

Press Release
J G HOISIERY PRIVATE LIMITED
January 23, 2026
Rating Assigned



Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	540.00	ACUITE A Positive Assigned	-
Total Outstanding Quantum (Rs. Cr)	540.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has assigned long term rating of 'ACUITE A' (read as ACUITE A) on the Rs. 540 Cr. bank facilities of J G Hosiery Private Limited. The outlook is 'Positive'.

Rationale for Rating

The rating has taken into cognizance long track record of operations, benefits derived from the experienced management, long standing relation with the dealer distributor network and diversified geographical presence marketing established brands like Amul Macho, Amul Comfy among others, stable revenues and increase in operating profitability, moderate financial risk profile, adequate liquidity position albeit high bank limit utilization. The rating outlook factors the expected benefits of the capex undertaken in a phased manner in the last 2-3 years, which are expected to reap operational benefits over the medium term and will be a key monitorable. However, these strengths are partly offset by intensive working capital cycle and intense competition in hosiery industry.

About the Company

Incorporated in 2001, West Bengal based J G Hosiery Private Limited is engaged in primarily manufacturing men's innerwear followed by women's casualwear and recently entered into kid's segment from 2023. The company markets its extensive product portfolio majorly under Amul Comfy and Amul Macho followed by Sporto, Priya, Zoiro, Kandy Floss among others. The company has its manufacturing units at Kolkata, West Bengal and Tirupur, Tamil Nadu. The directors of the company are Mr. Bishwanath Seksaria, Mr. Shyam Sundar Seksaria, Mr. Pankaj Seksaria, Mr. Navinn Seksaria.

Unsupported Rating

Not Applicable

Analytical Approach

Acuite has taken standalone business and financial risk profile of J G Hosiery Private Limited to derive at the rating.

Key Rating Drivers

Strengths

Experienced promoters along with strong dealer network

The promoters have decades of experience in the hosiery industry. JGHPL's performance is

driven by its strong distribution network built across key domestic markets, with its brands marketed by more than 1,100 distributors and across 1.1 lakh retailers. The company also has

semi-integrated facility at Tirupur and has now set up a fully integrated facility in Dankuni (expected to be operational in phased manner from April 2025) which is expected to augment business. Acuite believes that the strong distributor network and the longstanding relations with them will augment the business going forward.

Stable revenues with increasing operating profitability

The revenues have remained stable at Rs. 1241.40 Cr. in FY 25 as compared to Rs. 1186.52 Cr. in FY 24 on account of increase in volume sold in some products albeit similar price realisations on the products. The company has achieved revenues of about Rs.641.80 Cr. till October 2025. The operating profitability has increased to 6.40 percent in FY 25 as compared to 5.86 percent in FY 24 on account of better absorption of manufacturing costs.

The company has an ongoing capex plan of constructing fully integrated manufacturing facility at Dankuni, West Bengal with a project cost of Rs. 125 Cr, means of finance with a mix of term loan of Rs. 100 Cr. (sanctioned with ICICI Bank) and Rs. 25 Cr. by way of internal accruals/promoters contribution. It is expected to be operationalised in phase manner from April 2026.

Acuite believes that the scale of operations and the operating margins is expected to improve over the medium term after the implementation of the capex plans leading to operational efficiencies in inventory management and expected reduction in costs.

Moderate financial risk profile

The financial risk profile of the company is moderate marked by improving net worth, moderate gearing and moderate debt protection metrices. The tangible net worth of the company stood at Rs. 444.17 Cr. as on March 31, 2025 as compared to Rs. 419.73 Cr. as on March 31, 2024 due to accretion to reserves and treatment of unsecured loans as of Rs. 40 Cr. as quasi equity. Acuite has considered unsecured loans as quasi equity of Rs. 40 Cr, basis an undertaking received from management to retain such monies in business over a long term. Acuite notes that the company also undertook a share buyback worth Rs. 79.8 crore (premium paid on buyback of Rs. 64.70 Cr. and tax on buyback of shares of Rs. 15.12 Cr.) in FY 24. The gearing of the company stood at 1.09 times as on March 31, 2025 as compared to 1.00 times as on March 31, 2024. The Total Outside Liabilities/Tangible Net Worth (TOL/TNW) stood at 1.46 times as on March 31, 2025 as compared to 1.36 times as on March 31, 2024. The debt protection metrices of the company remain moderate marked by Interest Coverage ratio (ICR) of 2.18 times as on March 31, 2025 and debt service coverage ratio (DSCR) of 1.91 times for March 31, 2025. The net cash accruals to total debt (NCA/TD) stood at 0.07 times as on March 31, 2025 as compared to 0.08 times as on March 31, 2024. Debt/EBITDA stood high at 6.00 times as on March 31, 2025 as compared to 5.91 times as on March 31, 2024. Acuité believes that the financial risk profile will remain moderate over the medium term, with steady cash accruals and in the absence of any major debt funded capex plans and expected improvement in the capital structure of the company.

