

June 23, 2026

JSK Industries Private Limited: Long-term rating upgraded; short-term rating reaffirmed; rated amount enhanced

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long term: Fund based - Term loan	34.00	49.65	[ICRA]A+ (Stable); upgraded from [ICRA]A (Stable) and assigned for enhanced amount
Long term: Fund based - Cash credit	48.00	48.00	[ICRA]A+ (Stable); upgraded from [ICRA]A (Stable)
Long term: Non-fund based - Bank guarantee	175.00	250.00	[ICRA]A+ (Stable); upgraded from [ICRA]A (Stable) and assigned for enhanced amount
Short term: Non-fund based - Letter of credit	620.00	950.00	[ICRA]A1; reaffirmed and assigned for enhanced amount
Short term: Fund based – Others - Electronic vendor finance scheme	150.00	150.00	[ICRA]A1; reaffirmed
Short term: Non-fund based – Others - Forward contract	8.50	8.50	[ICRA]A1; reaffirmed
Total	1,035.50	1,456.15	

**Instrument details are provided in Annexure II*

Rationale

The rating upgrade for the long-term bank facilities of JSK Industries Private Limited (JSK) factors in the significant growth in its earnings, driven by the increased contribution of high-margin, value-added products such as high temperature low sag (HTLS) and AL59 conductors in its overall revenue mix. The execution of reconductoring projects directly by the company, instead of supplying to larger EPC players, also contributed positively to the margins. The operating profit increased to Rs. 366 crore in FY2026 from Rs. 143.4 crore in FY2025 and Rs. 74.2 crore in FY2024. The improved earnings profile is further supported by a healthy scale-up in operations, with the operating income rising to Rs. 3,466.6 crore in FY2026 from Rs. 2,019.2 crore in FY2025 and Rs. 1,830.7 crore in FY2024, backed by growth in both the manufacturing and trading segments.

The trading margins benefited from an improving pricing environment in FY2026; however, these are expected to normalise steadily going forward, leading to some moderation in the margins. Nevertheless, the growth prospects remain favourable over the medium term, supported by healthy demand in the power transmission sector and the secular shift towards high-value conductors such as AL59 and HTLS from conventional ACSR (aluminium conductor steel reinforced). Additionally, the growing share of high-value products in the revenue mix, along with an improving scale and operating leverage is likely to keep the margin profile comfortable, going forward.

The ratings also derive strength from JSK's comfortable capital structure and robust coverage metrics, reflected through the gearing of 0.1 times as on March 31, 2026 (0.1 times as on March 31, 2025) and interest coverage of 11.2 times in FY2026 (5.7 times in FY2025). The enhanced earnings have reinforced these credit metrics, supporting the company's overall comfortable financial profile.

The company's healthy order book of Rs. 1,437.3 crore as on April 30, 2026, provides revenue visibility over the near term. Further, JSK's established track record and relationships with reputed clients in the power transmission segment, including large and financially strong counterparties, enhance its business stability. ICRA also notes that the company's sales to non-

government entities are supported by letters of credit (LCs), which mitigate the counterparty credit risk and facilitate faster realisation of receivables.

The ratings, however, remain constrained by JSK's exposure to competitive intensity in tender-driven government orders. The company derives a substantial portion of its revenues from government orders, which are largely tender based, with pricing determined through competitive bidding. While private sector orders are typically executed through negotiated purchase orders, the profitability in the government contracts remain exposed to competitive tendering dynamics. This risk is partly mitigated by the company's conscious strategy to participate in reconductoring projects, which typically entail high-margin HTLS conductors and have relatively limited pool of qualified players, given the presence of licensing requirements for advanced technologies of high value conductor manufacturing, thereby restricting competition to an extent and providing some degree of competitive advantage. Nevertheless, while competition is relatively lower in these specialised segments, tender-driven pricing disciplines continue to prevail.

Additionally, JSK's operations remain highly raw material-intensive, with raw material costs accounting for 80–90% of the total sales. Prices of aluminium, the primary raw material, have been volatile in the past, making the company's profitability vulnerable to the fluctuations in input costs. However, JSK mitigates this risk through order-backed procurement of raw materials, supported by hedging positions on the London Metal Exchange (LME). Additionally, the presence of price variation clauses in a significant proportion of its orders enables the pass-through of raw material price fluctuations to customers, thereby limiting the impact on margins. Further, the company's revenue growth remains inherently exposed to delays in underlying transmission project execution by its customers due to external factors beyond its control, such as delays in securing right of way (RoW). This risk is partly mitigated by JSK's focus on reconductoring projects involving the upgradation of existing infrastructure, which typically face relatively lower clearances and RoW-related challenges.

The Stable outlook on the long-term rating reflects ICRA's expectation that JSK is likely to sustain its operating metrics, benefiting from its established market position and a healthy order book, supported by favourable demand conditions in its end-user industries. This is expected to help the company maintain comfortable credit metrics and an adequate liquidity profile.

