JARO INSTITUTE OF TECHNOLOGY MANAGEMENT & RESEARCH LTD. September 22, 2025

jaro education®

SMC Ranking

★★☆☆☆ (2/5)

Issue Highlights

Industry	**Education**
Offer for sale (Shares)	3,146,067
Fresh Issue (Shares)	1,910,112
Net Offer to the Public	**5,056,179**
Issue Size (Rs. Cr.)	427-450
Price Band (Rs.)	846-890
Offer Date	23-Sep-25
Close Date	25-Sep-25
Face Value	10
Lot Size	16 Shares

Issue Composition

	In shares
Total Issue for Sale	5,056,179
QIB	2,528,090
NIB	758,427
Retail	1,769,663

Shareholding Pattern (%)

Particulars	Pre-issue	Post -issue
Promoters & promoters group	78.28%	57.33%
QIB	21.72%	31.25%
NIB	0.00%	3.42%
Retail	0.00%	7.99%
Total	**100.00%**	**100.00%**

*calculated on the upper price band

Objects of the Issue

The Company Jaro Institute IPO proposes to utilise the Net Proceeds from the Issue towards the following objects:

1. Marketing, brand building and advertising activities
2. Prepayment or scheduled re-payment of a portion of certain outstanding borrowings availed by the Company
3. General corporate purposes

Book Running Lead Manager

- Nuvama Wealth Management Limited
- Motilal Oswal Investment Advisors Limited
- Systematix Corporate Services Limited

Name of the registrar

- Bigshare Services Private Limited

About the company

Incorporated in 2009, Jaro Institute of Technology Management and Research Limited (Jaro Education) is a pan-India online higher education and upskilling platform. As of March 31, 2025, the company operates over 22 offices-cum-learning centres across major cities and 17 immersive tech studios within IIM campuses, serving 36 partner institutions. Jaro Education offers and facilitates 268 programs, including online degrees such as DBA, MBA, M.Com, M.A., PGDM, MCA, M.Sc, B.Com, and BCA, as well as cross-disciplinary certifications. The company employs 860 professionals.

Strength

Market-Leading Position with Strong Brand and Pan-India Presence: Jaro Institute of Technology Management and Research Limited is an early leader in India's online higher education and upskilling market. Its success is driven by flexible learning solutions, strategic collaborations with 36 partner institutions—including four international partners—and a diversified program portfolio. Operating 22 offices and 17 immersive tech studios across India, Jaro has built a robust learning ecosystem with advanced online platforms, learner support, and career counseling, resulting in strong enrollments, high referrals, and low acquisition costs.

Comprehensive Solutions for Partner Institutions and Learners: Jaro provides end-to-end support for institutions offering online, hybrid, and in-person programs. Services include market research, program design, admissions management, and targeted marketing. Learning delivery spans self-paced, synchronous, and asynchronous models, complemented by immersive studios for interactive sessions with IIMs and other centers. Continuous learner feedback informs program updates, ensuring relevance to industry trends and enhanced employability outcomes.

High Revenue Predictability and Strong Client Relationships: Jaro's partnerships cover the full lifecycle of higher education programs—market insight, content production, technology integration, marketing, and learner support. This comprehensive model has expanded its client base from 21 partnerships in 2022 to 36 in 2025, including top-tier institutions like IIMs and IITs. Long-term collaborations have strengthened trust, increased global reach, and enhanced fee share, reflecting robust, predictable revenue streams.

Proven Track Record in Delivering Diversified, High-Quality Programs: Jaro markets and facilitates 268 programs across 36 institutions, spanning certificate courses to doctoral degrees in high-demand areas such as MBA, technology, data science, and marketing. Collaborations with global institutions—including the Swiss School of Management and Rotman School of Management—further enhance its offerings. Completion rates remain strong at 85.03% for degrees and 94.90% for certification courses, demonstrating consistent learner success.

Leveraging Technology for Enhanced Experience and Growth: Jaro integrates Generative AI and advanced digital tools to tailor programs and marketing campaigns, including the "Upskilling ROI Calculator" and "Jaro Skill Calculator." CRM systems optimize lead management, while immersive tech studios enhance real-time learning experiences, ensuring superior outcomes for both learners and partner institutions.

