



Press Release

ELGI Rubber Company Limited

June 05, 2025

Ratings

Facilities	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	140.02	IVR BB/Negative/INC* (IVR Double B with Negative Outlook; ISSUER NOT COOPERATING)	IVR BB+/Negative/INC* (IVR Double B Plus with Negative Outlook; ISSUER NOT COOPERATING)	Downgraded and continued under ISSUER NOT COOPERATING category	Simple
Fixed Deposit	12.00	IVR BB/Negative/INC* (IVR Double B with Negative Outlook; ISSUER NOT COOPERATING)	IVR BB+/Negative/INC* (IVR Double B Plus with Negative Outlook; ISSUER NOT COOPERATING)	Downgraded and continued under ISSUER NOT COOPERATING category	Simple
Short Term Bank Facilities	124.75	IVR A4/INC* (IVR A Four; ISSUER NOT COOPERATING)	IVR A4+/INC* (IVR A Four Plus; ISSUER NOT COOPERATING)	Downgraded and continued under ISSUER NOT COOPERATING category	Simple
Total	276.77	Rupees Two Hundred Seventy-Six Crore and Seventy-Seven Lakh Only			

**ISSUER NOT COOPERATING; Based on best available information*

Details of Facilities are in Annexure-1

Facilities wise lender details are at Annexure-2

Detailed explanation of covenants is at Annexure-3

Ratings

Infomerics Valuation and Rating Limited (IVR) has downgraded the rating and continued under 'ISSUER NOT COOPERATING' category due to deterioration in financial performance of the company in Q4 - FY2025 results.



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Detailed Rationale

The rating revision is because of lack of adequate information regarding ELGI Rubber Company Limited performance and hence the uncertainty around its credit risk. Infomerics Valuation and Rating Limited (IVR) assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The rating was due for review on July 2024. IVR took up with issuer to provide required information vide multiple E-mail communications latest by August 12, 2024, and through various telephonic calls. Despite the best efforts of IVR to get the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the entity, IVR is unable to assess the entity's financial performance and its ability to service its debt and maintain a valid rating. Hence, on account of inadequate information, IVR is unable to assess the entity's financial performance and its ability to service its debt and maintain a valid rating. Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company.

Non-cooperation by Issuer

- Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the ratings for the bank loan facilities aggregating to Rs. 276.77 crore of ELGI Rubber Company Limited shall be continued under 'ISSUER NOT COOPERATING' category by Infomerics and the rating is as 'IVR BB/ Negative/A4; ISSUER NOT COOPERATING' based on best available information.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Manufacturing Companies](#)
[Financial Ratios & Interpretation \(Non- Financial Sector\)](#)
[Guidelines on what constitutes Non-Cooperation by clients](#)
[Criteria for Assigning Rating Outlook](#)
[Policy on default recognition](#)
[Complexity level of rated instrument/Facilities](#)



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About the Company

ELGI Rubber Company Limited (ELGI) was incorporated in October 2006 under the name of ELGI Aviation Tyres Limited and was renamed as ELGI Rubber Company Ltd effective April 7, 2011. ELGI manufactures reclaim rubber, tread rubber, bonding gum and other rubber products used in the Rubber Industry, predominantly in the Tyre sector and it also provides retreading services through a franchisee network. ELGI has six manufacturing units spread across Tamil Nadu and Kerala. The company also has seven wholly-owned subsidiaries and two step-down subsidiaries located in various countries, including the Netherlands, Brazil, Kenya, US, Bangladesh, Australia and Sri Lanka. The company is listed on National Stock Exchange (NSE).

