



Press Release

Jain Farm Fresh Foods Limited (JFFFL)

April 02nd, 2025

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	434.53	IVR BBB-/ Stable (IVR Triple B Minus with Stable outlook)	-	Rating Assigned	Simple
Short Term Bank Facilities	108.44	IVR A3 (IVR Single A Three)	-	Rating Assigned	Simple
Total	542.97	(Rupees Five Hundred Forty-Two crores and ninety-seven lakhs only)			

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

Infomerics Ratings has assigned its rating assigned to the Bank facilities of JFFFL derives comfort from strong linkages with promoter company (Jain Irrigation Systems Limited), improvement in overall revenue & profitability margins, extensive experience of the promoter and established market position in the food processing industry.

The ratings are however partially offset by refinancing risk, though mitigated by promoter's support, moderate capital structure and debt protection metrics, working capital intensive nature of operations and raw material price risk

The outlook is assigned 'Stable' with Infomerics expectations of stable capital structure with benefits of linkages with promoter company.

Key Rating Sensitivities:

Upward Factors

- Sustained improvement in revenue and profitability while maintaining the debt protection metrics, and improvement in liquidity profile of the company.



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Downward Factors

- Any significant decline in revenue and/or profitability leading to deterioration in debt protection metrics
- Weakening of linkages with JISL.

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

Strong Linkages with promoters:

JFFFL has strong linkages with its promoter entity i.e. Jain Irrigations Systems Limited (JISL) as they share common name as well as there are common directors on the board of both the companies. Also, JFFFL shares the same office of JISL which provides significant cost efficiency. Also, Jain irrigation provides various services like raw material procurement and provides relatively longer credit period to JFFFL. Jain irrigation also invested ~Rs.87 crore in the company through zero coupon NCD. Jain irrigation management has articulated tangible support to JFFFL as and when it needed, management has also provided comfort of extending repayment period of these NCD's as these NCDs are getting matured in FY26.

Improvement in overall revenue & profitability margins:

JFFFL's consolidated revenue increased by ~5% on y-o-y basis during FY24 (refers to period April 1, 2023, to March 31, 2024), to Rs. 1,750.13 crore (FY23: Rs.1,667.39 crore) with higher volume, product diversification as well as improved realisations. EBITDA margins improved to 11.45% during FY24 (FY23:10.84%) due to stable raw material prices.

During 9MFY25, JFFFL has earned a revenue of Rs.1,347 crore with EBITDA margins similar to that of FY24.

Extensive experience of the promoter:

JFFFL has an established track record of over 2 decades in the industry, while its promoters are having more than 2 decades of experience in the food processing industry. The promoters are supported by experienced management team. JFFFL is promoted by Mr. Anil Jain, Atul Jain and Athang Jain having vast experience in the industry. There are other members in the



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team who are highly qualified & experienced, adding credence & professionalism in the governance of the company.

Established market position in the food processing industry:

JFFFL caters to a large number of customers which includes top beverage companies including Hindustan Coca Cola Beverages Pvt Ltd., BFS Group Ltd T/A Bidfood, Brake Bros Ltd, both in India and overseas market. The company generates around 75-80% of revenues from exports, primarily in Europe and the USA. Revenues are expected to remain healthy over the medium term backed by healthy demand for the products.

Key Rating Weaknesses

Refinancing risk, though mitigated by promoter's support:

JFFFL's DSCR was below unity in FY23 and FY24 due to higher repayments which was funded through promoter's support through investments through NCD's. Out of the total repayments for FY26, Rs.87 crore is of NCD repayment which is held by JIL. As per management, JIL will extend its repayment period to support the liquidity of the entity. Infomerics notes that majority of the debt repayment is from the Indian entity and as per management the overseas subsidiaries will opt for factoring facilities from FY26 onwards which would ease the liquidity position of the Indian entity. As per management, majority of the debtors on standalone entity is from subsidiary companies and post use of factoring facility debtors' days will reduce by at least 40-50 days.

Moderate capital structure and debt protection metrics:

The capital structure as indicated by overall gearing remained moderate at 1.66x in FY24 as against 1.48x as on FY23 due to increase in total debt. The total indebtedness represented by TOL/ATNW stood moderate at 2.28x as on March 31, 2024, against 2.25x as on March 31, 2023, due to increase in bank borrowings along with increased net worth. JFFFL has a strong net worth of Rs.903.05 crore as on March 31, 2024, as against Rs.834.69 crore as on March 31, 2023, with increase in operating profits. The debt coverage indicators as indicated by interest coverage ratio remained flat at 1.68x in FY24 {FY23: 1.66x} due to marginal increase in interest cost backed by increase in EBITDA. IVR expects the capital structure and debt protection metrics to remain adequate during FY25- FY27.



