
A STUDY ON IMPACT OF FINANCIAL TECHNOLOGY ON FINANCIAL PERFORMANCE OF CORPORATES AT JINDAL STEEL AND POWER LTD

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ABSTRACT: The research findings indicated that Jindal Steel and Power Ltd. experienced enhanced financial performance following the implementation of financial technology (FinTech). Digital technology has enabled the organization to boost its profitability and streamline its operations. This has been accomplished through the implementation of online payment tools, automated treasury systems, data-driven financial management, and other methods. Streamlining the management of working capital, reducing transaction costs, and enhancing liquidity are all examples of how the implementation of these innovative ideas has contributed to the enhancement of the company's operational efficiency. A competitive advantage has been obtained by the business as a result of the utilization of digital technology, which has facilitated the acceleration of financial data and enhanced decision-making. FinTech has traditionally been of assistance to the company in terms of growth, resilience, and competitiveness in the market. This is the case notwithstanding certain concerns, such as increasing operating expenses and dangers to cyber security.

Keywords: FinTech, Corporate Performance, Digital Finance, Financial Efficiency, Technology Adoption.

1. INTRODUCTION

The advent of new technology is generating a rapid shift in the financial sector, which is responsible for the transformation. The management of finances, the investment of funds, and the transfer of funds are all being influenced by these changes. FinTech, which is an abbreviation for "financial technology," is a revolutionary step forward in the realm of business strategy and everyday financial transactions. Technologies such as blockchain, digital payments, artificial intelligence, big data, and cloud computing are some examples of emerging technologies that are replacing outdated ways with alternatives that are more efficient, transparent, and open. The use of digital banking platforms, automated financial systems, and predictive analytics are just a few examples of the tools that companies that specialize in financial technology (FinTech) take advantage of in order to improve their decision-making processes, save money, and boost their productivity. Because of these improvements, businesses are able to better regulate their cash flow and evaluate risks. Additionally, these technologies make transactions faster and safer when they are carried out. For the purpose of achieving a competitive advantage in markets that are undergoing fast change, businesses are upgrading their internal systems. With the emergence of fintech, not only are processes made more efficient, but also services and funds that were previously

unattainable to small and large businesses owing to challenges with traditional banking are now open to everyone. This is a significant advancement. Businesses have the ability to improve their data analysis, foresee market trends, and provide customers with individualized financial solutions by utilizing technology to their benefit. It is impossible to see the modern digital economy functioning properly without the incorporation of financial technology, which has become an indispensable element for steady growth. You will have a better understanding of how FinTech will influence banking in the future if you are familiar with how it influences company operations.

2. LITERATURE SURVEY

Phan, D. H. B. (2020). The purpose of this research is to determine how Indonesian financial technology (FinTech) businesses impact existing banks' operations. The study found that banks are much less efficient and profitable as a result of the expansion of FinTech, using data from 41 banks and FinTech companies. Supporting these conclusions are a number of robustness tests, including those that adjust for bank size, crisis impacts, and other estimation methodologies. The author argues that while competition in the fintech industry inspires banks to innovate, it also reduces their revenues. The numbers reveal that traditional banks are facing increasing competition from FinTech startups. Some preliminary data from a new company's actual operations is included in this study. It highlights the significance of banks devising effective strategies to address the digital transformations taking place in the banking sector. The research suggests that in the long run, it would be better to cooperate rather than compete.

T. T. Y. Alabdullah (2023). A reliable risk management system is essential for banks and companies to meet their loan repayment obligations. This study investigates the relationship between the usage of FinTech, the risk management practices of Kuwaiti enterprises, and their profitability. As of 2022, the group comprises 62 trading enterprises that are registered on the Kuwait Stock Exchange. Through the use of descriptive statistics, regression models, and correlation analysis, the study establishes a robust positive association (correlation coefficient of 0.6540) between the expansion of FinTech and ROI. The authors asserted that a robust correlation ($p < 0.05$) existed between FinTech and return on equity. Better financial success is achieved through more effective risk management when new technologies such as blockchain, AI, and complicated analytics are used. First of its kind, this research examines the interplay between financial technology (FinTech), risk management, and the bottom line. The Middle East and Kuwait are the main points of emphasis.

