



Press Release

Jindal Worldwide Limited

September 11, 2025

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	311.03 (Reduced from Rs. 360.45 crore)	IVR A/ Stable (IVR Single A with Stable Outlook)	IVR A/ Stable (IVR Single A with Stable Outlook)	Rating Reaffirmed	Simple
Short Term Bank Facilities	159.00	IVR A1 (IVR A One)	IVR A1 (IVR A One)	Rating Reaffirmed	Simple
Total	470.03 (Rupees Four hundred and seventy crore and three lakh only)				

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

Infomerics Ratings has reaffirmed the rating assigned to the bank facilities of Jindal Worldwide Limited (JWL). The ratings continue to derive strength from experienced promoters in textile industry along with competent management, established market position, backward integration supports operational profile and moderate financial risk profile. The rating strengths are, however, constrained by working capital intensive nature of operations, susceptibility of profitability to raw material price volatility, competitive and cyclical nature of textile industry and diversification of group into new sectors.

The Stable Outlook reflects expected improvement in demand thereby improvement in revenues and profitability in the medium term; and continued benefit from its long and established track record along with the support of promoters.

Key Rating Sensitivities:

Upward Factors

- Substantial increase in revenues and profitability, improving debt protection metrics and liquidity profile on a sustained basis.
- Sustained improvement in working capital cycle improving cash flows and liquidity of the company.



Press Release

Downward Factors

- Deterioration in revenues and profitability, deteriorating debt protection metrics and liquidity profile of the company.
- Stretch in working capital cycle thereby impacting cash flows and liquidity profile of the company.
- Sharp changes in leverage impacting debt protection metrics.
- Increase in corporate guarantees to group companies.

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

Experienced promoters in textile industry along with competent management

JWL, the flagship company of the Ahmedabad based group, is currently led by Dr. Yamunadutt Agarwal, having a total experience of around four decades in the textile industry and Mr. Amit Agarwal having a total experience of 15 years in the textile industry. The promoters are supported by a management team consisting of experienced professionals.

Established market position

JWL is one of the leading denim manufacturers in the country with an annual installed capacity of ~140 million metre per annum. The company has facilities spread across the value chain over four manufacturing units in Ahmedabad, Gujarat, which include processes like spinning, weaving, processing, and finishing. It also manufactures cotton-based bottom-weight fabrics and printed shirting. The company has a well-established dealer network and benefits from the promoters' established presence and long-standing relationships with various partners across the value chain.

Backward integration supports operational profile

JWL has set up various group companies who do job work for JWL. This backward integration increases the weaving capacity available to JWL and takes care of a majority of its yarn requirements and thus helps achieve operational efficiencies. The capital expenditure undertaken in these companies by JWL is further eligible for incentives under different Government schemes for interest subsidy on term loan, capital subsidy on plant and machinery, and power subsidy which further support the company's overall returns.

Moderate financial risk profile



Press Release

The company's total operating income (TOI) increased by 19.65% to Rs. 2224.67 crore in FY25 (FY refers to the period April 1 to March 31) from Rs. 1859.36 crore in FY24 due to increase in demand in the domestic market. The absolute EBITDA improved to Rs. 160.32 crore in FY25 from Rs. 146.64 crore in FY24. PAT remained at similar levels at Rs. 73.77 crore in FY25 and Rs. 70.03 crore in FY24. EBITDA and PAT margins remained at similar levels at 7.21% and 3.31% respectively in FY25 and 7.89% and 3.76% respectively in FY24. The total debt decreased to Rs. 600.00 crore as on March 31, 2025, from Rs. 671.62 crore as on March 31, 2024 and consists of term loans of Rs. 74.06 crore, working capital borrowings of Rs. 232.09 crore and bill discounting of Rs. 293.85 crore. The adjusted tangible net worth (ATNW) improved to Rs. 723.94 crore as on March 31, 2025, from Rs. 666.35 crore as on March 31, 2024. The overall gearing ratio on the adjusted tangible network (ATNW) improved to 0.83x as on March 31, 2025, as against 1.01x as on March 31, 2024. Total indebtedness of the company marked by TOL/ATNW improved to 1.08x as on March 31, 2025, as against 1.22x as on March 31, 2024. However, the company has also guaranteed debt of Rs. 603.70 crore of group companies, which further moderates the overall gearing and TOL/ATNW to 1.66x and 1.92x respectively as on March 31, 2025. The corporate guarantees are around 77 % of the TNW. The debt protection metrics like interest coverage ratio moderated but remained healthy at 3.73x in FY25 as against 4.50x in FY24. Total debt to EBITDA improved to 3.74 times as on March 31, 2025, from 4.58x as on March 31, 2024.

