Jaro Institute of Technology Management & Research Limited

IPO Note

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Bridging Knowledge and Industry, Shaping Future Leaders

Jaro Institute of Technology Management and Research Limited, established in 2009, is a leading provider of online higher education and professional upskilling programs in India. The company partners with prestigious academic institutions like IITs, IIMs, and Jain University to deliver various degree and certification programs. Jaro focuses on bridging the gap between education and industry needs, offering specialized programs in collaboration with these institutions.

The company's strength lies in its strategic collaborations with top-tier educational institutions, which enhances its credibility and outreach. It has also earned numerous awards such as the "Best Education Brand" by The Economic Times and "Edtech Leader of the Year" by ET Now. With over 20,000 successful enrollments, Jaro has made a significant mark in the online education sector.

Strengths:

1. **Strong partnerships with leading universities and institutions.**
2. **Proven track record with over 20,000 admissions.**
3. **Award-winning brand and high market visibility.**
4. **Diverse course offerings across various professional fields.**

Risks:

1. **Dependence on partner institutions for academic content and program delivery.**
2. **Potential challenges in maintaining consistent program quality across different partners.**
3. **Limited geographical presence, with most revenue derived from the western region of India.**

Jaro's innovative approach and collaboration with elite institutions position it as a strong player in the edtech space.

Industry	Educational

Scrip Details	
Listing	BSE & NSE
Open Date	Sept 23, 2025
Close Date	Sept 25, 2025
Price Band	INR 846 – 890
Face Value	INR 10.0
Market Lot	16 Shares
Minimum Lot	1

Issue Structure	
Issue Size (INR cr)	450
Issue Size (Shares)	0.51
QIB Share (%)	≤ 50%
Non-Inst Share (%)	≥ 15%
Retail Share (%)	≥ 35%
Pre Issue sh. (cr)	2.02
Post Issue sh. (cr)	2.21
Post Issue Market Cap (cr)	1971.91

Shareholding (%)	Pre (%)	Post (%)
Promoter	78.28	57.32
Public	21.72	42.68
TOTAL	**100.0**	**100.0**

Key Consolidated Financial Data (INR Cr, unless specified)

	Revenue	EBITDA	PAT	EBITDA (%)	PAT (%)	Adj EPS (₹)	Adj BVPS (₹)	RoE (%)	RoIC (%)	EV/EBITDA (X)	P/BV (X)	P/E (X)
FY23	122.1	23.9	11.4	19.5	9.4	5.2	37.7	14.9	18.1	83.7	23.6	172.6
FY24	199.0	61.5	38.0	30.9	19.1	17.2	53.0	32.3	44.2	32.2	16.8	51.9
FY25	252.3	80.9	51.7	32.1	20.5	23.3	77.4	30.1	32.3	25.0	11.5	38.2

Source: Ventura Research & Company update

Issue Structure and Offer Details

Jaro Institute IPO is a book build issue of ₹450.00 crores. The issue is a combination of fresh issue of 0.19 crore shares aggregating to ₹170.00 crores and offer for sale of 0.31 crore shares aggregating to ₹280.00 crores.

Issue Structure

Investor Category	Allocation
QIB	**Not more than 50.00% of the Net Offer**
NII (HNI)	**Not less than 15.00% of the Net Offer**
Retail	**Not less than 35.00% of the Net Offer**

Number of shares based on a higher price band of INR 890

Source: Company Reports

Objects of the Issue:

The Company proposes utilizing the Net Proceeds from the Offer towards the following objects:

1. Marketing, brand building and advertising activities – ₹81 cr.
2. Prepayment or scheduled re-payment of a portion of certain outstanding borrowings availed by the Company – ₹45 cr.
3. General Corporate Purposes

