Jindal Stainless Limited

August 25, 2026

Facilities/Instruments	Name of the Regulator[1]	Amount (₹ crore)	Rating[2]	Rating Action
Long-term bank facilities	RBI	1,550.00 (Enhanced from 5,900.00)	CARE AA+; Stable	Upgraded from CARE AA; Stable
Long-term bank facilities	RBI	5,350.00 (Enhanced from 5,900.00)	CARE AA+; Stable	Upgraded from CARE AA; Stable
Short-term bank facilities	RBI	10,000.00 (Reduced from 11,000.00)	CARE A1+	Reaffirmed
Non-convertible debentures	SEBI	1,000.00	CARE AA+; Stable	Upgraded from CARE AA; Stable
Non-convertible debentures	SEBI	99.00	CARE AA+; Stable	Upgraded from CARE AA; Stable

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The upgrade in the long-term rating assigned to bank facilities/instruments of Jindal Stainless Limited (JSL) factors in continued improvement in the financial risk profile emanating from deleveraging undertaken by the company in the last few years, despite incurring downstream capex and acquisitions, resulting in healthy debt coverage metrics. The upgrade further factors, sustained increase in sales volumes while also maintaining an average profit before interest, lease rentals, depreciation, and taxation (PBILDT) at ~₹20,000 per tonne in the last five fiscals. Despite raw material price volatility and significant import threats, sustenance in profitability is supported by the company's continued focus on increasing the share of value-added products, aided by its downstream capabilities through Jindal United Steel Limited (JUSL) and Chromeni Steels Limited, which have strengthened the product mix and enhanced value generation.

The ratings continue to factor JSL's dominant market leadership position as India’s largest stainless steel (SS) producer and its diversified product portfolio across SS series/grades. JSL’s strategic initiatives towards strengthening its overall capacity expansion through its overseas joint ventures in Indonesia and enhancing its downstream capabilities through domestic acquisitions/expansions further underpin its ratings. The successful commissioning of JSL's 49% joint venture (JV) in Indonesia, with an installed SS slab production capacity of 1.2 million tonne per annum (MTPA), further augments the company's available production capacity, with full off-take rights for the JV's entire SS slab production. The additional capacity is expected to support JSL's sales volume growth, with slabs produced at the Indonesian facility providing flexibility to cater to the domestic market through downstream processing capabilities in India, including cold rolling and hot rolling operations. JSL's collaboration with New Yaking Pte Limited for acquiring a 49% stake in a nickel pig iron (NPI) smelter facility in Indonesia reflects the company's continued efforts towards backward integration and securing critical raw material requirements. The facility, which is already operational, has NPI capacity of ~2 lakh MTPA containing ~14% nickel and is expected to support JSL's nickel requirements. Indonesia holds significant nickel reserves which provides a strategic advantage for long-term raw material availability, cost-competitiveness and reduce its exposure to nickel availability, strengthening its raw material security.

JSL's proposed phased-wise expansion project in Maharashtra, involving a total capacity addition of 4 MTPA, (each phase comprising 1 MTPA capacity) is expected to further strengthen its manufacturing footprint in western India.

However, ratings remain partially offset by the inherent volatile nature of raw material prices (primarily scrap, nickel and chrome), domestic demand for stainless steel being offset by dumping from cheaper Chinese imports (via Vietnam and other Association of Southeast Asian Nations [ASEAN] free trade agreement [FTA] route), geo-political uncertainties, forex fluctuations and cyclical nature of the SS industry. Ensuring stringent control over phased capex expansion, meeting completion timelines, without significant cost overrun will continue to remain a key monitorable. CARE Ratings Limited (CareEdge Ratings) also take cognisance of the impact on production arising from disruptions in LPG availability due to geopolitical developments in West Asia, which resulted in increased reliance on alternative fuel sources.

[1]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
[2]Complete definitions of ratings assigned are available at www.careratings.com and in other CARE Ratings Limited’s publications.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Healthy revenue growth and improvement in profitability leading to better-than-expected cash accrual on a sustained basis.
- Sustained improvement in financial leverage and strong liquidity position.

Negative factors

- Any unforeseen large debt-funded capex/ acquisition, deteriorating the group's overall gearing beyond 0.75x on sustained basis.
- Net debt (including acceptances)/PBILDT above 1.75x on a sustained basis.

Analytical approach: Consolidated
CareEdge Ratings has considered the consolidated approach considering significant operational and financial linkages of JSL with its subsidiaries. Entities whose financials have been considered in JSL's consolidated financials are listed under Annexure 5.

