November 17, 2026

Elixrr Industries Private Limited: Ratings reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action	Financial sector regulator#
Long-term –Fund-based –Term loans	622.50	570.0	[ICRA]BBB- (Stable); reaffirmed	RBI
Long-term –Fund-based –Cash Credit	-	75.00	[ICRA]BBB- (Stable); reaffirmed	RBI
Short-term -Non-fund based limits	70.00	55.00	[ICRA]A3; reaffirmed	RBI
Long-term –Unallocated limits	7.50	-	-	RBI
Total	**700.00**	**700.00**		

**Instrument details are provided in Annexure I*

#SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI

Rationale

The reaffirmation of ratings for Elixrr Industries Private Limited (EIPL) factors in the extensive experience of its promoters, the Goel and Jain families, who have over three decades of experience in the technical textiles industry and nearly two decades in non-woven fabric manufacturing. The company commenced operations at its 15,000 MTPA non-woven fabric manufacturing facility in Gujarat in December 2023. While it achieved breakeven in operating profits in Q1 FY2027, the accruals are not material, and the promoters have demonstrated sustained financial support through infusion of funds in the form of compulsorily convertible debentures (CCDs; outstanding of Rs. 530.0 crore as on March 31, 2026) and by funding the company's working capital requirements as well as debt servicing obligations. ICRA derives comfort from the promoters' strong financial flexibility and established track record of timely infusion of funds, whenever needed.

The ratings, however, remain constrained by the modest scale of operations and weak debt protection metrics as operations are yet to generate sufficient accruals to fund the repayments and working capital requirements of the company. This is mainly due to slower-than-expected ramp-up of the non-woven fabric unit, owing to the lengthy validation cycle of 3-6 months required by export customers, and imposition of 50% tariffs by USA on exports for 5-6 months in FY2026 resulting in low capacity utilisation of 22% in FY2026. Although the capacity utilisation improved to 37% in Q1 FY2027, the ongoing West Asia crisis is resulting in higher raw material costs thereby leading to modest OPBITDA margins (~5%) in Q1 FY2027. Consequently, the coverage metrics are expected to remain stretched over the medium term. The company is likely to remain dependent on timely financial support from the sponsors to bridge funding requirements during the interim period. The ratings are constrained by post implementation risks related to the ramp-up and stabilisation of the greenfield MDF unit (2.4 lakh CBM), which will commence operations in Q4 FY2027.

ICRA notes the dependence of EIPL on exports (USA in particular) for the sale of non-woven products and the uncertainty related to tariffs on exports to USA. Any adverse development related to the tariffs impacting the company operations will be a key rating monitorable. ICRA takes note of the impact of the ongoing conflict in West Asia on the company's cost structure and operating profitability. Any further volatility in input costs arising from geopolitical developments, and the resultant impact on its profitability and cash flow generation, remains a key rating monitorable.

The Stable outlook on EIPL's ratings reflects ICRA's opinion that the company will improve its capacity utilisation in the medium term resulting in expected improvement in revenues and operating margins.

Key rating drivers and their description

Credit strengths

Experienced promoters in technical textiles industry – EIPL is promoted by the Goel and Jain families, who possess over three decades of experience in the technical textiles industry and nearly two decades of experience in non-woven fabric manufacturing. The promoters had established Tufropes Private Limited (Tufropes) in 1992, which emerged as a leading global manufacturer of high-performance synthetic fibre ropes and netting solutions catering to the aquaculture, maritime and diversified industrial sectors. Following the divestment of their stake in Tufropes to a private equity investor in FY2023, a portion of the sale proceeds has been earmarked towards funding commitments in EIPL's non-woven fabric and MDF projects. Further, the Goel family has been operating Ultrra Nonwoven, a partnership firm engaged in the manufacture and trading of non-woven fabrics and related products, since 2006. Leveraging this experience, EIPL has established a non-woven fabric manufacturing facility in Gujarat with an installed capacity of 15,000 MTPA, which commenced commercial operations in December 2023.

