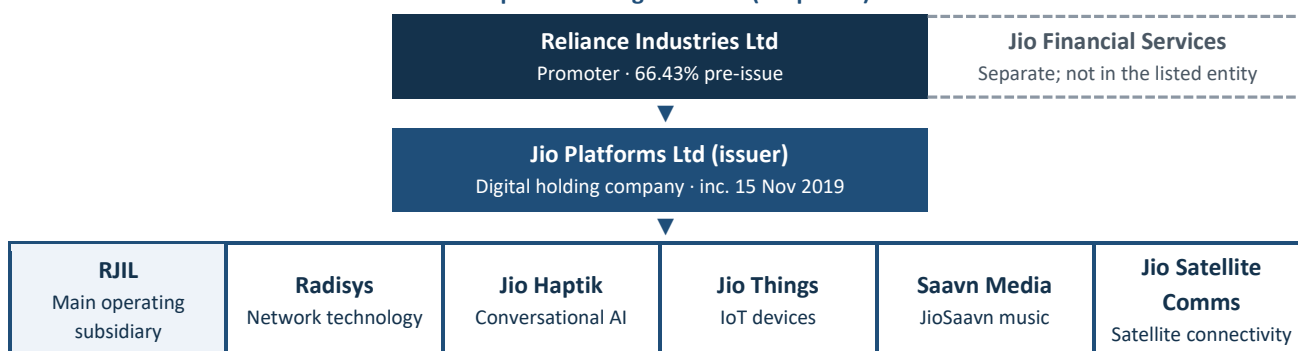


Source: Company RHP

Business overview and operating metrics

Jio Platforms is Reliance's digital holding company (incorporated 15 November 2019), and in economic terms it is overwhelmingly a mobile operator. Its main operating subsidiary is RJIL; other holdings include Radisys, Jio Haptik, Jio Things, Saavn Media and Jio Satellite Communications. It is separate from Jio Financial Services, and not every Jio-branded business sits inside the listed entity. The company pitches itself as a technology platform: 12,477 employees, about 45% of its workforce, work in digital products and technology development.

Group and holding structure (simplified)



Source: Company RHP; illustrative, not all holdings shown

Revenue engines

- **Mobile (core):** prepaid and postpaid on 4G/5G. Prepaid alone was 77.08% of FY26 revenue, so subscribers, ARPU, churn and tariffs drive the story.
- **Home broadband:** JioFiber and the fixed-wireless JioAirFiber, which reaches homes where laying fibre is costly. AirFiber reached ~1.4 cr customers within three years of its September 2023 launch, India's largest fixed-wireless base.
- **Enterprise:** leased lines, managed Wi-Fi, IoT, private 5G, SD-WAN, CPaaS, security and managed communications, partly delivered with Microsoft and Google Cloud.
- **Apps, cloud and AI:** MyJio, JioTV+, JioSaavn, JioGames, JioAICloud and JioPC (36.26 cr monthly active users across apps in Q1 FY27), cloud infrastructure, and JioBrain, its AI engine for network automation, with overseas technology sales as a stated ambition. Commercial contribution is not yet separately disclosed.

The company reports a single segment under Ind AS 108.

77.08% FY26 revenue from prepaid	36.26 cr Monthly active users across apps (Q1 FY27)	~1.4 cr JioAirFiber customers in under three years	12,477 Employees in digital products and tech (~45%)
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Market position (June 2026 unless stated)

Metric	Jio
Share of wireless broadband subscribers	49.78% with (533.3 million customers)
4G+5G subscribers vs No. 2 operator	~1.4x
Net active mobility additions (FY26)	~3.62 cr
5G subscribers	28.49 cr, third-largest base globally
Fixed broadband customers	2.86 cr of India's 6.61 cr
Share of net fixed-broadband additions (Q1 FY27)	61.73%
Share of 5G/UBR fixed-wireless market (Q1 FY27)	78.62%

Source: Analysys Mason report cited in the RHP, Company

Jio's share across key markets (%)



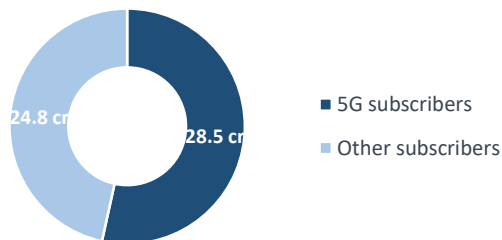
Source: Analysys Mason (via RHP); fixed broadband share = 2.86 cr of 6.61 cr

Operating KPIs (June 2026)