Key Rating Weaknesses

Working capital intensive nature of operations

JWL's operations are working capital intensive as the raw material availability is seasonal. The company has large working capital requirement which is reflected in operating cycle of 119 days in FY25 and 136 days in FY24. The collection period has improved to 89 days in FY25 from 101 days in FY24. Further, the average fund based working capital utilization remained high at ~80% for last 12 months ended June 2025. The company has high dependence on unsecured bill discounting, which stood at Rs. 293.85 crore in FY25 and Rs. 314.66 crore in FY24.

Susceptibility of profitability to raw material price volatility



Press Release

Like other textile businesses, profitability of JWL is subject to fluctuations in the cost of cotton yarn, the primary raw material. The cotton yarn industry's profitability margins are highly correlated with fluctuations in raw cotton prices. The company does not have any long-term contracts with cotton suppliers with regards to either quantity or price. However, it has established long standing relationship with its suppliers. The cotton yarn industry is fragmented and there is significant competition among the players in the industry due to which their bargaining power is limited. This restricts the players from fully passing on the input cost increases to customers or retaining any benefits of lower input costs. As a result, the profitability margins of the company are susceptible to the volatility in raw cotton prices. In FY25, the EBITDA margin was 7.21% vis a vis 7.89% in FY24.

Competitive and cyclical nature of textile industry

The textile industry is cyclical and closely follows the macroeconomic business cycles. The prices of the raw materials and finished goods are also determined by global demand-supply scenario, hence, any shift in macroeconomic environment globally also impacts the domestic textile industry.

The Indian textile industry consists of large, organized players who contribute to 75 per cent of total installed capacity and the remaining 25 per cent is contributed by unorganized segment. JWL through integrated operations benefits from economies of scale. Additionally, it is susceptible to factors like weather changes and changes in government policies aimed at the overall development of the textile industry.

Diversification of group into new sectors

The group has diversified into other segments through group companies. Through Aegios Polyfilms Private Limited (rated IVR A [CE]/ Stable / IVR A1 [CE]) the group has forayed into Biaxially-oriented Polyethylene Terephthalate (BOPET) films and has set up a unit at Kathua, Jammu & Kashmir with an installed capacity of ~139 TPD along with PET chips plant having installed capacity of 300 TPD. The commercial operations of BOPET plant started in December 2023 and PET chips plant started in December 2024. Further, through Expede-Tech Research & Development Private Limited (rated IVR A [CE]/ Stable / IVR A1 [CE]), the group has diversified into the chemical segment i.e. manufacturing of acetonitrile with an installed capacity of ~36 TPD. Acetonitrile chemical has a major application in pharmaceutical industry as a key solvent in the manufacturing of insulin and antibiotics. In addition, through



Press Release

Jindal Specialty Chemicals India Pvt Ltd the group is setting up a manufacturing unit with an installed capacity of ~10,000 TPA for Inulin which is a dietary fiber. The group through Jindal Mobiltrac Pvt. Ltd. is also exploring the high growth Electric Vehicles (EV) industry. However, the EV project is put on hold. Going forward, time and cost overruns in execution of any projects, timely scaling up of operations and profitability will be critical.

Analytical Approach: Standalone.

Analytical approach changed from Consolidated to Standalone as JWL has divested its stake in one of the subsidiaries and the other subsidiaries are not in related line of business. However, Infomerics considers all the guaranteed debt in analysis as per Infomerics standards.