Strong financial flexibility – The company's promoters lend strong financial flexibility and there is a demonstrated track record of infusion of funds into EIPL, whenever needed. While operations achieved breakeven at operating profits level in Q1 FY2027, the accruals are not material. The promoters have demonstrated sustained financial support through infusion of funds in the form of compulsorily convertible debentures (CCDs; outstanding of Rs. 530.0 crore as on March 31, 2026) and by funding the company's working capital requirements as well as debt servicing obligations.

Credit challenges

Modest scale of operations and stretched debt coverage indicators – The company has a modest scale of operations, with an operating income (OI) of Rs. 43.8 crore in FY2025 and Rs. 60.8 crore in FY2026. The operating performance remained subdued, resulting in operating losses in FY2025 and FY2026, leading to stretched debt protection metrics. This is primarily due to slower-than-expected ramp-up of the non-woven fabric unit, owing to the lengthy validation cycle of 3-6 months required by export customers, and imposition of 50% tariffs by USA on exports for 5-6 months in FY2026 resulting in low capacity utilisation of 22% in FY2026. Although the capacity utilisation improved to 37% in Q1 FY2027, the ongoing West Asia crisis is resulting in higher raw material costs thereby leading to modest OPBITDA margins (~5%) in Q1 FY2027. Consequently, the coverage metrics are expected to remain stretched over the medium term. The company is likely to remain dependent on timely financial support from the sponsors to bridge funding requirements during the interim period.

Exposure to post implementation risks – The company faces post implementation risk related to the ramp up and stabilisation of the greenfield MDF unit (2.4 lakh CBM), which will commence operations in Q4 FY2027. The project is nearing completion with 83% of the budgeted project cost incurred till October 2026.

Liquidity position: Adequate

The company's liquidity is adequate with unencumbered cash and cash equivalents of Rs. 11.3 crore as of September 2026 and undrawn fund-based working capital limits, with an average cushion of ~Rs. 16.0 crore for the 12 months ending July 2026. The debt repayment obligations in FY2027 and FY2028 are expected to be met from the available liquidity and fund infusion from promoters. It has pending capex of Rs. 130.7 crore as of October 2026, which will be funded through undrawn debt of Rs. 91.9 crore and the balance through pending equity commitments from promoters.

Rating sensitivities

Positive factors – ICRA could upgrade EIPL's rating if there is a timely ramp up of operations resulting in significant improvement in revenues and profitability leading to an enhancement in the debt leverage and coverage metrics, while maintaining adequate liquidity position on a sustained basis.

Negative factors – Any delay in ramp up of operations leading to lower-than-expected revenues and profitability resulting in any deterioration in debt leverage and coverage indicators would be a credit negative. Additionally, pressure on the liquidity due to delay in ramp up of operations and/or any delay in timely funding support from the promoters will be a trigger for a rating downgrade.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Not applicable
Consolidation/Standalone	Standalone

About the company

EIPL is promoted by Goel and Jain families with both families holding equal share in the company. It operates a non-woven manufacturing unit in Gujarat, which has the capability and technology to manufacture non-woven fabrics from wood pulp. The non-woven unit has an installed capacity of 15,000 MTPA and commenced operations in December 2023. The company is setting up a 2.4 lakh CBM MDF capacity in Gwalior, Madhya Pradesh, with a total capex outlay of Rs. 772.0 crore with DCCO of December 2026. The MDF unit capex is funded by Rs. 525.0 crore of debt and the balance through fund infusion from promoters.

Key financial indicators (audited)

EIPL (Standalone)	FY2025	FY2026
Operating income	43.8	60.8
PAT	-33.7	-22.9
OPBDIT/OI	-57.6%	-14.3%
PAT/OI	-77.0%	-37.7%
Total outside liabilities/Tangible net worth (times)	-13.0	-16.0
Total debt/OPBDIT (times)	-20.1	-103.9
Interest coverage (times)	-2.5	-2.1