Metric	Value	Comment
Subscribers	53.33 cr	+89 lakh net adds in Q1 FY27; ~7.1% YoY
5G subscribers	~28.5 cr	Over half the base
Monthly ARPU	₹215.6	Up ~3.3% from ₹208.8 a year earlier
Monthly churn	1.61%	1.84% a year earlier
Data use per subscriber	43.7 GB/month	69.4 bn GB in the quarter
Fixed broadband subscribers	2.86 cr	~1.4 cr on AirFiber; >43% market share

Source: Company RHP

5G now accounts for over half of the base


53.33 cr

Subscribers

₹215.6

Monthly ARPU

1.61%

Monthly churn

43.7 GB

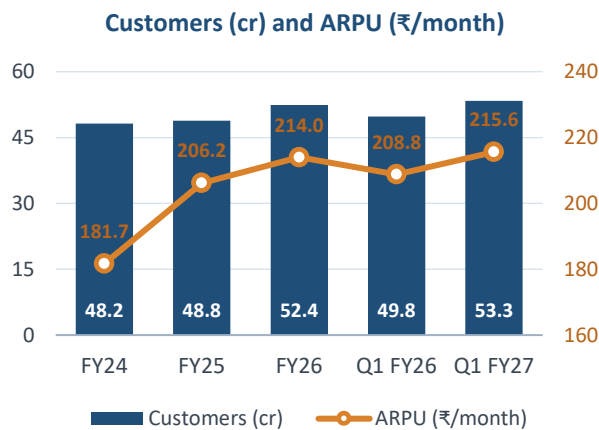
Data per subscriber / month

Total subscribers 53.33 cr; Source: Company RHP

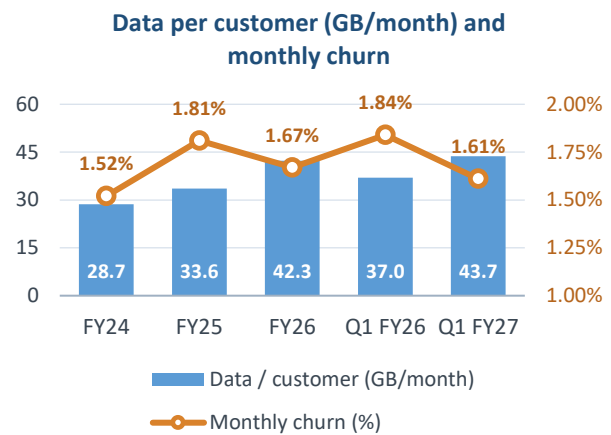
Multi-year trend

Metric	FY24	FY25	FY26	Q1 FY26	Q1 FY27
Customers (cr)	48.18	48.82	52.44	49.81	53.33
Net additions (cr)	4.25	0.64	3.62	0.99	0.89
ARPU, exit quarter (₹/month)	181.7	206.2	214.0	208.8	215.6
Data traffic (bn GB)	148.5	184.5	241.4	54.7	60.4
Data per customer (GB/month)	28.7	33.6	42.3	37.0	43.7
Monthly churn, exit quarter	1.52%	1.81%	1.67%	1.84%	1.61%

Source: Company RHP



Source: Company RHP



Source: Company RHP

ARPU gains came from better mix and seasonality, partly offset by broadband promotions, and ARPU is up about 18% in two years. Because the base exceeds 53 cr users, each small ARPU step moves revenue materially. FY25 was the weak year: net additions fell to 64 lakh and churn peaked at 1.81%, before both recovered in FY26. The base skews young and rural: about 43% of mobile customers are 18–35, and about 46% of data is consumed in rural areas.

The network is a moat but also a standing bill for upkeep and upgrades. As of June 2026 Jio had 3,60,537 towers, about 57 lakh cells, over 10 lakh route-km of fibre and 26,800.8 MHz of spectrum with about 15.8 years of average remaining life. It is the only Indian operator holding all three 5G bands (700 MHz, 3,300 MHz and 26 GHz). **It has filed 7,220 patent applications** (2,655 in India, 4,565 abroad), of which 1,043 have been granted. Distribution runs through 1,059 Jio Centres and 6,322 Jio Points at Reliance Retail premises.

Network and distribution footprint (June 2026)

3,60,537 Towers	~57 lakh Cells	10 lakh+ km Route-km of fibre
26,800.8 MHz Spectrum, ~15.8 years avg life	7,220 Patents filed • 1,043 granted	1,059 + 6,322 Jio Centres + Jio Points

Source: Company RHP

Company Strengths

A technology company with inherent engineering and full-stack proprietary capabilities

Network Technology: The Company has transformed its digital infrastructure through proprietary technology, enabling it to offer compelling digital services to its customers.