Outlook: Stable
The stable outlook factors dominant market leadership position of JSL in the SS industry, which with favourable demand scenario in the domestic market and ramping-up of the added capacity shall enable the company to sustain healthy business and financial risk profile in the medium-to-long term.

Detailed description of key rating drivers

Key strengths

Dominant market leadership position in domestic and international market
Over the years, JSL maintained its position as India's largest domestic manufacturer of SS and one of the dominant players in the international market. The company's prominent products range include SS slabs, blooms, coils, plates, sheets, precision strips, wire rods, rebars, blade steel, and coin blanks. JSL operates an integrated SS manufacturing and processing network across India, and Indonesia, supported by a global sales presence across multiple countries. The company's key manufacturing facilities in India are at Jajpur, Odisha (2.2 MTPA capacity), and Hisar, Haryana (0.80 MTPA capacity), while its Indonesian joint venture, in which JSL holds a 49% stake, commissioned in March 2026 with an installed SS production capacity of 1.2 MTPA entitling JSL with full off-take rights of entire SS slab production. The additional capacity is expected to support JSL's growth in sales volumes and maintaining its leadership position in the SS industry.

Acquisition of 100% stake in Chromeni Steels Limited (formerly Chromeni Steels Private Limited) for ₹1,618 crore provides JSL with an additional cold rolling facility and surplus land for future expansion. The facility is expected to enable value addition of SS coils received from the Indonesian JV and supports JSL's strategy of increasing the share of cold-rolled products, particularly for catering to the growing demand in western India. Additionally, the surplus capacity at JUSL will be utilised for processing carbon steel products, with rolling operations undertaken at JUSL, further strengthening its value-added product portfolio and enhancing overall operational integration.

Strong operational performance with sustained profitability
The company showcased strong operational performance over the years, supported by increasing adoption of SS products, across end-user industries owing to its superior durability, corrosion resistance, recyclability and lower life-cycle costs compared to conventional carbon steel. As the largest SS manufacturers in India, JSL has been well-positioned to capitalise on this structural demand growth through timely capacity expansions, a diversified product portfolio and a strong market presence. Consequently, the company has showcased strong operational performance over the years. Sales volume recorded steady growth from ~1.71 MTPA in FY22 to 2.56 MTPA in FY26, translating to a compounded annual growth rate (CAGR) of ~10.59% from FY22-FY26. While net sales were impacted by fluctuations in sales realisations, the company continued to demonstrate healthy volume growth, reflecting its strong market position and ability to expand its customer base.

JSL has also been able to maintain PBILDT per tonne of ~₹20,000 in the last five years, despite volatile market dynamics and fluctuations in raw material prices, underscoring its operational efficiency, integrated business model, and prudent cost management.

Backward integration of nickel supply through NPI facility and SMS facility in Indonesia
In March 2023, JSL entered a collaborative agreement with New Yaking Pte Limited for acquiring a 49% stake in a NPI smelter facility in Indonesia for a consideration of US$157 million. JSL collaborated with the partner for the development and operation

of the facility, which is now operational with an NPI capacity of ~2 lakh MTPA containing ~14% nickel. The facility provides JSL with strategic access to nickel, a key raw material for SS production, and is expected to enhance raw material security and reduce exposure to volatility in nickel prices and global supply chain disruptions. This backward integration assumes importance given India's limited domestic nickel reserves and dependence on imports for meeting nickel requirements. JSL established a 49% collaborative joint venture in Indonesia for a SS melting shop (SMS) facility, which commenced operations in March 2026. The facility has an installed melting capacity of 1.2 MTPA and provides JSL with full off-take rights for the entire SS slab production. The facility strengthens JSL's production scale and provides greater flexibility in sourcing semi-finished SS products, which can be further processed through its downstream facilities in India. Strategic investments in Indonesia leverage the country's significant nickel reserves and are expected to provide long-term raw material security, enhance operational integration, and support JSL's growth plans.

Improvement in financial risk profile of the company

JSL continues to witness improvement in its financial risk profile emanating from deleveraging undertaken by the company in the last few years, despite incurring downstream capex and acquisitions, resulting in healthy debt coverage metrics. Considering healthy profit accretion, the company's net worth stood at ₹17,917 crore as on March 31, 2026. The overall gearing improved to 0.60x as on March 31, 2026, from 0.73x as on March 31, 2025, while Net Debt/PBILDT improved to 1.35x from 1.87x in the same period. Debt coverage metrics remained healthy, as reflected in an interest coverage ratio of 9.79x in FY26. The financial risk profile is further supported by unencumbered cash and cash equivalents of ~₹2,256 crore as on March 31, 2026. Despite the proposed capex plan, CareEdge Ratings expects the company's overall gearing to remain comfortable owing to strong cash accrual.