Weaknesses

Intensive Working Capital Cycle

The working capital cycle of the company is intensive as reflected by Gross Current Assets (GCA) of 261 days for March 31, 2025 as compared to 245 days for March 31, 2024. The debtor period stood at 85 days as on March 31, 2025 as compared to 73 days as on March 31, 2024. The collection cycle typically is between 50-60 days, it can also be extended up to 70-80 days, on need base. For new distributors and dealers, the company also avails advances or security deposits from them. Further, the inventory days of the company stood at 154 days as on March 31, 2025 as compared to 151 days in FY2024. The inventory holding of the company is about 3-4 months. The company markets a wide range of products and accordingly has to maintain large quantity of inventory of each of its product type apart from the inventory of raw material and lead time in processing of inventory. This is expected to be rationalised on the augmentation of the new capex expected to be completed by April 2026. The creditors stood at 72 days as on March 31, 2025 as compared to 67 days as on March 31, 2024. The suppliers are paid within 50-60 days. Acuité believes that the working capital operations of the company will improve over the medium term due to efficient collection mechanism and expected improvement in inventory policy.

Intensive competition in the hosiery industry

The hosiery industry is largely fragmented and is characterised by the presence of many players in the unorganised segment and is largely dominated by this segment. On the other hand, in the organised segment, the company faces competition from players with strong brands such as Dollar Industries Limited and Rupa and Company Limited. However, the company's strong brand, extensive distribution network and pan India reach partly mitigates the risk arising from competition.

Rating Sensitivities

Movement in revenues and operating profitability

Working capital cycle

Improvement in the capital structure

Successful stabilization of Dankuni plant

Liquidity Position

Adequate

The company has adequate liquidity marked by net cash accruals of Rs 35.47 Cr. as on FY2025 as against long term debt repayment of Rs. 0.95 Cr. over the same period. The accruals are expected to remain in the range of about Rs. 43 to Rs. 67 Cr. as against debt repayment of Rs. 6 Cr- Rs. 19 Cr. in the next two years annually. The management has flexibility to infuse funds as and when required to support the business. The cash and bank balance stood at Rs. 16.11 Cr. as on March 31, 2025 and Rs. 20.08 Cr. as on March 31, 2024. The company also has free deposits with bank of Rs.5.86 Cr. in FY 25 and Rs. 1.52 Cr. in FY 24. Further, the current ratio of the company stood at 1.58 times as on March 31, 2025 as compared to 1.67 times as on March 31, 2024. The average bank utilization limit of the company for 7 months ended October 2025 is 92.97 percent. Acuité believes that the liquidity of the company is to remain adequate over the near to medium term on account of steady cash accruals, moderate debt repayment, absence of any major debt funded capex plans, moderate current ratio albeit high dependence on bank lines for funding working capital requirements.

Outlook: Positive

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	1241.40	1186.52
PAT	Rs. Cr.	24.52	23.01
PAT Margin	(%)	1.98	1.94
Total Debt/Tangible Net Worth	Times	1.09	1.00
PBDIT/Interest	Times	2.18	2.46

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

ICRA, vide its press release dated December 23rd, 2025 had denoted the rating of J G Hosiery Private Limited as 'ICRA A/Stable/A2+; REAFFIRMED AND ISSUER NOT CO-OPERATING.

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.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:Not Applicable

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
ICICI BANK LIMITED	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	75.00	Simple	ACUITE A Positive Assigned
AXIS BANK LIMITED	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	55.00	Simple	ACUITE A Positive Assigned
HDFC Bank Limited	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	50.00	Simple	ACUITE A Positive Assigned
ICICI BANK LIMITED	Not avl. / Not appl.	Term Loan	16 Aug 2023	Not avl. / Not appl.	19 Jan 2029	100.00	Simple	ACUITE A Positive Assigned
AXIS BANK LIMITED	Not avl. / Not appl.	Term Loan	13 Mar 2025	Not avl. / Not appl.	31 May 2033	15.00	Simple	ACUITE A Positive Assigned
YES BANK LIMITED	Not avl. / Not appl.	Working Capital Demand Loan (WCDL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	60.00	Simple	ACUITE A Positive Assigned
HSBC Limited	Not avl. / Not appl.	Working Capital Demand Loan (WCDL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	50.00	Simple	ACUITE A Positive Assigned
INDUSIND BANK LIMITED	Not avl. / Not appl.	Working Capital Demand Loan (WCDL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	40.00	Simple	ACUITE A Positive Assigned
CITI Bank	Not avl. / Not appl.	Working Capital Demand Loan (WCDL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	50.00	Simple	ACUITE A Positive Assigned
Federal Bank Limited	Not avl. / Not appl.	Working Capital Demand Loan (WCDL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	45.00	Simple	ACUITE A Positive Assigned

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About Acuité Ratings & Research

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