Network technology	Devices and hardware	Digital applications	AI-led operations
Own end-to-end 5G stack • UBR radio	JioBharat phone • set-top box • own OS	MyJio • JioTV+ • JioSaavn • JioGames	JioBrain • digital twin • JioGridX

FULL-STACK PROPRIETARY TECHNOLOGY PLATFORM

Autonomous network: Jio's network rests on four in-house technologies. It launched in 2016 as one of the world's first all-IP greenfield networks to offer voice over 4G (VoLTE). It was also India's first operator to run 5G on a standalone architecture, which supports speeds above 200 Mbps, low-latency services such as cloud gaming, and "network slicing" to give enterprises dedicated, secure capacity. According to the Analysys Mason report cited in the RHP, Jio is the only operator globally with its own end-to-end 5G stack deployed at nationwide scale, which cuts vendor dependence and equipment costs. Finally, its proprietary unlicensed-band radio (UBR) delivers fibre-like broadband of up to 1 Gbps without laying last-mile fibre, making customer acquisition faster and cheaper.

The only Indian operator holding all three 5G bands

700 MHz Low-band · wide coverage	3,300 MHz Mid-band · capacity	26 GHz Millimetre wave · ultra-high speed
Lower frequency, longer reach ←		→ Higher frequency, more capacity

Devices and Hardware: Jio also designs its own devices and software. It has the Jio Set-top-box and other home equipment built to its own specifications by manufacturers, suppliers and other Reliance Group companies, and it oversees their quality. Its in-house operating systems run on low-cost chips with little memory and support Indian languages, which lets it offer good digital services on cheap devices. The clearest example is the JioBharat phone, an entry-level smart feature phone priced at ₹999 that is meant to move 2G users onto 4G. It runs on the lightweight JioBharat OS, and Jio has rebuilt its entertainment apps so that video and music streaming work on it.

Digital Applications: Jio builds its own apps for both consumers and businesses. For consumers it offers MyJio, JioTV+, JioSaavn, JioAICloud and JioGames. JioTV+ is the standout: it puts live TV and streaming in one place, with unified search and support for several Indian languages, and as of June 2026 it carried over 1,000 TV channels and 15 OTT services. Because Jio controls the hardware, software and app, it can add features and content partnerships quickly. For businesses, it sells managed Wi-Fi that is faster and more secure than an unmanaged network, and a hybrid-cloud dashboard for running workloads across public and private clouds.

AI-led operations and execution: Jio runs its network with in-house AI and automation. Field operations follow the same model in every cluster, each run by a Jio Centre with smaller Jio Points beneath it, so new services can launch nationwide at once. JioBrain, its AI platform, predicts faults and allocates capacity. A digital twin of the network, a virtual map of towers, fibre and buildings, lets engineers plan installations remotely and get them right on the first visit. JioGridX tracks 82 quality measures in each grid square and automatically sends fixes to field teams. In Q1 FY27, 84% of service requests were handled through self-service or AI. A 24/7 central control room with a backup site monitors the whole network. Together these help keep costs low as traffic grows, though the savings have not been quantified.

84% Service requests via self-service or AI (Q1 FY27)	82 Quality measures per grid square (JioGridX)	24/7 Central control room with a backup site	26,800.8 MHz Spectrum, ~15.8 years avg remaining life
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As of June 30, 2026, the Company's spectrum holding was 26,800.8 MHz, which had a remaining average life of approximately 15.8 years. As per the Analysys Mason Report, the Company's spectrum holding is higher than any other network operators in India, and they are the only operator in India to have spectrum in low-band, mid-band and millimetre wave (700 MHz, 3300 MHz and 26GHz) spectrum for 5G.

Financial performance

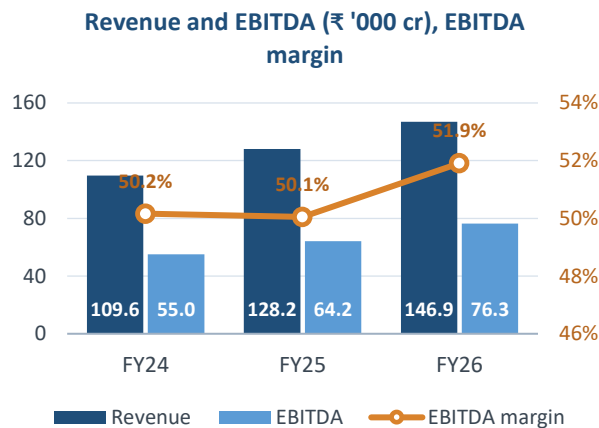
Earnings compounded at 18–22% a year over FY24–FY26, with every profit line outpacing revenue; the soft spot is capital efficiency, not growth. Figures are restated consolidated numbers from the DRHP and RHP