Applicable Criteria:

[Rating Methodology for Manufacturing Companies.](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\).](#)

[Criteria for assigning Rating outlook.](#)

[Policy on Default Recognition](#)

[Complexity Level of Rated Instruments/Facilities](#)

[Policy on withdrawal of ratings](#)

Liquidity – Adequate

JWL's liquidity profile is adequate marked by expected sufficient cash accruals in the projected period FY26-28, to repay long-term debt obligations. The company has available free cash and bank balance of Rs. 272.73 crore as on June 30, 2025. The average utilisation of fund based working capital limits stood at ~80% during the last 12 months ended June 2025, which provides limited liquidity buffer. There is no further debt funded capex plans in FY26, however, JWL has given corporate guarantees for the debt of its subsidiaries and group companies aggregating to Rs. 603.70 crore.



Press Release

About the Company

Founded in 1986 by Dr. Yamunadutt Agrawal, Jindal Worldwide Ltd is a diversified and integrated textile fabrics and shirting manufacturer and one of the leading denim fabric manufacturers in India. JWL is the flagship company of Ahmedabad-based Jindal Group. It is a BSE and NSE listed company. JWL's product profile includes denim fabric, bottom weight fabrics, premium shirting and export centric home textile products. It is a government recognized export house. It has an installed capacity for denim manufacturing of 134 million metres p.a., bottom weight fabrics: 35 million metres, premium shirting: 20 million metres, dyed yarn: 1200 metric tonnes and 1 million set for made ups. The facilities are spread over four manufacturing units in Ahmedabad.

Financials (Standalone):

(Rs. crore)

For the year ended/ As on*	31-03-2024	31-03-2025
	Audited	Audited
Total Operating Income	1859.36	2224.67
EBITDA	146.64	160.32
PAT	70.03	73.77
Total Debt	671.62	600.00
Tangible Net Worth	710.48	779.08
EBITDA Margin (%)	7.89	7.21
PAT Margin (%)	3.76	3.31
Overall Gearing Ratio (x)	0.95	0.77
Interest Coverage (x)	4.50	3.73

* Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: None.

Any other information: None.



Press Release

Rating History for last three years:

Sr. No.	Name of Facilities	Current Ratings (Year 2025-26)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
					-	July 05, 2023	-
1.	Term Loan	Long Term	61.03	IVR A/ Stable	August 05, 2024 IVR A/ Stable	IVR AA-/ Stable	-
2.	Cash Credit	Long Term	250.00	IVR A/ Stable	August 05, 2024 IVR A/ Stable	IVR AA-/ Stable	-
3.	Letter or Credit	Short Term	150.00	IVR A1	August 05, 2024 IVR A1	IVR A1+	-
4.	Credit Exposure limit	Short Term	9.00	IVR A1	August 05, 2024 IVR A1	IVR A1+	-
5.	Proposed Commercial Paper	Short Term	-	-	July 01, 2024 Withdrawn	IVR A1+	-

Analytical Contacts:

Name: Neha Khan	Name: Jyotsna Gadgil
Tel: (022) 6239 6023	Tel: (020) 2991 3006
Email: neha.khan@infomerics.com	Email: jyotsna.gadgil@infomerics.com

About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) (formerly Infomerics Valuation and Rating Private Limited) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.



Press Release

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit www.infomerics.com.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Instrument/Facility Details

Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. crore)	Rating Assigned/ Outlook
GECL-II	-	-	-	January 2026	5.00	IVR A/ Stable
GECL-II Extension	-	-	-	October 2028	5.08	IVR A/ Stable
GECL-II Extension	-	-	-	September 2028	0.76	IVR A/ Stable
GECL-2	-	-	-	September 2026	4.35	IVR A/ Stable
GECL-2 Extension	-	-	-	July 2029	5.89	IVR A/ Stable
Term Loan	-	-	-	2028-29	10.6	IVR A/ Stable
GECL-2	-	-	-	December 2025	1.46	IVR A/ Stable
GECL-2 Extension	-	-	-	2028-29	15.40	IVR A/ Stable



Press Release

Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. crore)	Rating Assigned/ Outlook
Term Loan	-	-	-	September 2027	6.19	IVR A/ Stable
GECL-II	-	-	-	June 2026	2.34	IVR A/ Stable
Term Loan-2	-	-	-	June 2027	3.96	IVR A/ Stable
Cash Credit	-	-	-	-	250.00	IVR A/ Stable
Letter of Credit	-	-	-	-	150.00	IVR A1
Credit Exposure Limit	-	-	-	-	9.00	IVR A1

Annexure 2: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/len-jindalworld-sep25.pdf>

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated/Combined analysis: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.