Jindal India Power Limited

November 11, 2025

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long Term / Short Term Bank Facilities	2,000.00	CARE BBB+; Stable / CARE A2	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The ratings assigned to the proposed bank facilities of Jindal India Power limited (JIPL), which operates a 1,200 MW thermal power plant in Angul, Odisha, factors in the debt-free status of the company as on September 2025 end. The company had previously undergone a one-time settlement (OTS) with the lenders, as a part of which the external debt was reduced to Rs. 2,450 crore (as against Rs. 9,480 crore outstanding previously), which was subsequently paid off in full by April 2022. As a part of the OTS, the consortium of lenders own ~10% in JIPL. The credit profile is also supported by long term revenue visibility on account of the presence of medium to long term power purchase agreements (PPAs) for ~86% of the installed capacity. The ratings also draw comfort from low fuel risk emanating from presence of fuel supply agreement (FSA) with Coal India Limited (CIL) and Scheme for Harnessing and Allocating Koyala Transparently in India (SHAKTI) linkage, assuring availability of coal at competitive prices. The operational performance of the plant has been satisfactory as evident from plant availability factor (PAF) higher than 80% and plant load factor (PLF) above 75% in the last three years. The company has been selling power from untied capacity in merchant route at healthy spreads (revenue less fuel cost), which has led to strong operating profit in the last three years. The credit profile also draws comfort from the plant being exempt from incurring FGD capital expenditure as notified by MoEF through its notification dated July 11, 2025.

CareEdge Ratings also takes note of the Enforcement Directorate's (ED) recent search operations conducted in September 2025 on various B C Jindal group entities including JIPL. The ED press release mentions about the search operations being conducted on the premises of Jindal India Powertech Limited (JIPTL), which is the parent of JIPL and Jindal Poly Films Limited (JPFL), which is the listed entity of the group. The investigations pertain to potential violations of the Foreign Exchange Management Act (FEMA) by the group entities for its overseas investments and parking of funds in their own overseas entities and round tripping of its own funds. CareEdge Ratings understands that the investigation is under progress and management has confirmed they are fully cooperating with authorities to ensure a timely resolution. Any adverse findings emerging from the ongoing investigation may impact the company's financial flexibility and its ability to raise fresh capital. CareEdge Ratings shall continue to monitor the developments and any adverse action impacting JIPL's financial flexibility shall be a credit negative event.

Additionally, the rating strengths are tempered by significant contingent liabilities of ~₹3,426 crore as on March 31, 2025. Any significant crystallisation of these liabilities impairing financial flexibility of JIPL would be a credit sensitivity. The ratings are also constrained due to counterparty credit risk as the offtakers are state distribution utilities, which have weak-to-moderate financial profile. However, the collection pattern has remained satisfactory as reflected by receivable days of below 45 in FY24 and FY25. CareEdge Ratings also takes a note of the proposed renewable energy capital expenditure of ~₹9,600 crore planned by the company. JIPL has secured three Letters of Award (LoAs) for the development of round-the-clock (RTC) and hybrid projects through competitive bidding processes conducted by various renewable energy implementing agencies (REIAs). While the PPAs are yet to be executed for these projects, the materialisation of such PPAs would expose the company to execution and funding risks, given the large scale capex required for these projects. In CareEdge Ratings opinion, the internal accruals generated from the thermal power business is likely to fund upto 30% of the envisaged cost, the remaining portion would have to be funded through debt. The ability of the group to achieve debt funding for the same at competitive rates would be a key credit monitorable.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Greater revenue visibility by virtue of considerable capacity having long term PPAs at a remunerative tariff and maintenance of operating parameters in line with existing levels.

[1]Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Negative factors

- Undertaking significant capex including capex for the envisaged renewables capacity
- Significant decline in operational performance or elongation in operating cycle to above 120 days on a sustained basis or Total debt to EBITDA exceeding 2x on a standalone basis.
- Higher-than-envisaged crystallisation of contingent liabilities.
- Adverse outcomes or regulatory sanctions arising from the ED investigation, which could materially impact the company's financial flexibility and credit profile.

Analytical approach: Standalone

Outlook: Stable

The 'stable' outlook reflects JIPL's ability to sustain its healthy operational performance, maintain reasonable inventory level and realisation on merchant sales and a steady level of receivables in the medium term.