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Working capital intensive nature of operations:

Due to the seasonal nature of business, JFFFL needs to procure its raw material during the harvesting season which generally ends in April. As the company needs this raw material across the year, they need to keep significant amount of raw material during this period. Due to which, JFFFL inventory days always remained elongated with 179 days at the end of FY24 (FY23:150 days).

Raw Material Price Risk:

JFFFL is exposed to fluctuations in price of mango pulp and sugar in the packaged food & beverages segment. Being agro and related commodities company, the prices of these products can fluctuate significantly over seasons, depending on the crop output. Any significant increase in the raw material prices can impact the profitability, due to the company's limited ability to pass on the increase in prices to its customers.

Analytical Approach: Consolidated

Infomerics has consolidated operational and financial risk profile of Jain Farm Fresh Foods Limited (JFFFL)-Holding Company and other foreign subsidiaries namely

1. *Jain America Foods Inc., USA,*
2. *Jain Farm Fresh Foods Inc., USA (Erstwhile Cascade Specialities Inc. USA),*
3. *Jain International Foods Limited., UK,*
4. *Sleaford Quality Foods Limited., UK,*
5. *Jain Farm Fresh Holdings*
6. *Jain Irrigation Holding Inc.*
7. *Jain Farm Fresh Gida Sanayi Ve Ticaret Anonim Sirketi, Turkey.*

All the companies are collectively known as Jain Irrigation Group.

Applicable Criteria:

[Rating Methodology for Manufacturing Companies.](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\).](#)

[Criteria for assigning Rating outlook.](#)

[Policy on Default Recognition and post default curing period](#)



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[Complexity Level of Rated Instruments/Facilities](#)

[Consolidation of Companies](#)

[Rating criteria on Parent/ Group support](#)

Liquidity –Adequate

JFFFL's liquidity appears to be adequate as the company is expected to achieve cash accruals generation in the range of Rs.85.67 crore to Rs.191.54 crore against debt repayment obligations of Rs.119.62 crore to Rs.52.09 crore during FY25-27. However, the fund-based bank limit utilisation remains low with average utilisation of ~80% during the last twelve months ended February 2025. The current ratio stood at 1.14x as on March 31, 2024.

About the Company

Jain Farm Fresh Foods Limited (JFFFL) with its registered office at Jalgaon, Maharashtra was incorporated on April 7, 2015, under the Companies Act, 2013. The Company is subsidiary of Jain Irrigation Systems Limited (JISL, "Parent Company", and "the Holding Company"). It is in the business of food processing and is one of the largest fruits and vegetable processors. It is one of the largest mango processors and among the top global onion dehydrators with capabilities to manage different processes such as aseptic, dehydration, IQF and reduced moisture frozen for various products across multiple geographies

Financials (Consolidated)

	(Rs. crore)	
For the year ended/ As on*	31-03-2023	31-03-2024
	Audited	Audited
Total Operating Income	1667.39	1750.13
EBITDA	180.77	200.46
PAT	25.86	10.96
Total Debt	1233.41	1496.30
Tangible Net Worth	834.69	903.05
EBITDA Margin (%)	10.84	11.45
PAT Margin (%)	1.53	0.62
Overall Gearing Ratio (x)	1.48	1.66
Interest Coverage (x)	1.66	1.68

* Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: Nil



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Any other information: None

Rating History for last three years:

Sr. No.	Name of Security/Facilities	Current Ratings (Year 2025-26)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
1.	Term Loan	Long Term	74.01	IVR BBB-/ Stable	--	--	--
2.	Cash Credit	Long Term	360.52	IVR BBB-/ Stable	--	--	--
3.	BG/ LC	Short Term	100.00	IVR A3	--	--	--
4.	CEL/ Derivative	Short term	8.44	IVR A3	--	--	--

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About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.



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Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

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Annexure 1: Instrument/Facility Details

Name of Facility/ Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan	--	--	--	March 01, 2027	74.01	IVR BBB-/ Stable
Cash Credit	--	--	--	--	360.52	IVR BBB-/ Stable
BG/ LC	--	--	--	--	100.00	IVR A3
CEL/ Derivative	--	--	--	--	8.44	IVR A3



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Annexure 2: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/Len-Jain-Farm-Fresh-2apr25.pdf>

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated/Combined analysis:

Name of the company/Entity	Consolidation/Combined Approach
Jain America Foods Inc., USA	Consolidation
Jain Farm Fresh Foods Inc., USA (Erstwhile Cascade Specialities Inc. USA),	Consolidation
Jain International Foods Limited., UK	Consolidation
Sleaford Quality Foods Limited., UK	Consolidation
Jain Farm Fresh Holdings	Consolidation
Jain Irrigation Holding Inc	Consolidation
Jain Farm Fresh Gida Sanayi Ve Ticaret Anonim Sirketi, Turkey	Consolidation

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com