₹ cr	FY24	FY25	FY26
Revenue from operations	1,09,558.1	1,28,218.4	1,46,885.3
EBITDA	54,958.7	64,170.0	76,255.4
<i>EBITDA margin</i>	50.16%	50.05%	51.91%
EBIT	32,856	40,032	49,007
<i>EBIT margin</i>	29.99%	31.22%	33.36%
PBT	28,808	35,127	40,353
PAT	21,423.2	26,109.0	30,049.1
<i>PAT margin</i>	19.6%	20.4%	20.5%
Standalone revenue of Jio Platforms	7,571	11,868	16,167

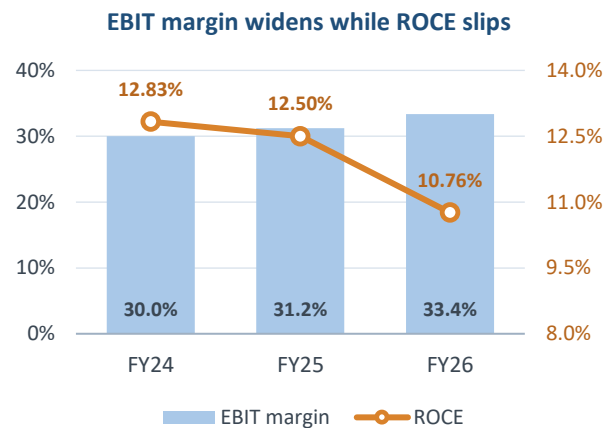
Source: Company DRHP and RHP (restated consolidated)

FY26 ratios: basic EPS ₹33.63 (diluted ₹33.59); net worth ₹3,34,013.4 cr; return on average net worth 9.42%; ROCE 10.76% (12.50% in FY25, 12.83% in FY24); net leverage 0.36x.

₹33.63 Basic EPS	₹3.34 lakh cr Net worth	9.42% Return on avg net worth	10.76% ROCE (down from 12.83%)	0.36x Net leverage
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Source: Company DRHP and RHP



Source: Company DRHP and RHP

The FY26 picture is mixed in an instructive way. Margin expanded ~186 bps and PAT crossed ₹30,000 cr, yet ROCE dropped about 174 bps. A sub-10% return on equity is modest for a business priced at a premium multiple, and it reflects how much capital the network absorbs.

EBIT margin widened about 337 bps in two years because depreciation grew only ~11% a year against ~16% for revenue. That tailwind is fading: Q1 FY27 depreciation rose 15.1%, faster than revenue, as 5G assets were capitalised.

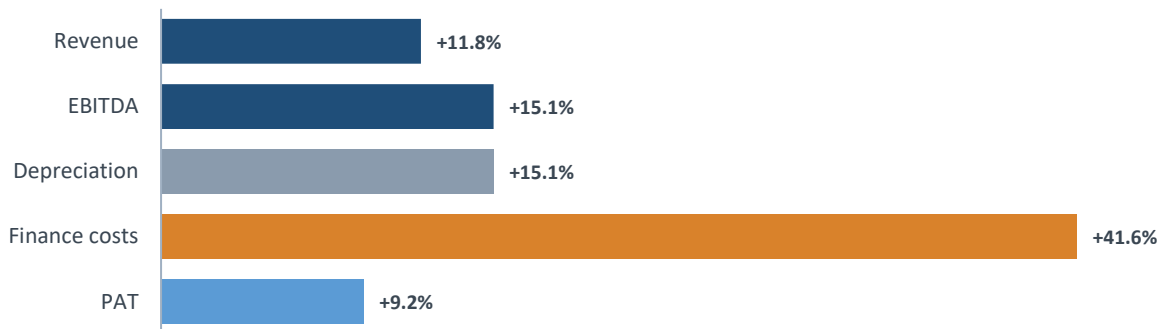
Standalone revenue is the listed parent's own digital services (entertainment, enterprise managed services, cloud gaming, cloud computing, IoT and cloud PC). It more than doubled in two years, but it is not additive to consolidated revenue and may include sales within the group.

Q1 FY27 (quarter to 30 June 2026)

₹ cr	Q1 FY26	Q1 FY27	YoY
Revenue	35,032	39,173	+11.8%
EBITDA	18,135	20,865	+15.1%
EBITDA margin	51.8%	53.3%	+150 bps
Depreciation	6,479	7,458	+15.1%
Finance costs	2,105	2,980	+41.6%
PBT margin	27.26%	26.62%	-64 bps
PAT	7,110	7,764	+9.2%

Source: Company RHP

Q1 FY27 YoY growth by line item (%)