Detailed description of key rating drivers:

Key strengths

Revenue visibility provided by long term/medium term PPAs
JIPL has long-and-medium term PPAs of 1,029 MW comprising 86% of the installed capacity, which provides long term revenue visibility. The company has long term competitively bid PPA of 228 MW with Bihar State Power Holding Company Limited till December 2030 and long-term PPA with GRIDCO for 125 MW at variable charge basis till September 2042. Also, company has signed a 25-year LT PPA with Assam Power Distribution Company Limited (APDCL) for ~125 MW at remunerative tariff. The PPA would be executed in two phases – Phase I of 75 MW starting October 2025 and Phase II of 50 MW staring April 2028.

Company also has signed medium-term PPAs via competitive bidding route of 615 MW with Power Trading Company (PTC), Tata Power Trading Company Limited (TPTCL), Haryana Power Purchase Centre (HPPC) and Noida Power Company Limited (NPCL), which are expiring between March 2026 and March 2029 at remunerative tariffs. The power from balance untied capacity is being sold on exchange/merchant basis.

Improved fuel availability due to linkage and SHAKTI tie up
The aggregate coal requirement for JIPL's 1,200 MW plant at 85% PLF is estimated at 6.56 million tonnes per annum (MTPA). JIPL has executed a 25-year FSA with MCL with annual contracted quantity (ACQ) of 2.661 MTPA, which mitigates fuel supply risk to some extent. The company has also secured coal through SHAKTI auctions schemes - 3.441 MTPA under SHAKTI B(iii) and B(v) Policy from MCL and 1.36 MTPA under SHAKTI B(viii) scheme for supply of power in exchange. Balance coal based on requirement is sourced through e-auction. Presence of FSA and linkage via SHAKTI schemes for 7.462 MTPA of coal has mitigated fuel supply risk to a large extent. However, coal pricing in the SHAKTI scheme and e-auction has varied in the recent past, which exposes the company to fuel price risk. The coal under FSA/linkage via SHAKTI scheme/e-auction is primarily supplied from Talcher and Kaniha mines and the increase in capacity of these mines has improved coal availability to the plant. The competitive blended cost of coal for JIPL provides it an advantage for selling power under long/short term PPAs and on exchange.

Improvement in operational performance
JIPL has exhibited significant upliftment in operational performance in the last three years. This is demonstrated by plant availability factor above 80% and PLF in the range of 75%-80%. The tie up of medium term PPAs at remunerative tariff in the last three years, strong power demand, limited capacity addition in thermal segment in recent past and healthy realisation in merchant route along with availability of coal under FSA/SHAKTI scheme/e-auction route at affordable rate lead to improvement in financial profile of the company. In the medium term, JIPL is expected to maintain healthy operational performance considering improved coal availability and improved tariffs under recently signed PPAs leading to improved profitability.

Limited external debt
JIPL has been generating strong profitability considering healthy realisation under merchant market and availability of linkage/SHAKTI coal at reasonable price. The company does not have outstanding external debts as on date and maintains adequate liquidity. Total Debt/EBIDTA is expected to remain below 2x in the near term on a standalone basis.

Key weaknesses

Counterparty credit risk
JIPL has long-term PPAs with state discoms of Bihar and Odisha and medium-term PPAs with PTC, TPTCL and NPCL apart from engaging in merchant sales. Weak credit profile of some off-takers exposes JITPL to risks related to delay in receivables. Post implementation of LPSC scheme in June 2022, the payment from offtakers has been timely which mitigates counter party credit risk to some extent. Timely receipt of billed invoices from offtakers in future shall remain a key monitorable.

Significant Contingent liability exposure
The company has significant contingent liabilities to the tune of ₹3,426 crore as on March 31, 2025, on its books, which are largely not provided for Any significant crystallisation of these liabilities impairing financial flexibility of JIPL would be a credit sensitivity.

Exposure to merchant market
The company currently has ~14% of its capacity open in the merchant market. The medium-term PPA with TPTCL is set to expire in March 2026. Moreover, the company has signed several medium term PPAs which are due to expire in next 2-4 years. Ability of the company to sign PPAs at remunerative tariff or healthy realization from merchant sale in line with past trends shall be a key rating monitorable.

Significant capital expenditure in renewable business envisaged by the group
The Group has ventured into the renewable energy business via its wholly owned subsidiary, Jindal India Renewable Energy Limited ("JIREL"). JIPL has secured three LoAs for 150 MW RTC project from SECI, 300 MW solar + BESS project from NHPC and 300 MW solar+BESS project from SJVN. These projects would entail cumulative capital expenditure of ~Rs 9,600 crore to be funded by debt and equity. The PPAs for the projects are yet to be signed and the physical and financial progress remains limited. According to management, the equity requirements for these projects are expected to be met through internal accruals generated from the thermal power business. CareEdge Ratings will closely monitor and assess the proposed capital expenditure once greater clarity is attained regarding the project structure and execution plans.

