JSW Motors Limited

April 28, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term bank facilities	7,173.00 (Reduced from 7,755.00)	CARE A-; Stable	Reaffirmed
Short-term bank facilities	100.00	CARE A2+	Assigned
Short-term bank facilities	735.00	CARE A2+	Assigned
Short-term bank facilities	1,045.00	CARE A2+	Assigned

Details of instruments/facilities in Annexure-1.

The list of facilities / instruments falling under the purview of various financial sector regulators (FSRs), along with the names of respective FSRs has been disclosed under Annexure-6.

Rationale and key rating drivers

Reaffirmation of ratings assigned to bank facilities of JSW Motors Limited (JML) derive significant strength from strong parentage of JSW Group, led by Sajjan Jindal, and the group's healthy financial flexibility. JML holds strategic importance for the JSW Group, reflected in the shared brand name, JSW. Sajjan Jindal Family Trust, indirectly through group companies, holds 100% equity in JML. JML is setting up a greenfield manufacturing plant for production of new energy vehicles (battery electric vehicles [BEV] and plug-in hybrid electric vehicles [PHEV]) with a planned capacity of 3,00,000 cars per annum at Chhatrapati Sambhajinagar, Maharashtra, which is expected to commence commercial production by October 2027 with sizeable subsidy support.

Ratings also draw comfort from the JSW Group's established track record of extending support to group companies and long-term favourable demand prospects for BEV and PHEV. Ratings derive strength from proposed corporate guarantee from JSW Green Mobility Limited (JGML) and sponsor support undertaking from JSW Projects Limited. (JPL) in project implementation and stabilisation phase to meet cash flow shortfall. Ratings also factor the revised project cost, which stands at ₹11,036 crore, of which ~₹1,460 crore (~13%) has been incurred as of March 31, 2026, entirely funded through promoter equity; cumulative equity infusion amounts to ₹1,578 crore, with a further ₹500 crore expected in Q1FY27. The scheduled commercial operation date (SCOD) remains unchanged at October 2027. Per the management, major civil and equipment orders have been placed, execution is underway with phased capex deployment, and financing arrangements are getting concluded with banks.

However, ratings remain constrained by risks inherent to greenfield projects at a nascent stage of operations, limited experience of JSW group in this business, leveraged capital structure, pending debt tie-up for the project, exposure to geo-political risks between India and China, impacting component supply, technology risk due to evolving battery technology and highly competitive market with presence of strong established players in the business.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Timely completion of total capex without material time and cost overruns, and smooth stabilisation of operations.

Negative factors

- Weakening managerial and financial linkages with the JSW group or significant dilution in the stake held by JSW group.
- Significant cost and time overruns, delays in stabilisation of operations and significant delays in ramping up of operations.
- Lack of timely funding support from JSW group to meet shortfall such that its debt service coverage ratio (DSCR) falls below 1.10x.

Analytical approach: Standalone.

Ratings also factor in strong financial linkages with Sajjan Jindal led the JSW group.

Outlook: Stable

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

CARE Ratings Limited (CareEdge Ratings) believes that JML shall benefit from strong support from the JSW group, given its experienced management and strong execution track record in implementation and stabilisation of large size projects. JML is expected to receive need-based financial support from the JSW group timely due to corporate guarantee from JGML.

Detailed description of key rating drivers:

Key strengths

Part of established JSW group; having strong linkages

JML is part of the JSW group, led by Sajjan Jindal, and is a part of the larger O.P. Jindal group. As on March 31, 2026, Sajjan Jindal Family Trust indirectly holds 100% equity stake in JML. The JSW group has significant presence in diversified business segments such as steel, energy, real estate, infrastructure, cement, paints, and sports. The group ventured into passenger vehicle segment and gained insights about the electric vehicles business by acquiring an equity stake in MG Motor India Private Limited in March 2024 through JSW Venture Singapore Pte Limited and renamed the company as JSW MG Motor India Private Limited (JSW MG). MG is a British brand and JSW MG is engaged in manufacturing, selling and servicing passenger cars and selling automobile parts and accessories. JSW MG is jointly controlled by SAIC Motor HK Investment Limited (SAIC) and JSW Group. As on March 31, 2025, JSW Group holds 35% stake in JSW MG.