Strategy

Expand Market Share through Diversified Offerings and Strategic Partnerships: The online higher education and upskilling market in India is projected to grow from Rs. 1.72

lakh million in FY2024 to Rs. 4.15 lakh million by 2028. Jaro Institute of Technology Management and Research Limited aims to capitalize on this growth by broadening its academic portfolio and forming new collaborations with prestigious institutions in India and abroad. Leveraging existing top-tier partnerships, business intelligence, and Generative AI, Jaro continually refines its programs to meet evolving industry demands and enhance learner employability. Its relationship-driven model ensures predictable revenue and has already expanded the company's partner network significantly.

Sustain Marketing, Brand Building, and Digital Presence to Drive Enrollments: Jaro focuses on data-driven marketing and brand building to achieve organic growth and maximize returns on advertising spend. Using multiple digital channels—including Facebook, Instagram, Google, and LinkedIn—the company generates leads while enhancing brand visibility for partner institutions. Strategic influencer collaborations and campaigns have contributed significantly to enrollments. The company plans to invest Rs. 810 million from Net Proceeds to scale these efforts, increase learner acquisition, and strengthen brand presence, aiming to optimize marketing costs over time.

Expand Geographical Footprint and Learner Outreach: Jaro intends to deepen its presence across India, targeting Tier-2 and Tier-3 cities, while also exploring international collaborations. Currently, its partnerships span western (12), northern (7), southern (11), and eastern (2) regions of India. Expansion plans include additional offices, learning centers, and immersive tech studios to enhance learner access. Global alliances will diversify the program portfolio and provide learners with international exposure.

Enhance Digital Capabilities for Operational Efficiency and Client Satisfaction: Jaro continues to invest in technology to improve learner and partner experiences. Its digital ecosystem—including three Learning Management Systems—offers an intuitive learning experience, while Generative AI supports program customization and new tools such as the "Upskilling ROI Calculator" and "Jaro Skill Calculator." Immersive tech studios with HD video conferencing and interactive smartboards further elevate engagement. Continued investment in digital platforms drives operational efficiency, learner satisfaction, and business growth.

Enhance Learner Experience and Lead Generation via Freemium Programs and Counselling Tools: Jaro is introducing freemium certification courses and free masterclasses to attract learners and encourage exploration of premium offerings. A gamified learning approach enhances engagement, while dedicated counselling tools—including the "Upskilling ROI Calculator"—guide learners in making informed career and program decisions. This learner-centric strategy supports retention, attracts working professionals, and strengthens Jaro's positioning as a counseling-driven platform rather than a push-based model.

Risk Factor

- Jaro depends on Partner Institutions for academic content, and any decline in their adoption of online programs could impact revenue and growth.
- A significant portion of revenues comes from a few Partner Institutions, and losing any key client could adversely affect the business.
- Continued preference for on-campus programs by institutions may limit revenue growth and profitability.
- The company has experienced negative cash flows in the past, which may not reflect future financial performance.
- Marketing, brand building, and advertising initiatives may not achieve the desired results.
- Market valuation ratios may not indicate the post-listing trading price, and investors could lose part or all of their investment.
- The business is seasonal, linked to the academic calendar, leading to fluctuations in financial results.

Peer Comparison

As per RHP, there are no listed comparable companies in India or globally in terms of its business operations providing online higher education and upskilling platform focusing on marketing and facilitating delivery of diversified range of online degree programs. Hence, no suitable industry peers are available based on its analysis of regulatory filings and industry data.

Valuation

Considering the P/E valuation, on the upper end of the price band of Rs.890, the stock is priced at pre issue P/E of 34.88 x on FY25 EPS of Rs.25.52. Post issue, the stock is priced at a P/E of 38.17x on its EPS of Rs. 23.32. Looking at the P/B ratio at Rs. 890 pre issue, book value of Rs.84.73 of P/Bvx 10.50x. Post issue, book value of Rs.154.15 of P/Bvx 5.77x.

Considering the P/E valuation, on the lower end of the price band of Rs.846, the stock is priced at pre issue P/E of 33.15 x on FY25 EPS of Rs. 25.52. Post issue, the stock is priced at a P/E of 36.28x on its EPS of Rs. 23.32. Looking at the P/B ratio at Rs. 846 pre issue, book value of Rs. 84.73 of P/Bvx 9.98x. Post issue, book value of Rs.154.15 of P/Bvx 5.49x.

Industry Outlook

The total addressable market for the online higher education and upskilling sector in India was Rs. 1.32 lakh million in Fiscal 2023 and is expected to grow at a CAGR of 25.7% over the next five years, thus reaching the market size of Rs. 4.15 lakh million in Fiscal 2028 (Source: Technopak Report). As the sector continues to innovate, online higher education and upskilling platforms and entities are well-positioned to play a pivotal role in shaping the future of higher education, certification, and upskilling initiatives in India.