Source: Company RHP

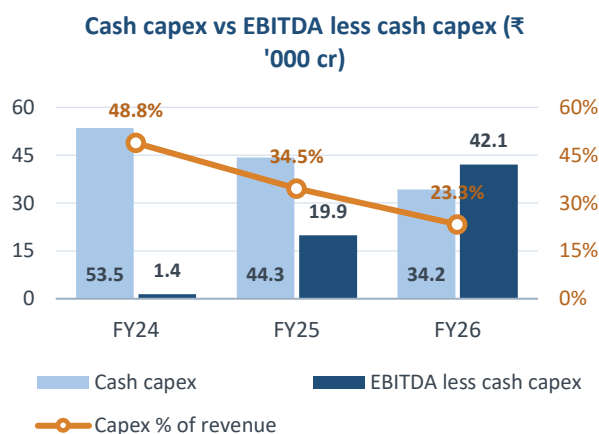
The quarter shows the gap between operating and net growth: EBITDA margin rose 150 bps but PBT margin fell 64 bps. Depreciation plus finance costs rose about 22% combined as 5G assets were capitalised, so PAT growth lagged EBITDA growth by roughly 6 percentage points. Revenue growth also slowed from 14.6% (FY26) to 11.8%. This is the clearest argument for the debt-prepayment use of proceeds.

Cash flow, capex, debt and use of proceeds

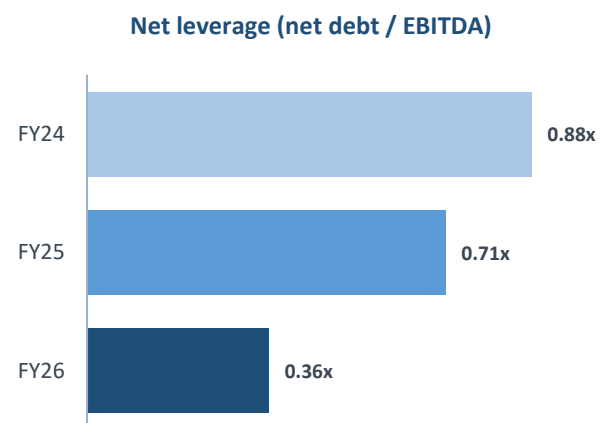
The biggest change in the last two years is cash: operating cash flow rose 35% while cash capex fell 36%, turning a capex-hungry network into a cash generator. The last two rows are our derivations from disclosed figures.

₹ cr	FY24	FY25	FY26
Net operating cash flow	57,661.6	68,155.7	77,556.3
Cash capex	53,509.6	44,268.0	34,184.3
EBITDA less cash capex (company KPI)	1,449	19,902	42,071
<i>Operating cash flow less cash capex</i>	<i>4,152</i>	<i>23,888</i>	<i>43,372</i>
<i>Cash capex as % of revenue</i>	<i>48.8%</i>	<i>34.5%</i>	<i>23.3%</i>

Source: Company DRHP and RHP; italic rows are our derivations



Source: Company DRHP and RHP; our calculations



Source: Company DRHP and RHP

The trend held into Q1 FY27: EBITDA less cash capex was ₹16,681 cr, up from ₹6,087 cr a year earlier and about 80% of the quarter's EBITDA. The network is also carrying more load per rupee: data traffic grew 27.5% a year over FY24–FY26 while cash capex fell.

Two cautions. Neither measure is true free cash flow, since taxes, working capital, spectrum instalments and financing flows sit outside them. And the fall in capex follows the 5G build-out; it should not be extrapolated, as upgrades, broadband expansion and future spectrum will demand fresh spending.

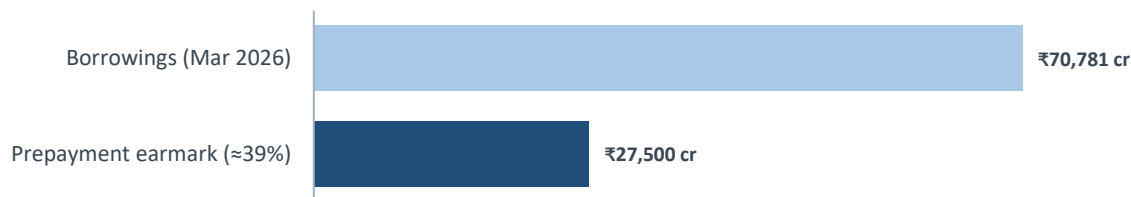
Debt. Consolidated borrowings eased from ₹73,060 cr (FY25) to ₹70,781 cr (March 2026), and net leverage fell from 0.88x EBITDA (FY24) to 0.71x (FY25) and 0.36x (FY26). Deferred spectrum dues and capex creditors may not be fully captured by this single ratio.