Financial Summary

Fig in INR Cr (unless specified)	FY23	FY24	FY25
Income Statement			
Revenue	122.1	199.0	252.3
YoY Growth (%)	*44.4*	*63.0*	*26.7*
Raw Material Cost	0.0	0.0	0.0
RM Cost to Sales (%)	*0.0*	*0.0*	*0.0*
Employee Cost	44.8	62.0	73.9
Employee Cost to Sales (%)	*36.7*	*31.2*	*29.3*
Other Expenses	53.5	75.5	97.4
Other Exp to Sales (%)	*43.8*	*37.9*	*38.6*
EBITDA	23.9	61.5	80.9
Margin (%)	*19.5*	*30.9*	*32.1*
YoY Growth (%)	*45.7*	*157.7*	*31.6*
Depreciation & Amortization	5.3	6.8	9.2
EBIT	18.5	54.7	71.8
Margin (%)	*15.2*	*27.5*	*28.5*
YoY Growth (%)	*34.8*	*195.5*	*31.1*
Other Income	2.4	4.7	3.6
Interest	5.3	5.0	5.2
Fin Charges Coverage (X)	3.5	10.9	13.7
Exceptional Item	0.0	(2.4)	0.0
PBT	15.6	52.0	70.1
Margin (%)	*12.8*	*26.1*	*27.8*
YoY Growth (%)	*(57.7)*	*232.5*	*34.9*
Tax Expense	4.2	14.0	18.5
Tax Rate (%)	*27.0*	*26.9*	*26.3*
PAT	11.4	38.0	51.7
Margin (%)	*9.4*	*19.1*	*20.5*
YoY Growth (%)	*(65.6)*	*232.8*	*35.9*
Min Int/Sh of Assoc	0.0	0.0	0.0
Net Profit	11.4	38.0	51.7
Margin (%)	*9.4*	*19.1*	*20.5*
YoY Growth (%)	*(65.5)*	*232.8*	*35.9*
Balance Sheet			
Share Capital	15.0	15.0	20.2
Total Reserves	68.5	102.4	151.3
Shareholders Fund	83.6	117.4	171.6
Long Term Borrowings	7.4	0.6	0.0
Deferred Tax Assets / Liabilities	2.2	9.7	5.0
Other Long Term Liabilities	11.6	9.9	0.0
Long Term Trade Payables	0.0	0.0	0.0
Long Term Provisions	16.7	19.0	1.4
Total Liabilities	121.5	156.6	177.9
Net Block	29.1	17.3	0.0
Capital Work in Progress	0.0	0.0	0.0
Intangible assets under development	0.0	0.0	0.0
Non Current Investments	0.0	0.0	0.0
Long Term Loans & Advances	48.9	39.2	0.0
Other Non Current Assets	0.0	0.0	0.0
Net Current Assets	43.4	100.2	177.9
Total Assets	121.5	156.6	177.9

Fig in INR Cr (unless specified)	FY23	FY24	FY25
Per share data & Yields			
Adjusted EPS (INR)	5.2	17.2	23.3
Adjusted Cash EPS (INR)	7.6	20.2	27.4
Adjusted BVPS (INR)	37.7	53.0	77.4
Adjusted CFO per share (INR)	1.3	(7.7)	(10.6)
CFO Yield (%)	0.1	(0.9)	(1.2)
Adjusted FCF per share (INR)	1.6	(6.1)	(10.7)
FCF Yield (%)	0.2	(0.7)	(1.2)
Solvency Ratio (X)			
Total Debt to Equity	0.5	0.2	0.3
Net Debt to Equity	0.3	0.1	0.3
Net Debt to EBITDA	1.0	0.1	0.6
Return Ratios (%)			
Return on Equity	14.9	32.3	30.1
Return on Capital Employed	11.7	28.1	23.8
Return on Invested Capital	18.1	44.2	32.3
Working Capital Ratios			
Payable Days (Nos)	59	38	19
Inventory Days (Nos)	0	0	0
Receivable Days (Nos)	24	21	0
Net Working Capital Days (Nos)	-35	-16	-19
Net Working Capital to Sales (%)	(9.6)	(4.5)	(5.1)
Valuation (X)			
P/E	172.6	51.9	38.2
P/BV	23.6	16.8	11.5
EV/EBITDA	83.7	32.2	25.0
EV/Sales	16.3	9.9	8.0
Cash Flow Statement			
PBT	15.6	52.0	70.1
Adjustments	(13.9)	(52.2)	(79.1)
Change in Working Capital	5.3	(2.8)	4.0
Less: Tax Paid	(4.2)	(14.0)	(18.5)
Cash Flow from Operations	2.9	(17.0)	(23.5)
Net Capital Expenditure	(3.2)	(0.2)	(4.1)
Change in Investments	(4.5)	47.3	0.0
Cash Flow from Investing	(7.7)	47.1	(4.1)
Change in Borrowings	9.8	(14.1)	20.9
Less: Finance Cost	(5.3)	(5.0)	(5.2)
Proceeds from Equity	0.0	0.0	0.0
Buyback of Shares	0.0	0.0	0.0
Dividend Paid	0.0	0.0	(1.5)
Cash flow from Financing	4.5	(19.2)	14.2
Net Cash Flow	(0.3)	11.0	(13.4)
Forex Effect	0.0	0.0	0.0
Opening Balance of Cash	(7.0)	7.4	18.4
Closing Balance of Cash	(7.3)	18.4	5.1

Source: Company Reports

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