Outlook

Jaro Institute of Technology Management and Research Limited is well-positioned to capitalize on the growing online higher education and upskilling market in India. Leveraging strong partnerships with top-tier institutions, a diversified program portfolio, pan-India presence, and advanced digital platforms, the company aims to expand market share, increase learner enrollments, and enhance international collaborations. While dependent on partner adoption and subject to seasonality, Jaro's data-driven approach, brand initiatives, and technology integration provide predictable revenue streams and sustainable long-term growth potential.

An Indicative timetable in respect of the Issue is set out below:

EVENT	INDICATIVE DATE (On or about)
BID/ISSUE OPENS ON	23-September-25
BID/ISSUE CLOSES ON	25-September-25
Finalisation of Basis of Allotment with the Designated Stock Exchange	26-September-25
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account	29-September-25
Credit of Equity Shares to Demat Accounts of Allottees	29-September-25
Commencement of trading of the Equity Shares on the Stock Exchanges	30-September-25

Annexure

Consolidated Financials

Profit & Loss

Rs. in Cr.

Particulars	Period ended 31-Mar-25 (12 Months)	Period ended 31-Mar-24 (12 Months)	Period ended 31-Mar-23 (12 Months)
Revenue from operations	252.26	199.05	122.15
Total expenditure	170.44	136.65	99.03
Operating Profit	**81.83**	**62.40**	**23.11**
OPM%	32.44	31.35	18.92
Other Income	1.76	3.52	2.44
PBDIT	**83.58**	**65.92**	**25.55**
Depreciation	9.15	6.76	5.34
PBIT	**74.43**	**59.16**	**20.21**
Interest	4.29	4.81	4.58
Restated profit before exceptional items and tax	**70.14**	**54.35**	**15.64**
Exceptional items	0.00	-2.36	0.00
Profit BeforeTax	**70.14**	**51.99**	**15.64**
Tax	18.48	13.98	4.22
PAT	**51.67**	**38.01**	**11.42**

Balance sheet is on next page

Balance Sheet

Rs. in Cr.

Particulars	As on 31-Mar-25	As on 31-Mar-24	As on 31-Mar-23
Non-current assets			
Property, plant and equipment	3.78	1.97	10.06
Right-of-use assets	12.38	15.29	16.31
Goodwill	0.00	0.00	2.76
Other Intangible Assets	0.00	0.00	0.01
Financial Assets			
Loans	0.00	0.00	16.21
Other Financial Assets	6.36	6.28	4.47
Non-Current Tax Assets (Net)	14.71	15.13	12.48
Total Non Current Assets	**37.23**	**38.67**	**62.30**
Current assets			
Financial Assets			
Trade Receivables	36.22	11.69	7.88
Cash and Cash Equivalents	5.08	18.44	7.42
Bank balances other than cash and cash equivalents	0.08	0.08	6.01
Loans	0.05	0.05	21.56
Other Financial Assets	0.24	4.53	5.26
Other Current Assets	197.81	128.31	65.33
Total current assets	**239.48**	**163.09**	**113.46**
Total Assets	**276.70**	**201.76**	**175.75**
Non-current liabilities			
Financial liabilities			
Borrowings	0.38	0.56	7.40
Lease liabilities	5.45	9.92	11.63
Provisions	1.47	1.27	0.92
Deferred Tax Liability (Net)	20.26	9.71	2.19
Total non-current liabilities	**27.56**	**21.45**	**22.14**
Current liabilities			
Financial liabilities			
Borrowings	50.73	24.29	30.37
Lease liabilities	7.51	5.77	4.39
Trade payables - MSME	0.39	0.38	0.37
Trade payables - other than MSME	12.66	20.27	19.23
Other financial liabilities	4.59	1.06	3.96
Other Current Liabilities	1.13	10.49	11.17
Provisions	0.60	0.62	0.48
Current Tax Liabilities (Net)	0.00	0.00	0.07
Total current liabilities	**77.60**	**62.87**	**70.05**
Total	**105.16**	**84.33**	**92.19**
Net worth represented by:			
Equity Share Capital	20.24	15.04	15.04
Other equity	151.31	102.39	62.80
Non-Controlling Interest	0.00	0.00	5.72
Net Worth	**171.55**	**117.43**	**83.57**

RANKING METHODOLOGY

WEAK	★
NEUTRAL	★★
FAIR	★★★
GOOD	★★★★
EXCELLENT	★★★★★

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