Use of proceeds

Object	Amount
Prepay or repay specified RJIL borrowings	Up to ₹27,500 cr, all deployed in FY27
General corporate purposes	Balance, capped at 25% of gross proceeds

Source: Company RHP

Debt prepayment earmark vs March 2026 borrowings (₹ cr)



Source: Company RHP; our calculations

The ₹27,500 cr earmark equals about 39% of March 2026 borrowings. Given finance costs of ₹2,980 cr in Q1 FY27 alone, the prepayment should visibly cut the interest line, though actual savings depend on which instruments are repaid and at what rates. Funds may reach RJIL as equity, loans or other permitted routes. Notably, no proceeds are tied to a data centre, acquisition or specific network project.

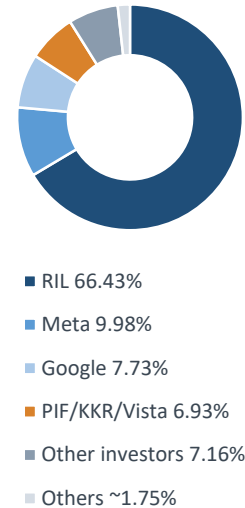
Shareholding, governance and RIL shareholder quota

Reliance keeps firm control after the issue: its stake falls only from 66.43% to about 64.48% if all 27 cr shares are issued, because no existing holder is selling.

Pre-IPO shareholder	Holding
Reliance Industries (promoter)	66.43%
Jaadhu Holdings (Meta affiliate)	9.98%
Google International	7.73%
PIF (Saudi Arabia), KKR, Vista Equity — each	2.31%
Silver Lake affiliate	1.88%
Mubadala affiliate	1.85%
General Atlantic affiliate	1.34%
ADIA affiliate	1.16%
TPG affiliate	0.93%
Others	~1.75%

Source: Company RHP

Pre-IPO shareholding



Other investors: Silver Lake, Mubadala, GA, ADIA, TPG

Management and board. The 10-member board is chaired by Mukesh D. Ambani (non-executive); half of it is drawn from the Ambani family or RIL leadership.

Board composition (10 members)

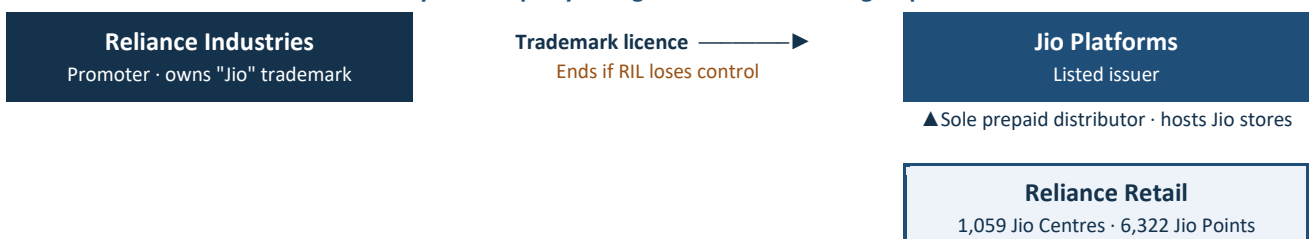


Role	People
Executive leadership	Akash M. Ambani (Managing Director; also chairman of RJIL), Pankaj Mohan Pawar (CEO), Saurabh Sancheti (CFO)
Chairman	Mukesh D. Ambani (non-executive)
Non-executive directors	Manoj Modi, Isha Ambani, Anant Ambani
Independent directors	Raminder Singh Gujral (former Union finance secretary), Shumeet Banerji (former CEO, Booz & Company; also on the RIL and Reliance Retail boards), Haigreve Khaitan (Khaitan & Co.), Dinesh Kanabar (Dhruva Advisors), Zia Mody (AZB & Partners)

Source: Company RHP

The "Jio" trademark is owned by RIL and licensed to Jio Platforms, and the licence can be ended if RIL loses management control. With distribution, infrastructure and branding all tied to the group, related-party governance deserves ongoing scrutiny.

Key related-party linkages with the Reliance group



RIL shareholder quota: what it is and isn't

- Open to individual and HUF public shareholders of RIL holding shares on the **RHP filing date**. The RHP is now filed, so that record date has passed; neither source gives the exact date.
- Maximum bid of ₹2 lakh per applicant in this category; neither source gives the reservation size.
- Eligible shareholders may also bid in another category, subject to RHP rules.
- It is a reserved application window, not a free-share entitlement; allotment is proportionate and not guaranteed.

For RIL holders, the listing gives Jio a visible market price, which may sharpen the market's sum-of-the-parts view of Reliance. It does not add Jio's full market value to RIL's; RIL already owns roughly two-thirds of it, and counting both would double-count the same economics.

Peer comparison (FY2026)

How Jio's FY2026 numbers compare with India's other listed telecom operators. Bharti Airtel is shown both consolidated and for its India business excluding passive infrastructure, the closest like-for-like comparison with Jio.

