

# Jindal Worldwide Ltd. - What you missed?

Ranked among Asia Pacific's 500 Fastest Growing Companies by Nikkei Asia and Financial Times

## Profile

Incorporated in 1986, Jindal is one of the country's largest and one of world's leading denim manufacturers with a total capacity of 140 MMPA (million meters per annum). It is also one of India's leading vertically integrated textile players manufacturing bottom weight, premium shirtings, yarn dyeing & home textiles products. The Company has a capacity of 25 MMPA for bottom weights, 25 MMPA for premium shirtings, 1,200 MT for yarn dyeing and 10k pieces per day for home textile.

## Investment Rationale

- Capacity expansion across verticals – plan to invest around Rs 600 crore in two phases over next 3-4 years - to help drive volume growth along with helping the company become a market leader
- Significantly lower leverage ratios as compared to industry average; D:E now at 1 x
- Improving revenue share from exports- from almost Nil in 2018 to 30% in H1FY22
- Expanding margins – EBITDA poised to grow in early teens with addition of value added products despite doubling of key raw material cost
- Growing consistently higher than industry average since last three years
- Brickwork Ratings India has upgraded the long-term fund-based rating from A+ to AA- for INR 415 crore.**
- Market cap has risen to Rs 6,000 Cr from Rs 1,100 Cr in last 12 months.**

## Textile Industry

- China-plus one strategy aiding revival for textile industry as exports demand surge in 2021. Exports during April-Dec 2021 rose 31% year-on-year to US\$29.8 billion.
- Exports of cotton yarn, fabrics, made-ups and handloom products rose 43% on year during the period
- To encourage manufacturing of man-made fibres and technical textiles, the Government of India has introduced product-linked incentive (PLI) scheme
- Export demand is supported by strong domestic demand as businesses normalize and supply chain regularizes. The pandemic-led wardrobe change has also led to strong domestic demand.

Company	Jindal Worldwide Ltd
BSE Code	531543
NSE Code	JINDWORLD
Bloomberg Code	JINW:IN
Market Cap	INR 6,250 Cr (Jan 21, 2022)
Face Value	1
Incorporation year	1986

## Price Return % (as on Jan 21, 2022):

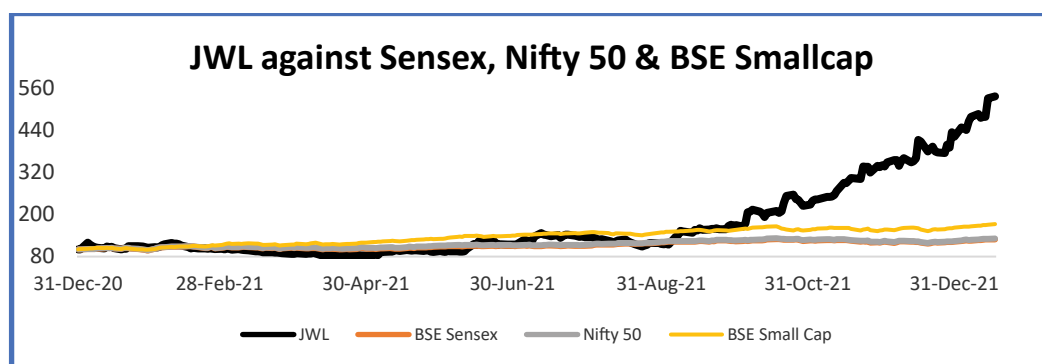
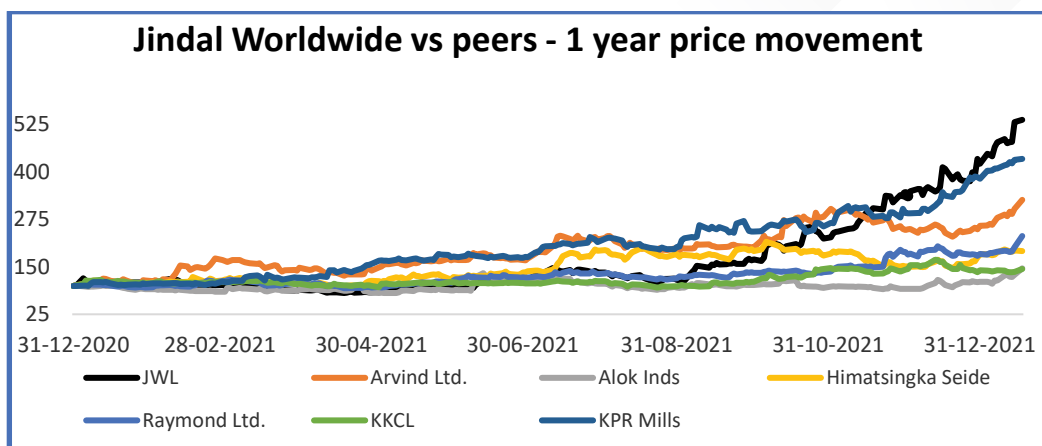
Company	Return (%)			
	1 Month	3 Months	6 Months	1 Year
Jindal Worldwide Ltd.	48.6	120.5	296.8	417.6
Arvind Ltd.	19.0	9.6	30.5	177.7
Alok Inds	27.0	38.7	23.7	51.0
Himatsingka Seide	14.5	(6.8)	2.5	82.6
Raymond Ltd.	18.1	70.0	67.3	132.7
Kewal Kiran Clothing	(10.8)	6.7	27.3	28.7
KPR Mills	16.2	63.4	91.7	290.1
Sensex	3.7	(2.93)	11.4	19.0
Nifty	3.9	(2.75)	11.1	20.7
BSE Smallcap	5.8	5.76	13.4	61.0

## Key Ratios

Particulars	FY18	FY19	FY20	FY21	Q1FY22	Q2FY22
Asset Turnover	4.18	3.91	7.47	7.70	N.A.	N.A.
D/E	1.73	1.84	1.04	0.87	N.A.	1.00
D/EBIDTA	1.82	2.12	1.64	2.60	N.A.	2.68
RoE (%)	18.10	8.85	7.44	10.51	15.11	17.17
RoCE (%)	17.44	9.32	8.56	14.20	16.22	18.29

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## Key Financials: Quarterly and six months ending Sep '2021

Particulars	Q2FY22	Q1FY22	% Chg	H1FY22	H1FY21	% Chg
<b>Total Income</b>	630.4	525.4	<b>20</b>	1159.5	470.4	<b>146</b>
<b>EBITDA</b>	52.0	43.9	<b>18</b>	95.9	49.0	<b>96</b>
<b>PAT</b>	25.0	18.9	<b>32</b>	43.9	2.7	<b>1526</b>
<b>Margins</b>						
<b>EBITDA (%)</b>	8.2	8.4		8.3	10.4	
<b>PAT (%)</b>	4.0	3.6		3.8	0.6	

<b>Profit &amp; Loss Snapshot (Rs. Cr)</b>					
Particulars	FY18	FY19	FY20	FY21	H1FY22
<b>Total Income</b>	1650	2212	2205	1724	1160
<b>EBIDTA</b>	184	199	146	141	96
<b>PAT</b>	59	31	28	44	44
<b>Margins</b>					
<b>EBIDTA (%)</b>	11.2	9	6.6	8.2	8.3
<b>PAT (%)</b>	3.6	1.4	1.3	2.6	3.8
<b>Key Balance Sheet Figures (Rs. Cr)</b>					
<b>Cash</b>	25	34	21	14	17
<b>LT Debt</b>	335	423	239	112	107
<b>Net Worth</b>	326	350	376	420	461