Koranteng, B., & Co-authors. (2024). The research covers the years 2013–2020 and examines 25 nations to determine the correlation between FinTech development and financial security. To determine the extent to which FinTech activities impact neighboring countries, the authors employ a spatial econometric approach. Businesses in neighboring countries are impacted by the state of the economy of the nation in question, according to the study. Financial technology investments lead to more stable global and national economies, according to the research. The impact is more pronounced in nations where the FinTech industry is relatively small. When it comes to FinTech, crowdfunding makes locations more stable, but consumer loans tend to make them less so. The study emphasizes the significance of nations

cooperating and establishing strategic regulations to monitor the expansion of FinTech. If appropriately regulated, the results demonstrate that FinTech might strengthen the global financial system. In order to fill gaps in knowledge, this study integrates financial technology with spatial analysis.

Xu, F., & Co-authors. (2025). This research examines global statistics on the effects of FinTech on bank performance. In order to identify promising research subjects, emerging trends, and knowledge gaps, the writers employ bibliometric and content analysis techniques. Studies have shown mixed results on the benefits of FinTech on productivity and profitability; some have found it to boost these metrics, while others have shown no change or even a negative correlation. More and more studies are looking at FinTech performance, but they're all over the place, according to the report. This is particularly true when comparing industrialized and developing nations. It highlights the need for consistent evaluation procedures and reveals methodological shortcomings. Strong leadership, superior digital abilities, and consistent standards are necessary for the successful implementation of FinTech, according to the writers. Additional theoretical and empirical research in this emerging field can be built upon the foundations laid out in this essay. The impact of financial technology (FinTech) is highly situational.

3. TECHNOLOGY'S IMPACT ON FINANCIAL ANALYSIS

Financial analysis has undergone significant advancements since the era when market data acquisition relied on manual methods, such as direct communication with brokers or the anticipation of responses. The gathering and examination of real-time data is one way in which the financial sector has evolved as a result of technological advancements. The field of asset management's financial research has been significantly impacted by this. Thanks to technological advancements, financial professionals are now able to make more informed decisions, which has transformed the way they work.

This document presents a wide range of perspectives on the potential impact of technology on financial analysis:

Improved Efficiency: Technologies have advanced to the point that financial analysts can now use automation to undertake repetitive tasks, such as data entry and report generation. Meaning they have more time to devote to strategic tasks like data analysis and client relationship building. By reducing the likelihood of errors and conserving time, this has greatly improved the utility of financial research.

Better Accuracy: Complex algorithms and machine learning technologies have greatly improved the accuracy of financial research. You may now undertake thorough and precise data analysis, which improves your understanding of industry trends and company opportunities.

Access to real-Time data: One major manner in which technology has altered the field of financial studies is by making real-time data readily available. Because of this, financial advisors can now provide clients with accurate advice based on the most current data. Market experts can use up-to-the-minute information to determine the optimal timing to purchase or sell a specific asset.

Improved Communication: Additionally, modern technology have facilitated communication between financial advisors and their clients. No matter their location, analysts can have real-time conversations with clients using internet tools and videoconferencing solutions. Clients now have faster access to financial information, which improves their experience overall.

There has been a significant impact of technology on financial research. With the advancement of technology, financial analysis has become more efficient, accurate, and user-friendly. It is anticipated that technology will play an increasingly crucial role in facilitating informed decision-making within the asset management industry as it continues to expand.

4. DIGITAL FINANCE AND INCLUSION

The dedication of the fintech industry to expanding access to capital is a significant contribution to the field's promising future. The cost of or inaccessibility to traditional banking services has kept millions of people out of the system, particularly those residing in underserved or rural areas. By lowering the barrier to entry for financial goods, fintech is helping to bridge this gap.



More people can get their hands on funds thanks to fintech in these ways:

Accessibility: Digital banking and mobile payment apps allow those without access to traditional banking services to gain access to these services. In areas without many physical banks, it is extremely useful. Financial services are now more accessible than ever before, thanks to fintech, even in areas where physical bank offices are few. It is now possible for users to open accounts, make transactions, and manage their money all from the convenience of their phones, thanks to digital-only banks and mobile banking software.

