



Press Release
J B ECOTEX LIMITED (ERSTWHILE J B ECOTEX LLP)
December 08, 2025
Rating Assigned and Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	40.00	ACUITE BBB Stable Assigned	-
Bank Loan Ratings	186.26	ACUITE BBB Stable Reaffirmed	-
Bank Loan Ratings	8.74	-	ACUITE A3+ Reaffirmed
Total Outstanding Quantum (Rs. Cr)	235.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed its long-term rating of '**ACUITE BBB**' (read as **ACUITE triple B**) and short term rating of '**ACUITE A3+**' (read as **ACUITE A three plus**) to the Rs. 195.00 Cr. bank facilities of J B Ecotex Limited (Erstwhile J B Ecotex LLP) (JBEL). The outlook is '**Stable**'.

Also, Acuite has assigned the long-term rating of '**ACUITE BBB**' (read as **ACUITE triple B**) to the Rs. 40.00 Cr. bank facilities of J B Ecotex Limited (Erstwhile J B Ecotex LLP) (JBEL). The outlook is '**Stable**'.

Rationale for rating

The rating reaffirmation reflects the group's steady operating performance marked by y-o-y improvement in revenue and profitability, however the financial risk profile remained moderate marked by moderate gearing and debt protection metrics. The rating is supported by long operational track record of the company and experienced management along with efficient working capital operations. However, the rating remained constrained due to moderately intensive working capital operations, susceptibility of profitability to volatility in the raw material prices and intense competition. Acuite also takes note of acquisition of J B RPET Industries Private Limited (JBRIPL) by JBEL w.e.f. March 26, 2025.

About the Company

Surat Based J B Ecotex Limited (Erstwhile J B Ecotex LLP) (JBEL) was incorporated in 2021. The company is into manufacturing and export of high-quality Recycled Polyester Staple Fibre (RPSF), food-grade B2B rPET Granules (USFDA and FSSAI Approved) & rPET Flakes. They enable the use of millions of used plastic bottles into superior-grade eco-friendly products. Currently Mr. Jitendrakumar Arya, Ms. Shreya Arya, Mr. Ayodhyaprasad Jugalkishore Singhal, Mr. Piyush Goenka, Mr. Vishal S Kejriwal, Mr. Anil Bhanwar Lal Goyal and Mr. Rajesh Ramniwas Gupta are the directors of the company.

About the Group

J B RPET Industries Private Limited (JBRIPL) became a 100% subsidiary of J B Ecotex Limited (with effect from March 26, 2025) which was incorporated in 2020. However, 90% of the promoters of JB RPET Industries as well as J B Ecotex Limited were common. JBRIPL is into manufacturing of rPET resins produced through advanced chemical recycling. The company converts PET bottle waste and other PET waste into recycled granules using its in-house chemical recycling technology, which offers good quality and performance compared to traditional mechanical methods. Currently Mr. Hardik Kumar Agrawal, Mr. Samarth Arya and Mr. Ayodhyaprasad Jugalkishore Singhal are the directors of the Company.

Unsupported Rating

Not Applicable

Analytical Approach

Extent of Consolidation

- Full Consolidation

Rationale for Consolidation or Parent / Group / Govt. Support

Acuité has considered the consolidated business and financial risk profile of J B Ecotex Limited (JBEL) and its wholly owned subsidiary - J B RPET Industries Private Limited (JBRIPL) to arrive at the rating. The consolidation is in the view of integrated nature of business. The Financial statements have been consolidated w.e.f April 1, 2023 as per the applicable accounting standards, considering both the entities were under common control with 90% of the promoters being common in both the companies.

Key Rating Drivers

Strengths

Established operations supported by experienced management

JBEL, which is a part of Jay Bharat Group and has been chaired by Mr. Jitendra Arya since 1985, started its business with the flagship firm Jay Bharat Dyeing and Printing Private Limited in the field of polyester textile dyeing and printing. The quality of the fabrics processed at Jay Bharat Dyeing & Printing, using the latest technology from India and abroad, brought immediate success to the group. The group has focused on penetrating into the core segments where it has operated. The group has expanded to cater to the requirements for other fabrics like cotton, viscose, PV, etc., and recently it has expanded the portfolio by entering into the manufacturing of yarns and yarn dyeing as well. The partners, Mr. Ramdas Jindal, Mr. Ayodhyaprasad J. Singhal, Mr. Himanshu S. Jariwala, and Mr. Jitendra Arya, have more than two decades of experience in the textile industry. The extensive experience of the partners has helped the company generate healthy relationships with its customers and suppliers in both domestic and global markets. Acuité believes that JBEL will continue to benefit from the partner's established presence in the textile industry.

