

Jainik Power Cables Limited

October 12, 2026

Facilities/Instruments	Name of the Regulator ¹	Amount (₹ crore)	Rating ²	Rating Action
Long-term / Short-term bank facilities	RBI	25.00	CARE BBB; Stable / CARE A3+	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Ratings assigned to bank facilities of Jainik Power Cables Limited (JPCL) factor in comfortable financial risk profile marked by low overall gearing and healthy debt coverage indicators, extensive experience of promoters, and adequate liquidity position. Ratings also take cognisance of timely completion of capex and start of commercial production of high tension (HT) cable unit. These rating strengths are partially offset by moderate despite growing scale of operations, low profitability margins, and competitive, and commodity linked nature of business.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Improvement in scale of operations with profit before interest, lease rentals, depreciation and taxation (PBILDT) margin above 7% on a sustained basis while maintaining overall gearing below 0.50x on a sustained basis.

Negative factors

- Any significant decline in total operating income (TOI) of the company with PBILDT margins below 4.00% on a sustained basis.
- Deterioration of overall gearing levels to above 1.00x on a sustained basis.
- Deterioration in working capital position as marked by gross current asset (GCA) days to above 100 on a sustained basis.

Analytical approach: Standalone

Outlook: Stable

The Stable outlook reflects CARE Ratings Limited's (CareEdge Ratings') opinion that the company will continue to benefit from the promoters' industry experience.

Detailed description of key rating drivers

Key strengths

Comfortable financial risk profile

The company's financial risk profile is comfortable, supported by a substantial increase in net worth by around ₹60 crore in FY26 (refers to April 01, 2025, to March 31, 2026), driven by IPO of fresh issue. The capital structure has gradually strengthened over the years, characterised by limited dependence on term borrowings, moderate utilisation of working capital facilities, and the absence of significant debt. The company's overall gearing stood at 0.07x as on March 31, 2026 (PY: 0.79x as on March 31, 2025). Debt protection indicators also remained healthy, with an interest coverage ratio of 14.49x (PY: 8.39x) and total debt to gross cash accruals (GCA) of 0.41x (PY: 1.92x) in FY26, respectively. The healthy debt coverage metrics, and a strengthened net worth base and low leverage, provide the company with adequate financial flexibility to support its growth plans.

Extensive industry experience of the promoters

The company benefits from the extensive industry experience of its key promoters, Shashank Jain and Prateek Jain, who have over a decade of experience in the aluminium industry. Having started as traders of aluminium scrap and ingots before venturing into aluminium rod manufacturing, they possess a strong understanding of industry dynamics, procurement practices, and customer requirements. Their longstanding relationships with suppliers and customers have helped the company establish a stable

¹SEBI: 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

²Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

market presence and are expected to support revenue growth going forward, particularly with its planned expansion into the manufacturing of finished cables.

Timely completion of capex

JPCL has successfully completed capex of ~₹15.00 crore for finished cables segment in FY27 with commercial operations for manufacturing of finished cables started in August, 2026. Going forward, the same is expected to contribute to revenue growth in profitability. Timely off-take and optimal capacity utilisation from the finished cables segment would remain a key monitorable.

Key weaknesses

Moderate scale of operations coupled

The company's revenue profile remains susceptible to fluctuations in aluminium prices, given the commodity-linked nature of its operations. While revenue increased significantly to ₹394.02 crore in FY26 from ₹67.38 crore in FY23, the growth was primarily driven by higher realisation levels. The substantial increase in revenue in FY24 to ₹339.83 crore from ₹67.38 crore in FY23 was attributable to the restructuring of group operations, where the company transitioned from trading activities to manufacturing operations by consolidating business activities from various group entities. The profitability margins of the company as marked by PBILDT and profit after tax (PAT) margin stood moderate at 5.14% (PY: 4.11%) and 3.56% (PY: 2.63%), respectively, in FY26. The company's operating profitability has improved steadily over the years, supported by enhanced cost efficiencies. Key contributors include reduced energy costs through captive solar power generation and better control over freight and transportation expenses through the deployment of a self-owned fleet.

Intense competition in the industry

The company operates in the highly competitive power cable industry, which is characterised by the presence of several established organised players and numerous regional and unorganised manufacturers. The industry witness's intense competition considering pricing, quality, product range, timely delivery, and customer relationships. Consequently, the company remains exposed to competitive pressures, which may limit its pricing flexibility and exert pressure on margins. Sustained growth will depend on the company's ability to enhance its market presence, maintain product quality, and strengthen customer relationships amidst an increasingly competitive business environment.

Liquidity: Adequate

The company is expected to generate a gross cash accruals of ~₹20.00-22.00 crore in FY27, against which the company has nil term loan obligations. Average utilisation of fund-based limits remained low at ~37% in the 12 months ending August 31, 2026. The company maintained cash and bank balance of ₹3.11 crore as on March 31, 2026. The company is not planning to incur any major capex in the near-to-medium term.

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Non Ferrous Metal](#)

[Financial Ratios – Non financial Sector](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Commodities	Metals & mining	Non - ferrous metals	Aluminium

JPCL is engaged in manufacturing aluminium wire rods of 9.5 mm, aluminium ash and aluminium dross. Its manufacturing facility is at Jhundpur Industrial Area, Sonipat (Haryana) with a total installed capacity of 2,000 tons of aluminium rod per month. The company is promoted and managed by Shashank Jain, Prateek Jain, Anju Jain, and Subhash Chand Jain.

Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (A)
Total operating income	351.84	394.02
PBILDT*	14.44	20.27
Profit after tax (PAT)	9.24	14.02
Overall gearing (x)	0.79	0.07

Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (A)
Interest coverage (x)	8.39	14.49

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

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/ ST-Working Capital Limits	RBI	Simple	-		-	-	25.00	CARE BBB; Stable / CARE A3+

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/ ST-Working Capital Limits	LT/ST	25.00	CARE BBB; Stable / CARE A3+				

LT/ST: Long term/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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