Ginni Filaments Limited

September 11, 2026

Facilities/Instruments	Name of the Regulator[1]	Amount (₹ crore)	Rating[2]	Rating Action
Long-term bank facilities	RBI	-	-	Reaffirmed at CARE BBB-; Stable and Withdrawn
Short-term bank facilities	RBI	-	-	Reaffirmed at CARE A3 and Withdrawn

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has reaffirmed and withdrawn outstanding ratings of 'CARE BBB-; Stable/CARE A3' [Triple B Minus; Outlook: Stable/ A Three] assigned to bank facilities of Ginni Filaments Limited (GFL) with immediate effect. This action has been taken based on request from GFL and receipt of 'No Objection Certificate' from banks that have extended these facilities rated by CareEdge Ratings.

Reaffirmation of ratings assigned to bank facilities of GFL continues to derive strength from its experienced promoters with long track record of operations in the industry, the company's established market presence with long-term association with reputed clientele and suppliers, integrated operations (non-woven and wet wipes, among others), and diversified product mix. Ratings also continue to take comfort from GFL's comfortable financial risk profile characterised by improved profitability margin, comfortable capital structure, and debt coverage indicators.

However, ratings remain constrained by GCL's margins susceptible to volatility in raw material prices, limited scale of operations, susceptibility to foreign exchange rate fluctuations, and intense competition in the industry.

Analytical approach: Standalone

Outlook: Stable

The "Stable" outlook reflects CareEdge Ratings' expectation that GFL will continue to benefit from its resourceful promoters with long track record of operations and reputed client base.

Detailed description of key rating drivers

At the time of last rating on June 16, 2025, the following were rating strengths and weaknesses. Key drivers (including liquidity section) have been updated, wherever applicable, based on the company's audited financials for the period ending March 31, 2026.

Key strengths

Experienced and resourceful promoters with long track record of operations

GFL has been promoted by Dr. Rajaram Jaipuria and his son, Shishir Jaipuria. Dr. Jaipuria has a Doctorate degree in Economics and has been associated with the textile industry for around six decades. Shishir Jaipuria (B. Com, LLB) has an experience of over three decades in the textile industry. GFL has long track record of operations, as the company has been operational since 1982. The company commenced its business with an installed capacity of 26,208 spindles. Promoters are further supported by seasoned professionals in their respective domains to manage the company's day-to-day operations. This apart, promoters are resourceful and has shown ability to infuse funds in the business, when required.

Comfortable capital structure and debt coverage indicators

The company has comfortable capital structure marked by long-term debt equity ratio and overall gearing of 0.09x (PY: 0.16x) and 0.17x (PY: 0.40x), respectively, as on March 31, 2026. The company's total outside liability to total net worth (TOL/TNW) improved to 0.35x as on March 31, 2026, from 0.62x as on March 31, 2025. Debt-coverage indicators remained comfortable as total debt to gross cash accrual (TD/GCA) and interest coverage ratio stood at 0.89x (PY: -3.90x) and 12.79x (0.94x), respectively, in FY26. The improvement in the capital structure is primarily attributable to the reduction in working capital borrowings from ₹

[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.

79 crore to ₹ 50 crore in March 2026-end, supported by healthy cash accruals from operations of ₹61.32 crore in FY26, and the scheduled repayment of term debt.

Integrated operations (non-woven and wipes) and diversified product mix

GFL's operations are integrated with the company, providing a complete range of products to its customers, which includes multiple consumer products, such as wipes and non-woven. The consumer products segment in which they manufacture products, such as wet wipes and the company majorly manufactures wet wipes as a job work for major brands, including Johnson & Johnson, among others, and also under their own brand 'CLEA'. Wipes and non-woven contributed ~43% and ~57%, respectively, in FY26. The company divested its garment unit in June 2025 and booked loss of ~₹ 3.93 crore. The company strengthened its wet wipes business by expanding exports to the Middle East and Africa, generating additional revenues of ~₹70-80 crore through the supply of products under the Johnson & Johnson brand.

Established relationship with clients and distribution network

Over the years, GFL has established strong relationship with customers. The company used to export yarns, garments, and wet wipes to countries including Korea, Dubai, United Kingdom, the United States , France, and South Africa. The company's established customer base and export track record continue to aid in securing export orders for its existing businesses, particularly the consumer products segment. The company has also tied up with Johnson & Johnson to export wet wipes in Middle East and Africa.

Key weaknesses

Modest scale of operations, though improved profitability

The company reported total income of ₹368.70 crore in FY26 against ₹374.49 crore in FY25. Scale of operations remained modest, owing to closure of its loss-making garment unit in June 2025. The divested division had contributed operating income of ~₹70-80 crore, which was largely offset by the growth in the wet wipes export business, generating revenues of ~₹70-80 crore from the Middle East and Africa markets. . The company's profit before interest, lease rentals, depreciation, and taxation (PBILDT) margins improved to 18.20% in FY26 from 6.71% in FY25, owing to increase in revenue generation from export business, which earned healthy margins of ~22-23%.