Liquidity: Adequate

Company maintained adequate liquidity as on June 30, 2025, marked by cash and cash equivalents worth Rs. 264 crores (out of which ~Rs. 47 crore is unencumbered). Company has utilized the surplus cash accruals, generated during FY25, for repayment of promoter contribution during FY25.

Applicable criteria

Policy on Default Recognition
Liquidity Analysis of Non-financial sector entities
Assigning 'Outlook' or 'Rating Watch' to Credit Ratings
Rating of Short Term Instruments
Withdrawal Policy
Financial Ratios – Non financial Sector
Infrastructure Sector Ratings
Thermal Power

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Utilities	Power	Power	Power Generation

JIPL was originally promoted by Jindal Poly Films Limited (JPFL) and Jindal Photo Limited (JPL) through Jindal India Powertech Limited (holding company). It has implemented 1,200 MW green field thermal power plant (as 2 units of 600 MW each) at district Angul in Odisha. The project entails a total estimated cost of ₹7,537 crore being funded through a debt (including subordinate debt and unsecured loans) of ₹5,900 crore and the promoter's contribution of ₹1,637 crore.

Brief Financials (₹ crore)*	March 31, 2024 (A)	March 31, 2025 (A)
Total operating income	3,359	3,650
PBILDT	1,076	1,274
PAT	591	752
Overall gearing (times)	0.5	0.0
Interest coverage (times)	14.0	34.0

A: Audited; Note: these are latest available financial results *Per CARE Methodology

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT/ ST-Working Capital Limits		-	-	-	700.00	CARE BBB+; Stable / CARE A2
Non-fund-based - LT/ ST-BG/LC		-	-	-	1300.00	CARE BBB+; Stable / CARE A2

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Term Loan	LT	-	-	-	1)Withdrawn (17-Sep-24) 2)CARE BB-; Stable; ISSUER NOT COOPERATING* (09-May-24)	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (08-Mar-23) 2)CARE BBB-; Stable (06-Apr-22)
2	Fund-based - LT-Term Loan	LT	-	-	-	1)Withdrawn (17-Sep-24)	-	1)CARE BB+; Stable; ISSUER

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
						2)CARE BB-; Stable; ISSUER NOT COOPERATING* (09-May-24)		NOT COOPERATING* (08-Mar-23) 2)CARE BBB-; Stable (06-Apr-22)
3	Fund-based - LT-Cash Credit	LT	-	-	-	1)Withdrawn (17-Sep-24) 2)CARE BB-; Stable; ISSUER NOT COOPERATING* (09-May-24)	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (08-Mar-23) 2)CARE BBB-; Stable (06-Apr-22)
4	Non-fund-based - ST-BG/LC	ST	-	-	-	1)Withdrawn (17-Sep-24) 2)CARE A4; ISSUER NOT COOPERATING* (09-May-24)	-	1)CARE A4+; ISSUER NOT COOPERATING* (08-Mar-23) 2)CARE A3 (06-Apr-22)
5	Non-fund-based - ST-BG/LC	ST	-	-	-	1)Withdrawn (17-Sep-24) 2)CARE A4; ISSUER NOT COOPERATING* (09-May-24)	-	1)CARE A4+; ISSUER NOT COOPERATING* (08-Mar-23) 2)CARE A3 (06-Apr-22)
6	Fund-based - LT/ST-Working Capital Limits	LT/ST	-	-	1)Withdrawn (20-Oct-25)	1)CARE A-; Stable / CARE A2+ (22-Oct-24)	-	-
7	Fund-based - LT-Term Loan	LT	-	-	1)Withdrawn (20-Oct-25)	1)CARE A-; Stable (22-Oct-24)	-	-
8	Fund-based - ST-Working Capital Limits	ST	-	-	1)Withdrawn (20-Oct-25)	1)CARE A2+ (22-Oct-24)	-	-
9	Fund-based - LT/ST-Working Capital Limits	LT/ST	700.00	CARE BBB+; Stable				

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
				/ CARE A2				
10	Non-fund-based - LT/ ST-BG/LC	LT/ST	1300.00	CARE BBB+; Stable / CARE A2				

*Issuer did not cooperate; based on best available information.
LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT/ ST-Working Capital Limits	Simple
2	Non-fund-based - LT/ ST-BG/LC	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

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