Microfinance: Microfinance institutions in poor nations are able to assist more borrowers thanks to technological advancements. Fintech services, such as peer-to-peer (P2P) lending and digital lending platforms, enable individuals and businesses to access microloans and small loans that are typically not offered by traditional banks. People can use this funding to launch or expand their small businesses, which contributes to overall economic growth.

Remittances: More money gets where it has to go with the help of fintech-enabled transfer services since they provide affordable possibilities. Regular remittance services are used by many international workers to transfer funds to their relatives overseas. These services can be costly and time-consuming to process. With the help of fintech, exchange services for sending money abroad are now easier, faster, and cheaper than ever before. More of the allocated funds reach their intended recipients as a result of this.

Financial Literacy: Helpful resources for consumers to gain a better grasp of their financial situations are typically included in fintech platforms and apps. People are empowered to

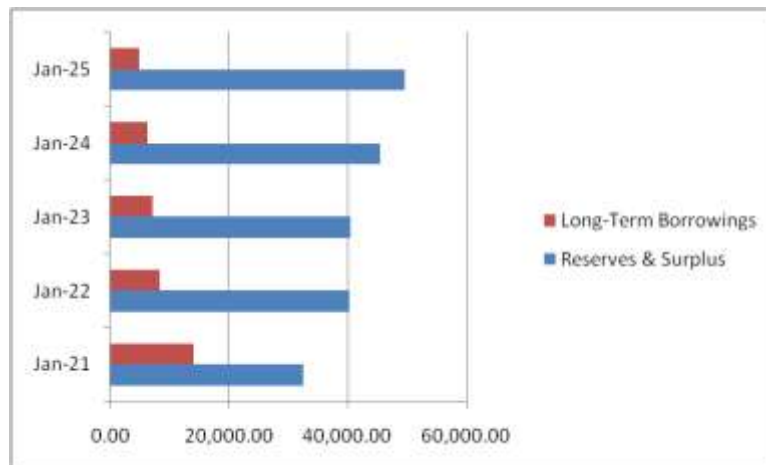
make sensible financial choices when they learn about money. These resources can teach people the ropes of sound financial management and help them lay the groundwork for a comfortable retirement.

Alternative Credit Scoring: The conventional algorithms used to assess credit risk may reject applicants without a credit history. A broader range of indicators, including social media activity, rental history, and payment history, are included in fintech developments for alternative credit scoring. Access to banking and credit is facilitated.

5. ANALYSIS AND DISCUSSION

Capital Structure Analysis

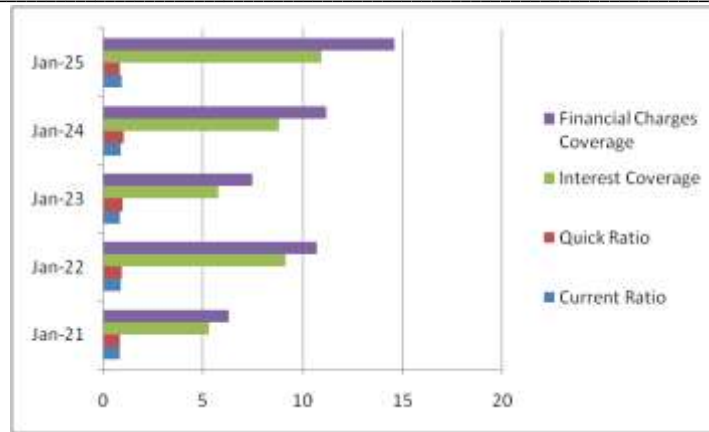
Year	Equity Share Capital	Reserves & Surplus	Long- Term Borrowings	Debt-Equity Ratio
Mar-25	101.18	49,661.69	4,894.23	0.14
Mar-24	100.24	45,393.36	6,156.26	0.24
Mar-23	100.5	40,456.35	7,081.75	0.29
Mar-22	101.07	40,259.41	8,364.95	0.33
Mar-21	102	32,540.11	13,959.75	0.51



DISCUSSION: The company's capital structure and financial debt were significantly improved between FY21 and FY25. Reserves and surpluses have grown consistently due to the large amount of cash on hand and the practice of keeping profits. The steady decline in long-term borrowing has reduced the interest load and financial risk. The debt-to-equity ratio decreased from 0.51 in FY21 to 0.14 in FY25, indicating that the corporation is heavily invested in equity and uses shareholder funds rather than borrowing money.