Steady Operating Performance

The group recorded improvement in the operating revenue which stood at Rs. 714.50 Cr. in FY2025 as compared to Rs.526.43 Cr. in FY2024. The improvement in revenue is on account of improved price realisations during the year as well as improvement in overall sales volume. The operating profit margin of the group marginally improved and stood at 10.75 per cent in FY25 as compared to 10.14 per cent in FY24. The PAT margins of the group declined and stood at 2.88 per cent in FY25 as compared to 4.01 per cent in FY24. The decline in PAT is mainly due to increase in depreciation and interest cost due to capitalisation of assets. Further, H1FY2026 revenues have improved and expected to surpass FY2025 achieved revenues in FY2026 while profitability is expected to moderate. Acuité believes, that the operating performance of the group would remain steady over the medium term on the back of ramp up in capacity expansion at the group level.

Moderate financial risk profile

The financial risk profile of the group remains moderate marked by healthy net worth, moderate gearing level and moderate debt protection metrics. The group's net worth increased to Rs. 201.49 Cr. as on March 31, 2025 from Rs. 186.13 Cr. as on March 31, 2024 and Rs. 142.55 Cr. as on March 31, 2023. The improvement is on account of accretion of profits to reserves and equity capital infusion in FY25. Further, the group has raised funding of Rs. 50 Cr. through issue of equity shares, through private investors. The total debt of the group stood at Rs. 352.55 Cr. as on March 31, 2025 as against Rs. 282.80 Cr. as on March 31, 2024. The debt increased in FY25 as JBEL availed additional debt to fund its working capital requirements. The debt profile of the company comprises of Rs. 45.07 Cr. of unsecured loans (the group does not pay interest on loan from promoters. To other parties' interest is paid @9% p.a.), term loans of Rs. 184.17 Cr, CPLTD of Rs. 36.75 Cr. and the Rs.85.76 Cr. of short-term borrowings pertaining to working capital demand loan and cash credit facility as on March 31, 2025. The capital structure of the entity remains moderate with the gearing of 1.75 times in FY25 as against 1.52 times in FY24. The TOL/TNW stood high at 2.51 times as on March 31, 2025 as against 2.17 times as on 31 March 2024. The debt protection metrics remained moderate as reflected in debt service coverage ratio (DSCR) of 1.34 times in FY25 as compared to 1.80 times in FY24. The interest service coverage ratio declined to 3.81 times in FY25 compared to 4.81 times in FY24. The debt to EBITDA stood high at 4.49 times in FY25 as compared to 5.19 times in FY24. Acuite expects the financial risk profile would remain moderate over the medium term due to steady accruals and long-term debt obligations.

Weaknesses

Moderately intensive working capital operations

The working capital cycle is moderate marked by gross current assets (GCA) of 116 days during FY2025 and 102 during FY2024. The inventory days stood stable at 70 days in FY25 as against 41 days in FY24. Further, the debtor days stood at around 31 days in FY25 as against 48 days in FY24. The creditor days of the group stood at 61 days for FY25 compared to 57 days for FY24. The average credit period received from its suppliers is around 30-60 days. The high level of payables in FY2025 is on account of higher purchase of material during the year end. Further, the reliance of working capital limits stood moderate at 87 per cent during the last 6 months ended September 2025. Acuite believes that the operations of the group would remain moderately intensive due to higher inventory holdings.

Competitive and fragmented industry

JBEL operates in a highly fragmented and competitive industry marked by the presence of a large number of organised and unorganised players, mainly on account of low entry barriers. The firm is exposed to intense competition from both domestic players and established players in the overseas market.

Rating Sensitivities

- Sustain improvement in revenues and profitability
- Changes in financial risk profile
- Elongation in working capital cycle

Liquidity Position Adequate

The liquidity position of the group remains adequate. The company generated net cash accruals of Rs. 46.49 Cr. in FY25 against Rs.35.76 Cr. in the previous year against repayment obligation of Rs. 28.46 Cr. The NCAs are expected to increase at Rs. 50.53 Cr. The company had a cash balance of Rs. 0.67 Cr. as on March 31, 2025. The current ratio stood average at 0.93 times in FY25 as against 0.81 times in FY24. The working capital operations are moderate in nature marked by GCA days of 116 days in FY2025, further, the reliance on working capital limits stood high at 87 per cent over the past 6 months ending September 2025. Going ahead, the liquidity position is expected to remain healthy on the back of healthy

accrual generation.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	714.50	526.43
PAT	Rs. Cr.	20.57	21.13
PAT Margin	(%)	2.88	4.01
Total Debt/Tangible Net Worth	Times	1.75	1.52
PBDIT/Interest	Times	3.18	4.81

