



Press Release
JALAQUA INTERNATIONAL LLP
January 30, 2026
Rating Assigned

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	88.21	ACUITE BBB- Stable Assigned	-
Bank Loan Ratings	1.79	-	ACUITE A3 Assigned
Total Outstanding Quantum (Rs. Cr)	90.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has assigned its long-term rating of '**ACUITE BBB-**' (read as **ACUITE triple B minus**) on the Rs. 88.21 Cr. bank loan facilities and short-term rating '**ACUITE A3**' (read as **ACUITE A three**) on the Rs. 1.79 Cr. of bank loan facilities of Jalaqua International LLP (JILLP). The Outlook is '**Stable**'.

Rationale for Rating Assigned

The rating assigned considers the firm's established operational track record and the management's extensive experience along with improving business risk profile. The rating is further supported by diversified and established customer base and an adequate liquidity position. However, these strengths are partly offset by the firm's average financial risk profile marked by average net worth, gearing and comfortable coverage indicators. The rating also constrained on account of moderately intensive working capital operations, susceptibility of profitability to volatility in raw material prices and foreign exchange fluctuation risk. Also, rating takes note of capital withdrawal risk associated with the constitution of a partnership firm.

About the Company

Jalaqua International LLP (JILLP) based in Ankleshwar, Gujarat, formerly known as Jal Aqua International, was established in 2018 as a partnership firm and converted into an LLP in 2023. The firm is primarily engaged in manufacturing of calcium hypochlorite (granules and solution) with 60-70% available chlorine. The product calcium hypochlorite primarily finds application in water treatment and cleaning processes. The firm mainly exports its products to countries across Africa, Asia, and Latin America, North America, and Europe through established distributors under its registered brand name 'Aquatick' and 'Pool Shark'. The firm is ISO 14001:2015, ISO 9001, and OHSAS certified. The manufacturing facility of the firm is in Panoli-GIDC, Ankleshwar, Gujarat. The firm has an installed capacity of 24,000 MTPA. The current partners of the firm are Mr. Chintan Ghanshyam Boghara, Mr. Tirth Ghanshyambhai Boghara, Mr. Ashokkumar Himmatbhai Katrodiya, Mr. Sureshbhai Mansukhbhai Patolia, Mr. Chetanbhai Vajubhai Shingala, Mr. Arvindbhai Chhaganbhai Kavatiya, Mr. Paresbhai Himatbhai Katrodiya, Mr. Ghanshyambhai Ganeshbhai Patel, Mr. Snehal Manubhai Patel, and Mr. Mahesh Rameshbhai Sojitra.

Unsupported Rating

Not Applicable.

Analytical Approach

Acuite has considered the standalone business and financial risk profile of Jalaqua International LLP (JILLP).

Key Rating Drivers

Strengths

Experienced management and moderate operational track record

JILLP was established as a partnership firm in 2018 and commenced its commercial operations in October 2020 and was later converted into an LLP in May 2023. JILLP is established by 5 partners viz. Mr. Suresh Patoliya, Mr. Ghanshyam Patel, Mr. Jay Kakadia, Mr. Ashok Katrodiya and Mr. Mahesh Sojitra who possess industry experience for over a decade. In May 2023, Mr. Jay Kakadia resigned as promoter and instead 6 new partners were added to the LLP. The new promoters include Mr. Arvind Kavatiya, Mr. Chetan Shingala, Mr. Chintan Boghara, Mr. Paresch Katrodiya, Mr. Snehal Patel and Mr. Tirth Boghara. Mr. Suresh Patoliya, Mr. Ashok Katrodiya, Mr. Mahesh Sojitra and Mr. Ghanshyam Patel have experience in managing various departments in Jalaram Group of companies. The promoters of the firm have close to decade of experience and understanding of the industry, which has helped them shape the vision of the firm and establish relationships with customers and suppliers. Acuite believes the firm shall continue to benefit from its established position in the industry, experienced management and established relationships with customers and suppliers.

Improving revenue and profitability

JILLP has witnessed an improvement in its scale of operations, with operating income rising to Rs. 94.76 crore in FY2025 from Rs. 89.89 crore in FY2024. This growth was driven by a marginal increase in sales realization and higher sales volumes of Calcium Hypochlorite over the past few years. The firm recorded revenue of ~Rs. 111.27 crore in 9MFY2026 as against Rs. 64.18 crore in 9MFY2025. The firm's EBITDA margin improved to 21.55 per cent in FY2025 as against 21.16 per cent in FY2024. Further, the firm recorded an EBITDA of Rs. 38.32 crore and EBITDA margin of 34.44% in 9MFY2026. The improvement in operational performance is attributable to the commissioning of expanded capacity and stable to lower raw material prices. Additionally, the improvement in margins in 9M FY2026 was supported by a shift to a higher-grade product with 63–70% available chlorine, enhanced drying technology that reduced power consumption, increased process automation, and favourable pricing in international markets. Acuite believes, the firm would improve its operating performance steadily on the back of favourable market for calcium hypochlorite and improving realisations and sales volume.

Diversified and established customer base

The Firm's business risk profile is supported by a well-diversified geographic presence, with revenues generated from multiple international markets including the USA, Middle East, Africa, and select Asian countries, in addition to domestic sales. The export sales contributed to ~74% in FY2024 and 77% in FY2025. The customer base is also diversified, comprising overseas distributors, institutional buyers, municipal water authorities, defence and humanitarian agencies, and retail/B2C customers. The absence of dependence on any single customer for a material portion of revenues limits counterparty concentration risk and supports consistency in order inflows.