Key weaknesses

Exposure to raw material price volatility and forex fluctuation risks

The company's primary raw materials include SS scrap, nickel and ferrochrome, prices of which remain volatile, considering these are commodity products. Nickel prices have continued to remain volatile, and adverse movement in raw material prices may impact the group's margins in short term period due to time lag between procurement and passing it on to customers. Nickel and Ferro chrome, which are two important raw material for manufacturing SS, and have noticed a significant volatility in the recent past.

Through collaboration with New Yaking Pte Limited for a 49% JV in their NPI smelter facility in Indonesia, which will provide output of 14% Ni content, JSL aims to minimise its external dependency, reduce the risk associated with price volatility of nickel given its high scarcity domestically. CareEdge Ratings notes that India being net importer of nickel, the group remains exposed to the foreign exchange risk, which is partly mitigated by hedging of imports and exports; and the group remains exposed to the extent of its unhedged exposure. SS scrap prices are also determined by global demand-supply dynamics, and the discounts on nickel negotiated between scrap suppliers and SS mills across different geographies.

Cyclicality remains inherent in stainless steel industry

The SS industry moves closely with business cycles, including growth in economy and seasonal changes in demand-supply situations in the end-user segments. Apart from the domestic market, the demand-supply situations in global markets, especially in large commodity-producing and consuming countries, such as China, has a significant bearing on the seaborne trade of SS and volumes and margins of global industry players. Susceptibility to competition from imports and smaller domestic players especially in the 200-grade series has led to a decline in capacity utilisation in the segment. However, for manufacturers such as JSL, pervasive presence across the value chain and a higher share of value-added products provides better protection against cyclicality and related fluctuations in prices of commoditised SS products. The Indian SS industry faces pressure from increased Chinese imports via ASEAN, despite new Bureau of Indian Standards (BIS) grades and proposed higher customs duties offering some relief.

Liquidity: Strong

JSL's liquidity position remains strong, supported by healthy and consistently improving gross cash accruals (GCA), driven by incremental growth in sales volumes and sustained PBILDT per tonne. The company also had unencumbered cash and cash equivalents of around ₹2,256 crore as on March 31, 2026. The average utilisation of fund-based and non-fund-based working capital limits stood at 43.62% and 49.47%, respectively, for 12-month period ended April 2026. Further, healthy internal accruals provide adequate financial flexibility and remains sufficient to meet scheduled debt repayment of ~₹900 crore in FY27 (excluding prepayment of ~₹260 crore in Q1FY27).

Environment, social, and governance (ESG) risks

	Risk factors
Environmental	1. Air and GHG Emission reduction by focussing on renewable energy, implementing emission management systems and committed to net zero carbon emissions by 2050. 2. Majority recycled material utilised, including steel scrap and water.
Social	1. Implemented safety measures to achieve "accident-free steel". 2. Learning and development programs such as "Parivartan" and "Arohan" initiated.
Governance	1. Well-defined policies in place to ensure transparent operations. 2. Best practices of the industry incorporated.

Applicable criteria

Consolidation
Definition of Default
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Manufacturing Companies
Financial Ratios – Non financial Sector
Short Term Instruments
Iron & Steel

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Commodities	Metals and mining	Ferrous metals	Iron and steel

JSL is part of the Ratan Jindal Group and is the leading integrated SS producer in the country, with a steel melting capacity of 4.20 MTPA as on March 31, 2026 (including 1.2 MTPA capacity in Indonesia under joint ownership). The manufacturing facilities are located at Jajpur (Odisha) and Hisar (Haryana). JSL also has captive thermal power plants, ferrochrome facilities, a chromite mine, stainless steel melting and rolling mills, and downstream value-added facilities across Gujarat through Chromeni Steels Limited, Ghaziabad through JSL Super Steel Limited, and Kolkata through Rabirun Vinimay Private Limited. It manufactures SS slabs and hot-rolled/cold-rolled coils and sheets and is also engaged in the production of specialty SS, which are high value-added products, including precision strips and defence products.