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current rating (FY2027)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	Nov 17, 2026	FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating
Term loan	Long term	570.00	[ICRA]BBB- (Stable)	Aug 14, 2025	[ICRA]BBB- (Stable)	-	-	-	-
Non-fund based limits	Short term	55.00	[ICRA]A3	Aug 14, 2025	[ICRA]A3	-	-	-	-
Cash credit	Long term	75.00	[ICRA]BBB- (Stable)						
Unallocated limits	Long term	-	-	Aug 14, 2025	[ICRA]BBB- (Stable)	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term – Fund-based – Term loan	Simple
Short-term – Non-fund based limits	Simple
Long-term – Fund-based – Cash Credit	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: Click here

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook	Financial sector regulator#
NA	**Term loans**	FY2022-FY2025	NA	FY2028-FY2036	570.00	[ICRA]BBB- (Stable)	RBI
NA	**Non-fund based limits**	NA	NA	NA	55.00	[ICRA]A3	RBI
NA	**Cash credit**	NA	NA	NA	75.00	[ICRA]BBB- (Stable)	RBI

Source: Company

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Please click here to view details of lender-wise facilities rated by ICRA

Annexure II: List of entities considered for consolidated analysis: Not Applicable

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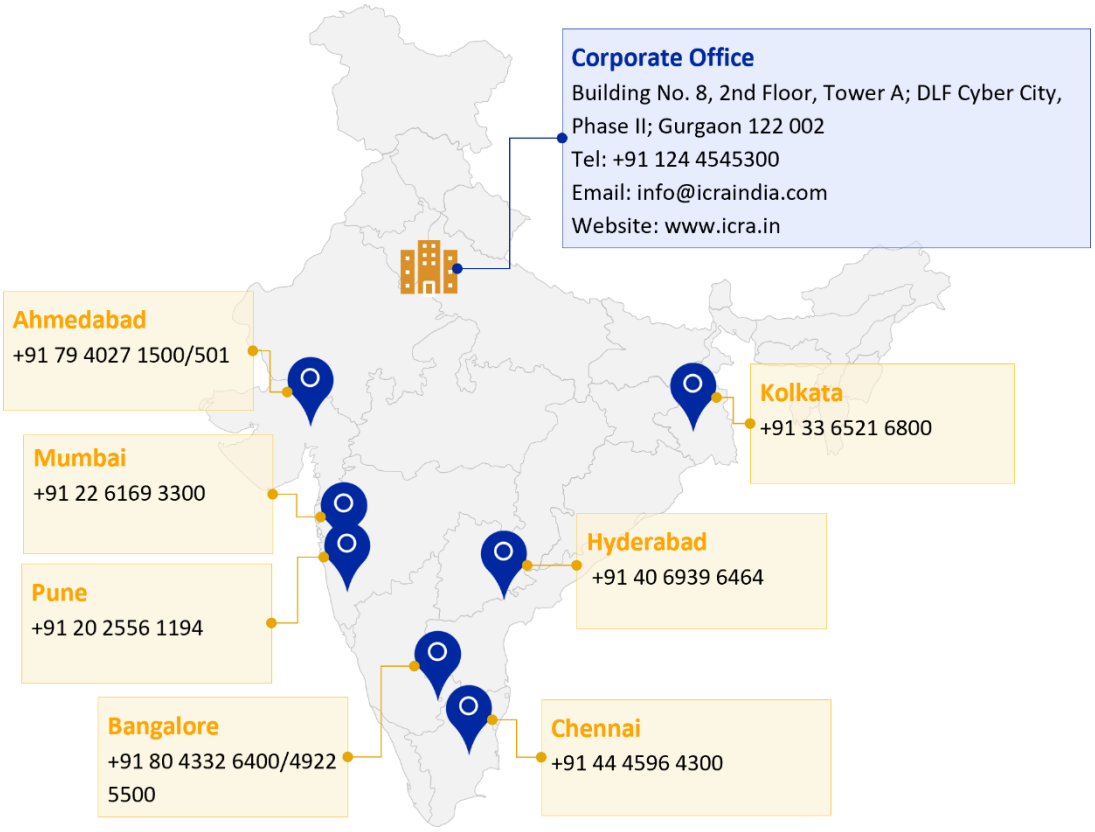
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