Profitability susceptible to raw material price volatility

GFL's residual business of technical textile is manufactured from key raw material polyester and viscose, among others, which is primarily manufactured from crude oil. Raw material prices remains highly volatile throughout the year, as it depends on multiple external factors, such as government policies and macro-economic factors, among others. The ability to transfer raw material price volatility is limited, considering companies' low bargaining power with its suppliers and its customers, as raw material prices and finished goods depend on market conditions. The company's ability to mitigate the fluctuation risk pertaining to raw materials by keeping lowest possible inventory and ability to pass on fluctuations to their buyers will be a key monitorable.

Exposure to foreign exchange rate fluctuations

As substantial portion of GFL's income is generated through the export market, the company is exposed to foreign exchange fluctuation risk. Although, the company hedges the risk through forward contracts, despite which some proportion of forex exposure remains unhedged leading to currency fluctuation risk.

Highly fragmented, competitive, and cyclical industry

The Indian textile industry consists of large and organised players, who contribute to 75% of the total installed capacity and the remaining 25% is contributed by unorganised segment. The intense competition in the highly fragmented textile industry also restricts its ability to completely pass on the volatility in input cost to its customers. Considering the commoditised product with limited product differentiation, the competitive intensity is high with minimal pricing power.

Liquidity: Adequate

The company projects GCA of ~₹29.00 crore in FY27, against scheduled repayment obligations of ₹9.00 crore annually. The current and quick ratio remains at satisfactory level of 2.69x and 1.96x, as on March 31, 2026. The company's liquidity position is adequate supported by free cash and bank balance of ₹22.69 crore as on March 31, 2026. Average monthly fund-based working capital utilisation for 12 months ending July 2026 stood low at 6.33%, against sanctioned fund-based working capital limits of ₹50 crore.

Applicable criteria

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

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer discretionary	Textiles	Textiles and apparels	Other textile products

Incorporated in 1982 as an Export Oriented Unit (EOU), GFL is an integrated textile player offering comprehensive range of technical textiles and consumer products, such as wet wipes. GFL was promoted by Dr. Rajaram Jaipuria, and subsequently taken over by his son Shishir Jaipuria, who has an overall experience of 34 years in textile industry.

Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (A)	Q1 FY27 (A)
Total operating income	374.49	368.70	102.88
PBILDT*	25.12	67.09	14.71
Profit after tax (PAT)	4.20	40.13	8.75
Overall gearing (x)	0.40	0.17	NA
Interest coverage (x)	2.52	14.94	NA

A: Audited; NA: Not applicable; Note: These are latest available financial results.
Q1FY27 refers (April 01, 2026 to June 30, 2026)
*PBILDT: Profit before interest, lease, depreciation, and tax

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

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
Fund-based - LT-Cash Credit	RBI	Simple	-	-	-	-	0.00	Withdrawn
Fund-based - LT-Term Loan	RBI	Simple	-	-	-	31-12-2028	0.00	Withdrawn
Non-fund-based - ST-BG/LC	RBI	Simple	-	-	-	-	0.00	Withdrawn

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-Cash Credit	LT	-	-	1)CARE BBB-; Stable (11-Sept-26)	1)CARE BBB-; Stable (16-Jun-25)	1)CARE BBB-; Stable (01-Jul-24) 2)CARE BBB-; Stable (29-May-24) 3)CARE BBB-; Stable (30-Apr-24)	1)CARE BB+; Stable (05-Feb-24) 2)CARE BBB-; Negative (23-Aug-23) 3)CARE BBB-; Stable (28-Jun-23)
2	Non-fund-based - ST-BG/LC	ST	-	-	1)CARE A3 (11-Sept-26)	1)CARE A3 (16-Jun-25)	1)CARE A3 (01-Jul-24) 2)CARE A3 (29-May-24) 3)CARE A3 (30-Apr-24)	1)CARE A4+ (05-Feb-24) 2)CARE A3 (23-Aug-23) 3)CARE A3 (28-Jun-23)

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
3	Fund-based - LT-Term Loan	LT	-	-	1)CARE BBB-; Stable (11-Sept-26)	1)CARE BBB-; Stable (16-Jun-25)	1)CARE BBB-; Stable (01-Jul-24) 2)CARE BBB-; Stable (29-May-24) 3)CARE BBB-; Stable (30-Apr-24)	1)CARE BB+; Stable (05-Feb-24) 2)CARE BBB-; Negative (23-Aug-23) 3)CARE BBB-; Stable (28-Jun-23)

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]()

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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