JSW MG is a second-largest player in the domestic electric passenger vehicle industry with a retail market share of 26.53% in FY26 compared to 28.02% in FY25. However, it had only 1.40% (PY: 1.39%) market share in the overall domestic passenger vehicle market in FY26 and is the eight-largest player in the overall domestic passenger car market. Through JML, the JSW group is setting up a green-field BEV and PHEV manufacturing plant at Chhatrapati Sambhajinagar, Maharashtra, with a manufacturing capacity of 3,00,000 vehicles per annum. The facility is expected to commence commercial production by October 2027.

The group has extended its strong brand to JML, which is expected to help in quickly establishing its product in the market. Sharing the group name underpins the company's strategic importance to the JSW Group. JML is also expected to benefit from JSW Group's extensive experience in executing large and complex projects. JML also enjoys significant financial flexibility being part of JSW Group. Through JSW Greentech Limited, JSW group is also setting up an electric commercial vehicle manufacturing facility with a manufacturing capacity of 10,000 electric buses and 5,000 electric trucks annually.

Demonstrated financial support from the group; expected to continue in future

The group has infused ₹1,578 crore as promoter contribution since the incorporation of JML and commencement of the project. Another ₹500 crore promoter contribution is expected in Q1FY27. JML's parent, JGML is expected to provide a corporate guarantee (backed by its board resolution) for the term-debt to be availed by JML. JML's parent, JGML is expected to provide a sponsor support undertaking (backed by its board resolution). The group has a strong track record of extending support to group companies and is expected to provide timely need-based support to JML.

Long-term favourable demand prospects for BEV and PHEV with sizeable subsidy support to JML

To promote domestic EV manufacturing, decarbonise transportation, and reduce dependence on imports, central and state governments have introduced policy measures in recent years. The Government of India approved the production-linked incentive (PLI) scheme and Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME) schemes—FAME I and FAME II—with a total budgetary outlay of ~₹12,395 crore. On the demand side, there has been a significant push by central and state governments to accelerate EV adoption, with NITI Aayog aiming for EVs to comprise 30% of total PV sales by 2030. Long-term demand prospects for BEVs and PHEVs are highly promising, driven by global efforts to decarbonise transportation, improve energy efficiency, and reduce dependence on fossil fuels. CareEdge Ratings also notes that the JML's project is eligible for substantial subsidies from the Government of Maharashtra, which include capex subsidy, interest subvention, and State Goods and Services Tax (SGST) reimbursement aggregating to over ₹8,500 crore, which will help JML significantly lower its capex, operational costs and cashflows.

Liquidity: Adequate

JML's liquidity is marked adequate, supported by its access to need-based financial support from JSW Group timely. Being part of the JSW group, JML enjoys superior financial flexibility, considering its ability to access debt markets and raise funds at competitive interest rates. Till date, JSW Group has invested ₹1,578 crore in JML. The company is in process of achieving financial closure and is expected to receive a sanction for its term loan from the banks shortly. The proposed loan will have a door-to-door tenure of ~11 years with a moratorium of one year post SCOD. Repayments are expected to commence from October 2028 providing adequate time for ramp up of its operations.

Key weaknesses

Inherent risks associated with greenfield project in the nascent stage of implementation

Being in the nascent stage, the project remains exposed to time and cost overruns associated with greenfield projects. As on March 31, 2026, only 13% (~₹1,460 crore of the total project cost of ₹11,036 crore) has been incurred, funded through equity and unsecured loans from the group. The scheduled commercial operations date (SCOD) for the project is October 2027. The company already finalised purchase orders for major civil and plant packages and engaged Accenture as the program management consultant to ensure on-time and on-budget project delivery. However, CareEdge Ratings derives comfort from the JSW Group's strong and proven track record in successfully executing large-scale, technically complex, capital-intensive projects timely, which should help to mitigate execution risk to some extent.