Key rating drivers and their description

Credit strengths

Comfortable financial profile – JSK continues to exhibit a comfortable financial profile, with minimal reliance on fund-based limits. The company primarily utilises non-fund-based facilities such as letters of credit and bank guarantees to support its operations. As on March 31, 2026, its capital structure and coverage metrics remained comfortable, as reflected in a gearing of 0.1 times (0.1 times as on March 31, 2025), TOL/TNW of 1 times as on March 31, 2026 (1 times as on March 31, 2025) and interest coverage of 11.2 times in FY2026 (5.7 times in FY2025). Going forward, JSK's financial risk profile is expected to remain comfortable, driven by sustained earnings improvement on account of a higher contribution from value-added products and its modest reliance on fund-based limits.

Healthy order book position provides adequate near-term revenue visibility – JSK's order book remains healthy, with outstanding orders of Rs. 1,437.3 crore as on April 30, 2026, translating into a trailing book-to-bill ratio of 0.73 times the FY2026 revenue from the conductor segment. This, coupled with favourable demand in the power transmission sector and the secular shift towards higher value conductors such as AL-59 and HTLS from conventional ACSR conductors, is expected to support growth over the near to medium term.

Low exposure to counterparty credit risks; reputed customer profile – JSK maintains low exposure to counterparty credit risks as sales to non-government entities are backed by letters of credit (LCs), significantly mitigating the payment risk. Additionally, the company discounts these LCs, ensuring faster receivable conversion. JSK's clientele comprises marquee customers with strong credit profiles. The company has also been securing repeat orders from its clientele, reinforcing its market position.

Credit challenges

High raw material intensity and aluminium's price volatility expose margins to input cost fluctuations – JSK's operations are highly raw material intensive, with costs accounting for 80–90% of the total sales from conductors and wire rods. Consequently, the company's profitability remains exposed to fluctuations in aluminium prices, which have historically been volatile. However, JSK mitigates this risk through order-backed procurement of raw materials, supported by hedging positions on the London Metal Exchange (LME), ensuring that it does not carry any open or unhedged commodity exposures. Additionally, the presence of price variation clauses in a significant proportion of its orders enables the pass-through of raw material price fluctuations to customers, thereby limiting the impact on margins.

The company is also exposed to foreign exchange rate fluctuations due to its import and export operations. This risk is partly mitigated through a natural hedge, with the residual exposure, if any, being managed through forex hedging mechanisms.

Susceptibility to tender based operations – The company derives a substantial portion of its revenues from government orders, which are largely tender based, with pricing determined through competitive bidding. While private sector orders are typically executed through negotiated purchase orders, the profitability in the government contracts remain exposed to competitive tendering dynamics. This risk is partly mitigated by the company's conscious strategy to participate in reconductoring projects, which typically entail high-margin HTLS conductors and have relatively limited pool of qualified players, given the presence of licensing requirements for advanced technologies of high value conductor manufacturing, thereby restricting competition to an extent and providing some degree of competitive advantage. Nevertheless, while competition is relatively lower in these specialised segments, tender-driven pricing disciplines continue to prevail.

Susceptible to delays in project execution by customers – The company's revenue growth remains inherently exposed to delays in underlying transmission project execution by its customers, due to external factors beyond its control, such as delays in securing right of way (RoW). This risk is partly mitigated by JSK's focus on reconductoring projects involving the upgradation of existing infrastructure, which typically face relatively lower clearances and RoW-related challenges.

Liquidity position: Adequate

JSK's liquidity position remains adequate, supported by healthy cash flow from operations and sizeable free cash and bank balances that provide a comfortable buffer for servicing the LC maturities. Undrawn fund-based cash credit limits of Rs. 48.0 crore also support the liquidity. The company's dependence on non-fund based facilities, especially LCs, provides flexibility in procurement, while efficient and timely collection of receivables remains key to sustaining its liquidity profile. JSK does not have any major capital expenditure plans in the near term, and its debt repayment obligations remain minimal, with term loan repayments of Rs. 12.14 crore for FY2027. The company has an outstanding LC of ~Rs. 708 crore as on May 29, 2026, with Rs. 286.4 crore of repayments due in July 2026, which are expected to be comfortably serviced by free cash and equivalents of Rs.494.9 crore (as of May 28, 2026), internal cash generation and undrawn working capital lines.

Rating sensitivities

Positive factors – The ratings may be upgraded if the company is able to sustain its healthy earnings while efficiently managing its working capital cycle and strengthen its liquidity position.