Liquidity and Solvency Ratios

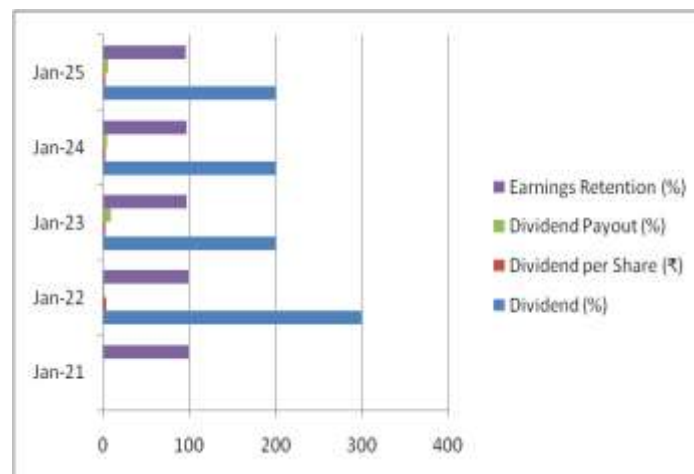
Year	Current Ratio	Quick Ratio	Interest Coverage	Financial Charges Coverage
Mar-25	0.88	0.81	10.94	14.6
Mar-24	0.84	0.99	8.77	11.17
Mar-23	0.79	0.94	5.77	7.45
Mar-22	0.85	0.92	9.12	10.7
Mar-21	0.8	0.79	5.25	6.28



DISCUSSION: The steadiness and liquidity of the business have improved with the passage of time. While they did improve somewhat in FY25, the current and quick ratios remained below the target level of one, indicating a lack of short-term liquidity. The fact that the interest coverage and financial charge coverage ratios have increased significantly indicates that the company is now better equipped to fulfill its interest obligations. Despite experiencing some small cash flow issues, the company is generally improving its ability to pay its debts.

Dividend and Earnings Profile

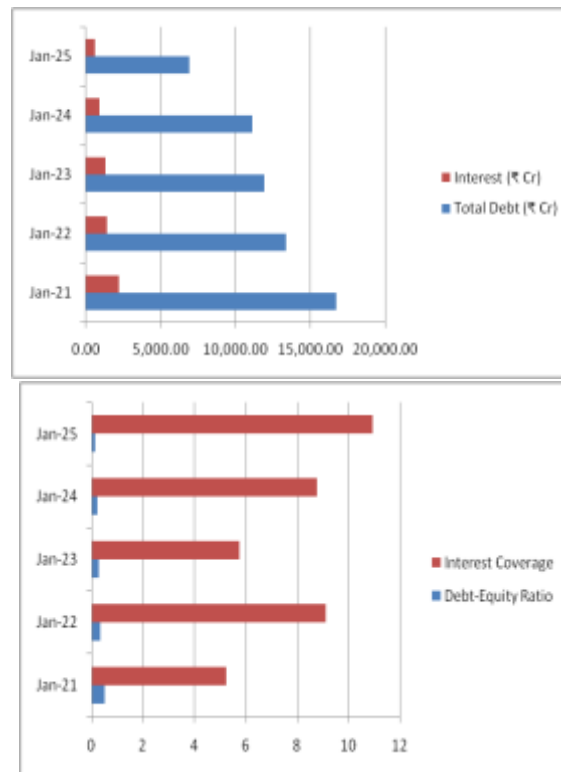
Year	Dividend (%)	Dividend per Share (₹)	Dividend Payout (%)	Earnings Retention (%)
Mar-25	200	2	5.58	95.9
Mar-24	200	2	3.81	96.19
Mar-23	200	2	8.28	96.47
Mar-22	300	3	1.23	98.82
Mar-21	0	0	0	100



DISCUSSION: The dividend policy demonstrates a prudent and deliberate approach to sharing the company's income. Commencing in FY22, regular reward payouts have maintained a steady rate of 200% annually thereafter. The company continues to pay dividends, but it is clearly putting its focus on growth-oriented investing rather than paying out a large portion of its profits. A strategy to save money and promote long-term growth is evident when more than 95% of earnings are continuously retained.