Consolidated financials of JSL:

Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (A)	Q1FY27 (UA)
Total operating income	39,467	43,033	11,279
PBILDT	4,667	5,560	1,329
Profit after tax (PAT)	2,500	3,185	769
Overall gearing (x)	0.73	0.60	-
Interest coverage (x)	7.63	9.79	9.09

A: Audited; UA: Unaudited; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not applicable

Any other information: NA

Rating history for last three years: Annexure-2

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

For complexity level of instruments rated refer to Annexure-1

Lender details: Annexure-4

Disclosure on facilities/instruments and name of regulators:
A list of facilities / instruments falling under the purview of financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

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

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Debentures-Non Convertible Debentures	SEBI	Simple	Proposed	NA	NA	NA	1000.00	CARE AA+; Stable
Debentures-Non Convertible Debentures	SEBI	Simple	INE220G07127	28-Sep-2022	8.62	28-Sep-2026	99.00	CARE AA+; Stable
Fund-based - LT-Term Loan	RBI	Simple	-	-	-	31-03-2041	5350.00	CARE AA+; Stable
Fund-based - LT-Working Capital Limits	RBI	Simple	-	-	-	-	1550.00	CARE AA+; Stable
Non-fund-based - ST-BG/LC	RBI	Simple	-	-	-	-	10000.00	CARE A1+

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	5350.00	CARE AA+; Stable	-	1)CARE AA; Stable (09-Oct-25)	1)CARE AA; Stable (12-Mar-25) 2)CARE AA; Stable (09-Oct-24) 3)CARE AA; Stable (05-Apr-24)	1)CARE AA; Stable (06-Oct-23)
2	Fund-based - LT-Working Capital Limits	LT	1550.00	CARE AA+; Stable	-	1)CARE AA; Stable (09-Oct-25)	1)CARE AA; Stable (12-Mar-25) 2)CARE AA; Stable (09-Oct-24) 3)CARE AA; Stable (05-Apr-24)	1)CARE AA; Stable (06-Oct-23)
3	Non-fund-based - ST-BG/LC	ST	10000.00	CARE A1+	-	1)CARE A1+ (09-Oct-25)	1)CARE A1+ (12-Mar-25) 2)CARE A1+ (09-Oct-24)	1)CARE A1+ (06-Oct-23)

							3)CARE A1+ (05-Apr-24)	
4	Debentures-Non Convertible Debentures	LT	99.00	CARE AA+; Stable	-	1)CARE AA; Stable (09-Oct-25)	1)CARE AA; Stable (12-Mar-25) 2)CARE AA; Stable (09-Oct-24) 3)CARE AA; Stable (05-Apr-24)	1)CARE AA; Stable (06-Oct-23)
5	Debentures-Non Convertible Debentures	LT	1000.00	CARE AA+; Stable	-	1)CARE AA; Stable (09-Oct-25)	1)CARE AA; Stable (12-Mar-25)	-

LT: Long term; ST: Short term

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

Annexure-4: Lender details

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

Annexure-5: List of entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1.	PT. Jindal Stainless Indonesia	Full	Strong operational financial linkages between entities
2.	Jindal Stainless FZE	Full	
3.	JSL Group Holding Pte. Limited	Full	
4.	Iberjindal, S.L.	Full	
5.	Jindal Stainless Park Limited	Full	
6.	JSL Super Steel Limited (formerly known as Rathi Super Steel Limited)	Full	
7.	Jindal Stainless Steelway Limited	Full	
8.	Jindal Lifestyle Limited	Full	
9.	JSL Logistics Limited	Full	
10.	Green Delhi BQS Limited	Full	
11.	Jindal Quanta Limited (formerly known as Jindal Strategic Systems Limited)	Full	
12.	Sungai Lestrari Investment Pte Ltd (From 17 April 2023)	Full	
13.	Jindal United Steel Limited	Full	
14.	PT Cosan Metal Industry (Associate of subsidiary)	Proportionate	
15.	Rabirun Vinimay Private Limited	Full	
16.	ReNew Green (MHS ONE) Pvt Ltd	Proportionate	
17.	Evergreat International Investment	Full	
18.	Chromeni Steels Limited (formerly known as Chromeni Steels Private Limited) (from June 4, 2024)	Full	
19.	Sulawesi Nickel Processing Industries Holdings Pte. Ltd. (from June 28, 2024)	Full	
20.	AGH Dreams Limited (formerly known as AGH Dreams Private Limited) (from February 27, 2025)	Full	
21.	Utkrisht Dream Ventures Private Limited (from February 27, 2025)	Full	
22.	PT Glory Metal Indonesia (Associate of Subsidiary till 30 June 2025 and Subsidiary from one July 2025) (Now Associate effective from 1st of July 2026)	Full	

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
23.	Oyster Green Hybrid One Private Limited (Associate company from June 02, 2025)	Proportionate	
24.	Jindal Stainless Corporate Management Services Private Limited (subsidiary from February 12, 2026)	Full	

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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About us:

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