Particulars (FY2026)	Jio (Consolidated)	Bharti Airtel (Consolidated)	Vodafone Idea (Consolidated)
Total customer base (mn)	524.4	666.0	192.8
Net customer additions (mn)	36.2	75.5	(5.4)
Average Revenue Per User	214	257	174
Revenue from operations	1,46,885	2,10,973	44,873
EBITDA	76,255	1,21,268	19,004
EBIT	49,007	68,100	(3,104)
Profit before tax	40,353	45,173	34,548
Profit after tax	30,049	33,823	34,552
EBITDA less cash capex	42,071	73,746	NA
EBITDA margin	51.91%	57.48%	42.35%
EBIT margin	33.36%	32.28%	(6.92)%
PBT margin	27.47%	21.41%	76.99%
PAT margin	20.46%	16.03%	77.00%
Return on average capital employed	10.76%	19.0%	NA

Source: Company RHP (industry and peer financials);

Note: Vodafone Idea reports negative EBIT for FY2026 but positive profit before and after tax, so its PBT and PAT margins reflect items below the operating line and are not comparable with the other operators.

Valuation analysis

At the confirmed band the stock is priced at roughly 33–34x trailing earnings and 13–14x trailing EBITDA, a premium that already assumes steady growth and successful deleveraging. Market cap is DAM's figure; the multiples are our calculations on ~₹920.90 cr post-issue shares.

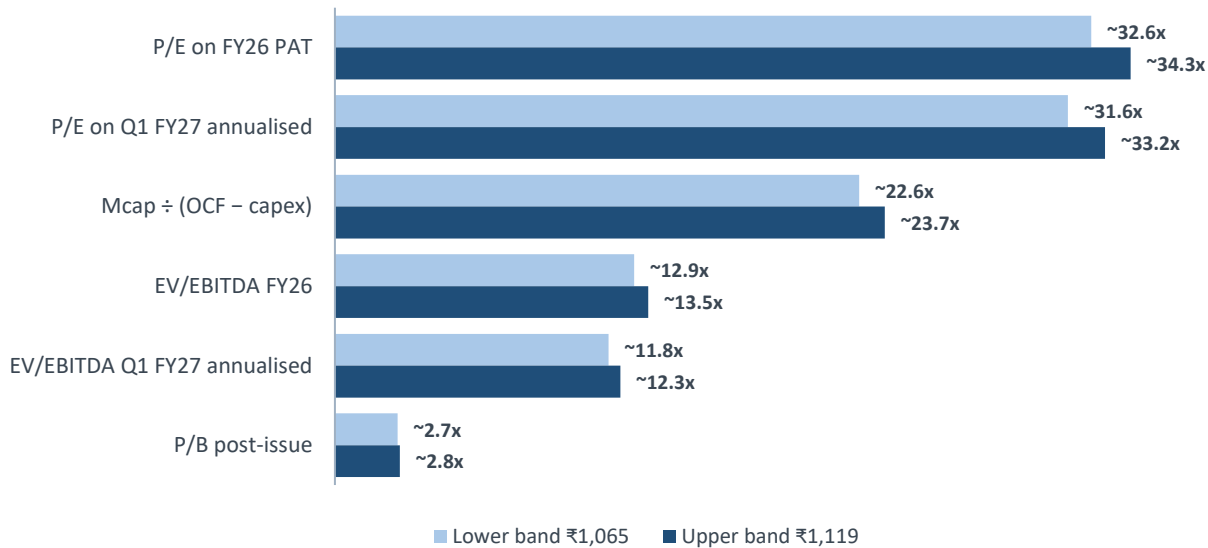
Metric	Lower band ₹1,065	Upper band ₹1,119
Post-issue market cap	₹9,80,762 cr	₹10,30,491 cr
P/E on FY26 PAT (₹30,049 cr)	~32.6x	~34.3x
P/E on Q1 FY27 PAT annualised (₹31,056 cr)	~31.6x	~33.2x
EV/EBITDA on FY26 (₹76,255 cr)	~12.9x	~13.5x
EV/EBITDA on Q1 FY27 annualised (₹83,460 cr)	~11.8x	~12.3x
P/B on post-issue net worth	~2.7x	~2.8x
Market cap ÷ (OCF less cash capex, FY26)	~22.6x	~23.7x

Metric	Lower band ₹1,065	Upper band ₹1,119
Market cap per customer (53.33 cr)	~₹18,390	~₹19,320

Source: DAM Capital IPO note (market cap); our calculations

EV assumes post-issue net debt near zero: March 2026 net debt of roughly ₹27,450 cr ($0.36x \times \text{FY26 EBITDA}$) less issue proceeds of ₹28,755–30,213 cr. It ignores issue expenses and spectrum dues, so true EV is somewhat higher.