To mitigate inherent risks associated with a nascent greenfield project, the company has adopted a phased market-entry strategy through early completed knocked down (CKD) operations. CKD units will be sourced from its Chinese technology partner and assembled at the Aurangabad facility, where the General Assembly shop is expected to be shortly operational, enabling domestic launches from November 2026—well ahead of the scheduled COD (October 2027). This approach supports early revenue visibility, brand establishment, and real-time market feedback, while limiting upfront localization and execution complexity in the initial phase.

Leveraged capital structure

Capital structure is expected to remain leveraged in the medium term, considering funding of the project cost of ₹11,036 crore primarily through debt of ₹7,173 crore and the balance ₹3,863 crore through equity infusion from JSW Group. The project cost has been revised from ₹11,596 crore, mainly due to a reduction in the estimated technology cost. Capital structure and debt coverage metrics are expected to remain leveraged until project completion and ramp-up of operations to a significant scale. The company's ability to profitably ramp up operations timely will be critical.

Exposed to geo-political risks between India and China, impacting supply of components

Due to JML's dependence on Chinese players for battery and platform technology, supply, after-sales service of EVs, and requisite technology transfers will depend on the geo-political relationship between India and China. Battery and EV technologies have evolved over the years. However, the lack of a 10-year operational history for EVs and uncertainty regarding long-term maintenance cost remains constraints. Limitations on battery-related imports such as increase in customs duty, restrictions on Chinese imports, are likely to impact the project's viability, operations and company's profitability. Although, CareEdge Ratings notes that JML has plans to localise majority components in the long run.

Evolving battery technology risk with highly competitive market

EV manufacturers are exposed to technology risk since the battery technology has been constantly evolving, exposing the products to be manufactured by JML to the risk of obsoletion in case of emergence of superior technology. Indian market for passenger cars is highly competitive with presence of many established players with strong credit profile and well spread-out distribution and service network, exposing JML to competition risk once it starts operations.

Applicable criteria

Definition of Default
Factoring Linkages Parent Sub JV Group
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Manufacturing Companies
Financial Ratios – Non financial Sector
Project stage companies
Short Term Instruments

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer discretionary	Automobile and auto components	Automobiles	Passenger cars and utility vehicles

Incorporated in January 2025, JML is a wholly owned subsidiary of JSW Green Mobility Limited, which is fully owned by JPL, a company entirely held by the Sajjan Jindal Family Trust. JML is setting up its BEV and PHEV manufacturing facility in Chhatrapati

Sambhajinagar, Aurangabad, Maharashtra. The products manufactured will be launched and sold under the JSW brand. The facility is scheduled to commence commercial production by October 2027.

Brief Financials: Not applicable, as it is a project stage entity.

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-Term Loan*	-	-	-	31-03-2037	7,173.00	CARE A-; Stable
Non-fund-based - ST – Credit Exposure Limit	-	-	-	-	100.00	CARE A2+
Non-fund-based - ST – Letter of credit	-	-	-	-	735.00	CARE A2+
Non-fund-based - ST – Bank Guarantee	-	-	-	-	1,045.00	CARE A2+

*Proposed, no outstanding

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 2026-2027	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
1	Fund-based - LT-Term Loan	LT	7173.00	CARE A-; Stable	-	1)CARE A-; Stable (30-Oct-25)	-	-
2	Non-fund-based - ST – Credit Exposure Limit	ST	100.00	CARE A2+				
3	Non-fund-based - ST – Letter of credit	ST	735.00	CARE A2+				
4	Non-fund-based - ST – Bank Guarantee	ST	1,045.00	CARE A2+				

LT: Long term; ST: 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-Term Loan	Simple
2	Non-fund-based - ST – Credit Exposure Limit	Simple
3	Non-fund-based - ST – Letter of credit	Simple
4	Non-fund-based - ST – Bank Guarantee	Simple

Annexure-5: Lender details

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

Annexure-6: List of Facilities/Instruments and FSRs

As required by SEBI Circular dated February 10, 2026, to Credit Rating Agencies (CRAs), the list of activities or instruments falling under the purview of various FSRs, along with the names of respective FSRs, is disclosed below:

Sr. No.	Facilities/Instruments Name	Regulator of the Instruments[2]
1.	Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities)	SEBI
2.	Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (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 Banks / NBFCs / NHB / FIs ^	RBI
9.	External Commercial Borrowings and Other Similar Borrowings	RBI
10.	Certificates of Deposit	RBI
11.	Fixed Deposits Raised by Banks, NBFCs, HFCs, FIs	RBI
12.	Fixed Deposits Raised by Corporates Other Than Banks, NBFCs, HFCs, FIs	MCA
13.	Inter Corporate Deposits / Loans Extended by Corporates	MCA
14.	Borrowing Programme ~	-
15.	Issuer Ratings #	-
16.	Credit Ratings for Capital Protection Oriented Schemes (By Mutal Funds and AIFs)	SEBI
17.	Credit Quality Ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18.	Listed Security Receipts	SEBI
19.	Unlisted Security Receipts	RBI
20.	Independent Credit Evaluation (ICE)	RBI
21.	Expected Loss Ratings (For Loan Facilities (Fund / Non-Fund Based) from Banks / NBFCs / NHB / FIs)	RBI
22.	Expected Loss Ratings (Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities))	SEBI
23.	Expected Loss Ratings (Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities))	MCA
24.	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.

[2]SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority

~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), among others. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In the rating reports subsequent to issuance(s), CareEdge Ratings shall separately capture the rated quantum details along with names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

@ These ratings were assigned in regulatory regime prior to introduction of SEBI CRA Circular dated February 10, 2026, and the investor side regulators have accordingly been included.

Note: For facilities / instruments falling under the purview of FSRs other than SEBI, the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

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.

Contact us

Media Contact	**Analytical Contacts**
Mradul Mishra Director **CARE Ratings Limited** Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in	Hardik Manharbhai Shah Director **CARE Ratings Limited** Phone: +91-22-6754 3591 E-mail: hardik.shah@careedge.in
Relationship Contact Saikat Roy Senior Director **CARE Ratings Limited** Phone: +91-22-6754 3404 E-mail: saikat.roy@careedge.in	Arti Roy Associate Director **CARE Ratings Limited** Phone: +91-22-6754 3657 E-mail: arti.roy@careedge.in Madhusudhan Giri Goswami Assistant Director **CARE Ratings Limited** E-mail: madhusudhan.g@careedge.in

About us:

Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com

Disclaimer:

This disclaimer pertains to the ratings issued and content published by CARE Ratings Limited ("CareEdge Ratings"). Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. Any opinions expressed herein are in good faith and are subject to change without notice. The rating reflects the opinions as on the date of the rating. A rating does not convey suitability or price for the investor. The rating agency does not conduct an audit on the rated entity or an independent verification of any information it receives and/or relies on for the rating exercise. CareEdge Ratings has based its ratings/outlook on the information obtained from reliable and credible sources. CareEdge Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. The users of the rating should rely on their own judgment and may take professional advice while using the rating in any way. CareEdge Ratings shall not be liable for any losses that user may incur or any financial liability whatsoever to the user of the rating. The use or access of the rating does not create a client relationship between CareEdge Ratings and the user.

CAREEDGE RATINGS DISCLAIMS WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR OTHER WARRANTIES OR CONDITIONS, TO THE EXTENT PERMITTED BY APPLICABLE LAWS, INCLUDING WARRANTIES OF MERCHANTABILITY, ACCURACY, COMPLETENESS, ERROR-FREE, NON-INFRINGEMENT, NON-INTERRUPTION, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE OR INTENDED USAGE.

Most entities whose bank facilities/instruments are rated by CareEdge Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CareEdge Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. CareEdge Ratings does not act as a fiduciary by providing the rating. The ratings are intended for use only within the jurisdiction of India. The ratings of CareEdge Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades. CareEdge Ratings has established policies and procedures as required under applicable laws and regulations which are available on its website.

Privacy Policy applies. For Privacy Policy please refer to https://www.careratings.com/privacy_policy

© 2026, CARE Ratings Limited. All Rights Reserved.

This content is being published for the purpose of dissemination of information required as per applicable law and regulations and CARE Ratings Limited holds exclusive copyright over the same. Any reproduction, retransmission, modification, derivative works or use or reference to the contents, in whole, in part or in any form, is prohibited except with prior express written consent from CARE Ratings Limited.

For detailed Rating Report and subscription information, please visit www.careratings.com