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any Other Information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
09 Sep 2024	Bank Guarantee (BLR)	Short Term	5.93	ACUITE A3+ (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	32.50	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	6.45	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	17.79	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	12.53	ACUITE BBB Stable (Reaffirmed)
	Working Capital Demand Loan (WCDL)	Long Term	25.00	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	32.50	ACUITE BBB Stable (Assigned)
	Cash Credit	Long Term	7.50	ACUITE BBB Stable (Assigned)
	Term Loan	Long Term	13.75	ACUITE BBB Stable (Assigned)
	Working Capital Term Loan	Long Term	4.75	ACUITE BBB Stable (Assigned)
	Term Loan	Long Term	2.55	ACUITE BBB Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	1.25	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	7.50	ACUITE BBB Stable (Reaffirmed)
12 Jun 2023	Bank Guarantee (BLR)	Short Term	3.75	ACUITE A3+ (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	17.15	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	5.28	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	0.43	ACUITE BBB Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	11.28	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	15.37	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	35.00	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	8.24	ACUITE BBB Stable (Reaffirmed)
	Working Capital Demand Loan	Long		ACUITE BBB Stable

	(WCDL)	Term	25.00	(Reaffirmed)
14 Mar 2022	Bank Guarantee/Letter of Guarantee	Short Term	3.75	ACUITE A3+ (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	29.97	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	8.80	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	40.00	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	16.51	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	1.18	ACUITE BBB Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	26.29	ACUITE BBB Stable (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
H D F C Bank Limited	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	6.85	Simple	ACUITE A3+ Reaffirmed
AXIS BANK LIMITED	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.06	Simple	ACUITE A3+ Reaffirmed
AXIS BANK LIMITED	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE BBB Stable Reaffirmed
H D F C Bank Limited	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	22.50	Simple	ACUITE BBB Stable Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.66	Simple	ACUITE BBB Stable Reaffirmed
H D F C Bank Limited	Not avl. / Not appl.	Stand By Line of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.83	Simple	ACUITE A3+ Reaffirmed
AXIS BANK LIMITED	Not avl. / Not appl.	Term Loan	20 Jan 2023	Not avl. / Not appl.	01 Dec 2031	11.05	Simple	ACUITE BBB Stable Reaffirmed
Bajaj Finance Ltd.	Not avl. / Not appl.	Term Loan	01 Jan 2025	Not avl. / Not appl.	01 Oct 2031	22.28	Simple	ACUITE BBB Stable Reaffirmed
Tata Capital Limited	Not avl. / Not appl.	Term Loan	02 May 2025	Not avl. / Not appl.	01 Oct 2031	0.22	Simple	ACUITE BBB Stable Reaffirmed
H D F C Bank Limited	Not avl. / Not appl.	Term Loan	08 Nov 2023	Not avl. / Not appl.	01 Nov 2031	28.63	Simple	ACUITE BBB Stable Reaffirmed
H D F C Bank Limited	Not avl. / Not appl.	Term Loan	05 Feb 2024	Not avl. / Not appl.	01 Aug 2031	15.00	Simple	ACUITE BBB Stable Reaffirmed
AXIS BANK LIMITED	Not avl. / Not appl.	Term Loan	28 Dec 2023	Not avl. / Not appl.	01 Dec 2031	30.81	Simple	ACUITE BBB Stable Reaffirmed
Bajaj Finance Ltd.	Not avl. / Not appl.	Term Loan	02 Apr 2024	Not avl. / Not appl.	01 Mar 2030	11.25	Simple	ACUITE BBB Stable Reaffirmed
	Not							ACUITE

H D F C Bank Limited	avl. / Not appl.	Term Loan	11 Jan 2021	Not avl. / Not appl.	01 Jan 2026	1.36	Simple	BBB Stable Reaffirmed
Tata Capital Limited	Not avl. / Not appl.	Term Loan	02 May 2025	Not avl. / Not appl.	01 Oct 2031	17.45	Simple	ACUITE BBB Stable Assigned
H D F C Bank Limited	Not avl. / Not appl.	Term Loan	01 Jan 2025	Not avl. / Not appl.	01 Feb 2033	5.00	Simple	ACUITE BBB Stable Assigned
H D F C Bank Limited	Not avl. / Not appl.	Term Loan	01 May 2025	Not avl. / Not appl.	01 Jun 2033	3.20	Simple	ACUITE BBB Stable Assigned
H D F C Bank Limited	Not avl. / Not appl.	Term Loan	01 Dec 2024	Not avl. / Not appl.	01 May 2033	14.35	Simple	ACUITE BBB Stable Assigned
AXIS BANK LIMITED	Not avl. / Not appl.	Working Capital Demand Loan (WCDL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	32.50	Simple	ACUITE BBB Stable Reaffirmed

***Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)**

Sr. No.	Company Name
1	J B Ecotex Limited
2	J B RPET Industries Private Limited (JBRIPL)

Contacts

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About Acuité Ratings & Research

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