Weaknesses

Average financial risk profile

The financial risk profile of the firm stood average marked by average net worth, gearing and comfortable debt protection metrics. The net worth of the firm stood at Rs. 67.41 crore as on March 31st, 2025, as against Rs. 63.08 crore as on March 31st, 2024, due to accretion of profit to reserve. The total debt of the firm stood at Rs. 94.32 crore as on March 31, 2025 comprising

of Rs. 69.19 crore of long-term debt and Rs. 18.90 crore short term debt (secured CC) and USL of Rs. 6.22 crore. The gearing of the firm stood at 1.40 times as on March 31, 2025, as against to 1.57 times as on March 31, 2024. In the absence of new borrowings and with regular repayments and expected profitability, the debt-to-equity ratio is projected to improve to 1x by FY2027. The Debt/EBITDA of the firm stood at 3.46 times as on March 31, 2025 as against 4.64 times as on March 31, 2024. The total debt-to-EBITDA is expected to remain below 2x in FY2027. Further, the debt protection metrics of the firm stood comfortable as reflected by debt service coverage ratio (DSCR) of 1.34 times for FY2025 as against 1.64 times for FY2024. The interest coverage ratio (ICR) stood at 2.81 times for FY2025 as against 4.16 times for FY2024. The net cash accruals to total debt (NCA/TD) stood at 0.19 times in FY2025 as against to 0.16 times in FY2024. Acuite believes the financial risk profile of the firm is expected to improve to steadily, supported by the absence of any major debt-funded capex in the near to medium term.

Moderately Intensive working capital operations:

The working capital operations of the firm is moderately intensive in nature, with Gross Current Assets (GCA) of 247 days in FY2025 and 251 days in FY2024. The inventory levels stood at 43 days in FY2025 as against 10 days in FY2024. The debtor days stood at 148 days in FY2025 as against 97 days in FY2024. The creditor days stood at 260 days in FY2025 and 158 days in FY2024. Further, the average utilization for limits is high, averaging around ~69 per cent for fund-based limits and 100 per cent for non-fund-based limits over the last fifteen months ending December-2025. Acuite believes, the working capital operations of the firm would remain moderately intensive on account of nature of business.

Susceptibility of profitability to volatility in raw material prices and foreign exchange fluctuation risk

The major raw material of JILLP comprise of liquid chlorine, hydrated lime and caustic soda. The firm imported 18 per cent of its raw material requirement while exports 63 per cent of its final product. The profitability of firm is susceptible to the volatility in the prices of raw materials which are volatile in nature. The firm has been able to pass on the fluctuation in raw material prices to its customers to an extent. Further, profitability is also susceptible to volatility in foreign currency since majority of its revenue is from export sales. Going forward, it plans to hedge at least 70% of net foreign currency exposure through forward contracts to reduce volatility from exchange rate movements.

Capital withdrawal risk associated with partnership firm

The firm is exposed to the risk of capital withdrawal considering its partnership constitution. Any significant withdrawal from the partner's capital will have a negative bearing on the financial risk profile of the firm. However, the risk is mitigated to an extent as management is planning to reconstitute the firm to private limited company.

Rating Sensitivities

- Sustain improvement in scale of operations while maintaining healthy profit margins.
- Improvement in the financial risk profile backed by improved profitability leading to improved coverage indicators.
- Deterioration in working capital management.

Liquidity Position Adequate

The liquidity position remains adequate, evidenced by sufficient net cash accruals offsetting maturing debt obligations. Net cash accruals stood at Rs. 17.54 crore (including reversal of prior-period depreciation of Rs. 5.51 crore) in FY2025 as against maturing debt obligation of Rs. 10.61 crore during the same period. Projections indicate adequate liquidity, with expected cash accruals ranging from Rs. 28-38 crore against maturing repayment obligations of Rs. 10.61-14.61 crore over the medium term. The cash and bank balance stood at Rs. 2.40 crore as on 31st March 2025. The current ratio stood at 1.00 times on March 31, 2025. The average

fund-based working capital utilization of the firm is ~69 per cent 15 month ended as on December 2025. Further, the firm also expects to receive Rs. 12 crore from an insurance claim by the end of January 2026, which will support liquidity further. Acuité believes that the liquidity of the firm is likely to remain strong over the medium term on account of adequate cash accrual over the medium term against repayment obligations.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	94.76	89.89
PAT	Rs. Cr.	1.48	1.06
PAT Margin	(%)	1.56	1.18
Total Debt/Tangible Net Worth	Times	1.40	1.57
PBDIT/Interest	Times	2.81	4.16

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

None

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, Acuite 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
Bank Of Baroda	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.10	Simple	ACUITE A3 Assigned
Bank Of Baroda	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE BBB- Stable Assigned
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE BBB- Stable Assigned
Not Applicable	Not avl. / Not appl.	Proposed Short Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.69	Simple	ACUITE A3 Assigned
Bank Of Baroda	Not avl. / Not appl.	Term Loan	30 Jun 2023	Not avl. / Not appl.	28 Feb 2033	38.70	Simple	ACUITE BBB- Stable Assigned
State Bank of India	Not avl. / Not appl.	Term Loan	30 Jun 2023	Not avl. / Not appl.	28 Feb 2032	19.51	Simple	ACUITE BBB- Stable Assigned

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About Acuité Ratings & Research

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