Negative factors – Pressure on JSK's ratings could arise if there is any significant decline in earnings, which would adversely impact its credit metrics. An elongation in the working capital cycle and/or a large debt-funded capex impacting the company's liquidity position or coverage indicators could also exert downward pressure on the ratings. A specific credit metric for rating downgrade includes a TOL/TNW ratio above 1.5 times on a sustained basis.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Not applicable
Consolidation/Standalone	The ratings are based on the standalone financial profile of JSK.

About the company

JSK was incorporated in 2005 by Mr. Kalpesh Shah and Mr. Anish Shah. It commenced its operations for manufacturing overhead aluminium conductors and wire rods at its facility in Silvassa (Dadra & Nagar Haveli) from February 2008. Aluminium wire rod is the primary raw material for conductors. Aluminium conductors are used in transmission and distribution systems to carry the generated electrical energy from the generating station to the end users. The wire rods manufactured by JSK are used for captive consumption as well as for external sales to other cable and conductor manufacturers. The end customers for aluminium conductors include various State Electricity Boards, private sector distribution companies and providers of turnkey solutions for electricity transmission and distribution. JSK is also involved in the trading of aluminium ingots.

Key financial indicators (audited)

Consolidated	FY2024	FY2025	FY2026*
Operating income	1830.7	2019.2	3466.6
PAT	39.6	91.4	225.4
OPBDITA/OI	4.1%	7.1%	10.6%
PAT/OI	2.2%	4.5%	6.5%
Total outside liabilities/Tangible net worth (times)	0.4	1.0	1.0
Total debt/OPBDITA (times)	0.3	0.4	0.1
Interest coverage (times)	2.9	5.7	11.2

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; *provisional financials

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Current (FY2027)		Chronology of rating history for the past 3 years						
		Amount rated (Rs. crore)	FY2027		FY2025		FY2024		FY2023	
			Date	Rating	Date	Rating	Date	Rating	Date	Rating
Fund based - Term loan	Long term	49.65	June 23, 2026	[ICRA]A+ (Stable)	March 21, 2025	[ICRA]A (Stable)	February 05, 2024	[ICRA]A (Stable)	January 25, 2023	[ICRA]A (Stable)
Fund based - Cash credit	Long term	48.00	June 23, 2026	[ICRA]A+ (Stable)	March 21, 2025	[ICRA]A (Stable)	February 05, 2024	[ICRA]A (Stable)	January 25, 2023	[ICRA]A (Stable)
Non-fund based - Bank guarantee	Long term	250.00	June 23, 2026	[ICRA]A+ (Stable)	March 21, 2025	[ICRA]A (Stable)	February 05, 2024	[ICRA]A (Stable)	January 25, 2023	[ICRA]A (Stable)
Non-fund based - Letter of credit	Short term	950.00	June 23, 2026	[ICRA]A1	March 21, 2025	[ICRA]A1	February 05, 2024	[ICRA]A1	January 25, 2023	[ICRA]A1
Fund based - Others - Electronic vendor finance schemes	Short term	150.00	June 23, 2026	[ICRA]A1	March 21, 2025	[ICRA]A1			-	-
Non-fund based - Others - Forward contract	Short term	8.50	June 23, 2026	[ICRA]A1	March 21, 2025	[ICRA]A1			-	-
Unallocated	Long term/Short term	-							January 25, 2023	[ICRA]A (Stable) / [ICRA]A1

Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10, 2026

ICRA-rated instruments that fall under the regulatory purview of various Financial Sector Regulators (FSRs), as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs (\$)	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA

13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	Investor-side Regulator such as IRDAI, PFRDA (%)

(*) Includes securitisation transactions involving assignee payout, acquirer's payout.

(\$) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026, and accordingly, investor side FSRs have been mentioned.

Other activities offered by ICRA that fall under the regulatory purview of various FSRs, as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

Disclosure: SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of FSRs other than SEBI.

Complexity level of the rated instruments

Instrument	Complexity indicator
Long term: Fund based - Cash credit	Simple
Long term: Fund based - Term loan	Simple
Long term: Non-fund based - Bank guarantee	Simple
Short term: Fund based – Others - Electronic vendor finance scheme	Simple
Short term: Non-fund based - Letter of credit	Simple
Short term: Non-fund based – Others - Forward contract	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

Annexure II: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Fund based - Cash credit	NA	NA	NA	48.00	[ICRA]A+ (Stable)
NA	Fund based - Term loan	Jan-23	NA	FY2029	49.65	[ICRA]A+ (Stable)
NA	Non-fund based - Bank guarantee	NA	NA	NA	250.00	[ICRA]A+ (Stable)
NA	Fund based – Others - Electronic vendor finance scheme	NA	NA	NA	150.00	[ICRA]A1
NA	Non-fund based - Letter of credit	NA	NA	NA	950.00	[ICRA]A1
NA	Non-fund based – Others - Forward contract	NA	NA	NA	8.50	[ICRA]A1

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure III: List of entities considered for consolidated analysis- Not applicable

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