Financials (Standalone):

	(Rs. crore)	
For the year ended*/As on	31-03-2024	31-03-2025
	Audited	Audited
Total Operating Income	211.93	227.23
EBIDTA	16.49	13.89
PAT	17.93	- 4.26
Total Debt	164.37	154.90
Tangible Net worth	313.67	308.92
EBIDTA Margin (%)	7.78	6.11
PAT Margin (%)	7.78	- 1.79
Overall Gearing Ratio (x)	0.52	0.50
Interest Coverage Ratio (x)	1.12	0.97

**Classification as per Infomerics' standards*

Status of non-cooperation with previous CRA: NIL

Any other information: NIL



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Rating History for last three years:

Sr. No.	Name of Instruments/Facilities	Current Ratings (Year 2025-2026)			Rating History for the past 3 years				
		Type	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
					(August 22, 2024)	(Feb 21, 2024)	(Oct 31, 2023)	(Jul 18, 2023)	
1.	Fund Based	Long Term	140.02	INC* - IVR BB/Negative (IVR Double B with Negative Outlook; Issuer Not Cooperating)	INC* - IVR BB+/Negative (IVR Double B Plus with Negative Outlook; Issuer Not Cooperating)	IVR BBB-/Negative (IVR Triple B Minus with Negative Outlook)	IVR BBB-/Stable (IVR Triple B Minus with Stable Outlook)	IVR BBB-/Stable (IVR Triple B Minus with Stable Outlook)	-
2.	Fixed Deposit	Long Term	12.00	INC* - IVR BB/Negative (IVR Double B with Negative Outlook; Issuer Not Cooperating)	INC* - IVR BB+/Negative (IVR Double B Plus with Negative Outlook; Issuer Not Cooperating)	IVR BBB-/Negative (IVR Triple B Minus with Negative Outlook)	IVR BBB-/Stable (IVR Triple B Minus with Stable Outlook)	-	-
3.	Fund Based	Short Term	0.25	INC* - IVR A4 (IVR Single A Four; Issuer Not Cooperating)	INC* - IVR A4+ (IVR Single A Four Plus; Issuer Not Cooperating)	IVR A3 (IVR Single A Three)	IVR A3 (IVR Single A Three)	IVR A3 (IVR Single A Three)	-
4.	Non-Fund Based	Short Term	124.50	INC* - IVR A4 (IVR Single A Four; Issuer Not Cooperating)	INC* - IVR A4+ (IVR Single A Four Plus; Issuer Not Cooperating)	IVR A3 (IVR Single A Three)	IVR A3 (IVR Single A Three)	IVR A3 (IVR Single A Three)	-

**Issuer not cooperating; based on best available information.*



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About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) (formerly Infomerics Valuation and Rating Private Limited) 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.

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.

For more information visit www.infomerics.com

<p>Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.</p>
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Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Bank Facilities – Term Loan	-	-	Dec 2027	26.03	IVR BB/Negative/INC* (IVR Double B with Negative Outlook; ISSUER NOT COOPERATING)
Long Term Bank Facilities – Term Loan	-	-	May 2028	20.62	IVR BB/Negative/INC* (IVR Double B with Negative Outlook; ISSUER NOT COOPERATING)
Long Term Bank Facilities – Term Loan	-	-	Nov 2026	8.37	IVR BB/Negative/INC* (IVR Double B with Negative Outlook; ISSUER NOT COOPERATING)
Long Term Bank Facilities – Term Loan	-	-	June 2028	45.00	IVR BB/Negative/INC* (IVR Double B with Negative Outlook; ISSUER NOT COOPERATING)
Long Term Bank Facilities – Working capital	-	-	-	40.00	IVR BB/Negative/INC* (IVR Double B with Negative Outlook; ISSUER NOT COOPERATING)
Fixed Deposit	-	-	-	12.00	IVR BB/Negative/INC* (IVR Double B with Negative Outlook; ISSUER NOT COOPERATING)
Short Term Bank Facilities – Fund Based facilities	-	-	-	0.25	IVR A4/INC* (IVR A Four; ISSUER NOT COOPERATING)
Short Term Bank Facilities – Non-Fund Based facilities	-	-	-	124.50	IVR A4/INC* (IVR A Four; ISSUER NOT COOPERATING)

Annexure 2: Facility wise lender details.

<https://www.infomerics.com/admin/prfiles/len-ELGI-jun25.pdf>

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



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Annexure 4: List of companies considered for consolidated/Combined analysis: Not Applicable.

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 <http://www.infomerics.com>.