Valuation multiples at the lower and upper end of the band (x)



Source: Our calculations on ~920.90 cr post-issue shares

Why EV ≈ market cap: post-issue net debt bridge

~₹27,450 cr Net debt, March 2026 ($0.36x \times \text{FY26 EBITDA}$)	–	₹28,755–30,213 cr Issue proceeds	=	≈ near zero Post-issue net debt (before expenses, spectrum dues)
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Source: Our calculations

Investment positives and key risks

The positives are scale and cash; the risks cluster around concentration, capital intensity and governance links to the parent.

Positives

- Scale and recurring revenue:** 53.33 cr subscribers, ~49.8% of wireless broadband users and 1.61% monthly churn give a large, sticky base where small ARPU gains compound.
- Margin and cash inflection:** EBITDA margin above 53% in Q1 FY27; EBITDA less cash capex up ~29x over two years.
- Hard-to-replicate network:** 3,60,537 towers, 10 lakh+ route-km of fibre and ~26,800 MHz of spectrum across all three 5G bands, built largely on in-house technology, form a high entry barrier.
- Broadband runway:** 2.86 cr fixed subscribers (>43% share) and 61.7% of Q1 FY27 net additions. The RHP's industry report expects fixed broadband penetration to rise from ~21% to ~46% (15.04 cr homes) by FY31.
- Deleveraging catalyst:** up to ₹27,500 cr of prepayment should ease the finance-cost drag seen in Q1 FY27.
- Optionality:** enterprise, cloud, AI and overseas technology sales, which are not yet reflected in disclosed earnings.

Fixed broadband penetration: the runway ahead (%)



Source: Industry report cited in the RHP

Growth levers the company cites

- **2G upgrades:** 26.1 cr Indians are still on 2G; the ₹799 JioBharat phone is aimed at moving them to 4G/5G.
- **ARPU headroom:** periodic tariff increases, more bundled plans with OTT, cloud and AI, and rising incomes.
- **Small businesses:** over 7.9 cr MSMEs, with digital-services adoption estimated below 3%.
- **Overseas:** selling its 5G core, cloud RAN, OSS/BSS and fixed-wireless technology through local operators.
- **Partnerships:** Google AI Pro free for 18 months for Jio Unlimited 5G users; planned distribution of enterprise AI from Reliance's joint venture with Meta; 19.87 cr viewers watched IPL 2026 via the JioHotstar bundle.
- **Satellite:** evaluating its own satellite constellation and partnerships with global providers for remote areas.

Risks

2 High risks	1 Medium–High risks	5 Medium risks	2 Low–Medium risks
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Risk	Why it matters	Severity
Revenue concentration	77.08% of FY26 revenue from prepaid; exposed to tariffs and subscriber behaviour	High
Valuation	~34x trailing P/E leaves little room for an earnings miss	High
Related-party dependence	Reliance Retail is sole prepaid distributor under long-term agreements and hosts Jio's stores; RIL owns the "Jio" trademark and can end the licence if it loses control	Medium–High
Capex cycle	FY26 capex is a trough-like level; upgrades and spectrum could raise it again	Medium
Debt and finance costs	₹70,781 cr borrowings; finance costs +41.6% in Q1 FY27	Medium
Spectrum and regulation	Licences, auctions and DoT/TRAI rules can reset costs	Medium
Competition	Pricing pressure from Bharti Airtel and Vodafone Idea	Medium
Execution in new businesses	AI, cloud, IoT and overseas plans may take years to earn material profit	Medium
Litigation and tax	~₹10,811 cr of quantifiable amounts in proceedings against subsidiaries	Low–Medium
Technology and cyber	Outages, data breaches or privacy lapses carry regulatory and reputational cost	Low–Medium

Severity ratings are our judgement. The litigation figure is the amount involved in disputes, not an established liability. Most market-share and industry figures come from the Analysys Mason report cited in the RHP.

Conclusion

Conclusion. Jio Platforms brings a rare combination to the Indian market: India's largest operator with about half of wireless broadband subscribers, 50%+ EBITDA margins, ₹30,000 cr+ of annual profit and sharply improving cash generation. The IPO itself is a clean, primary-only deal whose main effect is a stronger balance sheet. Against that, the valuation at ~34x trailing earnings and ~2.8x book already credits much of the good news, while ROCE is declining and three-quarters of revenue rests on prepaid mobile sold through a group company. We view the issue as a long-term holding for investors who want direct exposure to Indian telecom and can tolerate a full entry price; the case strengthens if post-IPO interest savings and stable capex lift returns on capital.

WHAT SUPPORTS THE CASE Scale · 50%+ EBITDA margins · cash inflection · deleveraging	WHAT TEMPERS IT ~34x trailing P/E · declining ROCE · prepaid and group dependence
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Disclaimer

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