Debt Profile and Leverage Trends

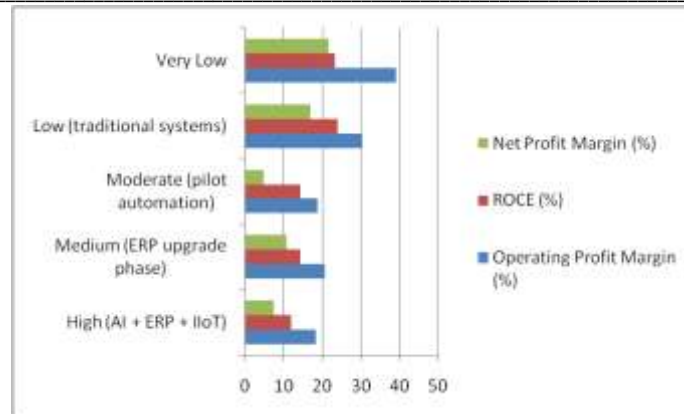
Year	Total Debt (₹ Cr)	Interest (₹ Cr)	Debt-Equity Ratio	Interest Coverage
Mar-25	6,917.83	620.02	0.14	10.94
Mar-24	11,120.25	920.79	0.24	8.77
Mar-23	11,875.38	1,285.78	0.29	5.77
Mar-22	13,325.83	1,414.79	0.33	9.12
Mar-21	16,710.32	2,186.54	0.51	5.25



DISCUSSION: A clear tendency toward more stable finances and less debt has been demonstrated over time by the company's debt management. The significant decrease in overall debt and interest costs from FY21 to FY25 is indicative of improved cost control and successful strategies for reducing debt. During FY25, the debt-to-equity ratio plummeted to 0.14, indicating that the corporation could have avoided borrowing money entirely. Interest coverage has increased to 10.94, indicating a good and steady financial status as it becomes easier to pay interest obligations.

Correlation – Digital Adoption vs Financial Metrics

Year	Digital Initiative Intensity	Operating Profit Margin (%)	ROCE (%)	Net Profit Margin (%)
2025	High (AI + ERP + IIoT)	18.31	11.96	7.41
2024	Medium (ERP upgrade phase)	20.53	14.25	10.61
2023	Moderate (pilot automation)	18.62	14.14	4.74
2022	Low (traditional systems)	30.41	24.04	16.75
2021	Very Low	39.19	23.25	21.47



DISCUSSION: Studies have shown a strong correlation between the increase in digital activity and shifts in profitability and efficiency metrics. At initially, the company's margins and returns decreased as it transitioned from legacy systems to cutting-edge digital platforms that integrated AI, ERP, and IIoT by 2025. Digital transformation lays the groundwork for operational efficiency and scalability in the long run, but it is expensive to implement and adapt to. It is likely that the changeover phase is to blame for the temporary decline in profitability. Digital ventures have the potential to generate significantly more revenue as they mature and achieve their maximum potential.

6. CONCLUSION

A company's bottom line is significantly impacted by financial technology, or FinTech, because it enhances productivity, profitability, and business openness to new ideas. Organizations may streamline their financial operations, increase transparency, and improve data-driven strategy decisions with the support of cutting-edge technology such as blockchain, digital payments, and artificial intelligence. Businesses become more adaptable and competitive with the help of FinTech. Keeping tabs on expenses and available funds is also made easy by this. In order to realize their maximum potential, organizations must address issues such as staff development, data security, and compliance with government regulations. When it comes to the economy and corporate strategy, fintech is a game-changer for the long haul.

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