

Tinna Rubber & Infrastructure Limited

October 09, 2026

Facilities/Instruments	Name of the Regulator ¹	Amount (₹ crore)	Rating ²	Rating Action
Long-term / Short-term bank facilities	RBI	17.00 (Reduced from 17.37)	CARE BBB; Stable / CARE A3+	Upgraded from CARE BBB-; Stable / CARE A3
Long-term bank facilities	RBI	220.76 (Enhanced from 137.86)	CARE BBB; Stable	Upgraded from CARE BBB-; Stable

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Upgrade in ratings assigned to bank facilities of Tinna Rubber & Infrastructure Limited (TRIL) factors in sustained improvement in the TRIL's operational and financial performance in the last few years. TRIL's revenue increased by ~8% on yearly basis in FY26, driven by growth in sales volume and realisations, supported by healthy demand for its products, government focus on infrastructure spending, and addition to customer base from the industrial segment, given the sustainable application of its products. CARE Ratings Limited (CareEdge Ratings) expects TRIL to sustain this trend in the near-to-medium term, supported by addition of new products to its diversified portfolio. The upgrade also factors in TRIL's expected comfortable debt protection metrics, despite planned sizeable debt-funded capex. Ratings continue to derive strength from its experienced management with long track record of operations, association with a reputed and diversified customer base, pan-India manufacturing facilities, diversified product portfolio and comfortable operating cycle.

However, ratings continue to remain constrained by TRIL's exposure to foreign exchange fluctuation risk, regulatory risk, profitability susceptible to raw material price volatility and its fortunes linked to industries such as infrastructure and tyres, which are cyclical. Ratings also take cognisance of TRIL's planned large debt-funded capital expenditure (capex) of ~₹255.00 crore, which is planned to be largely funded through equity infusion of ~₹100.00 crore during FY28, subject to obtaining the requisite approvals from the board of directors, shareholders, and other applicable regulatory authorities.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Significant increase in the scale of operations while maintaining profit before interest, lease rentals, depreciation and taxes (PBILDT) margin at above 17.00% on a sustained basis.
- Timely execution and stabilisation of the planned capex without major cost overrun, leading to improvement in operational performance.

Negative factors

- Significant decline in total operating income (TOI) and/ or PBILDT margin below 14.00% on a sustained basis.
- Elongation in operating cycle to above 90 days on a sustained basis.
- Total debt/PBILDT above 2.50x on a sustained basis.
- Delay in project funding/ execution leading to adverse impact on group's debt protection metrics and liquidity position.

Analytical approach: Consolidated

CareEdge Ratings has taken a consolidated view of TRIL, and its subsidiary, wholly owned subsidiary, associate and joint venture (JV), together comprising the TRIL group/ group, owing to strong operational and business linkages across these entities, and are run by common management. Entities consolidated are listed under Annexure-5.

Outlook: Stable

The 'Stable' outlook reflects CareEdge Ratings' expectations that the group will continue to benefit from the extensive experience of its promoters and management, its established relationships with reputed customers, and growing demand for its products.

¹SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority.

²Complete definitions of ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

Detailed description of key rating drivers:

Key strengths

Improvement in the group's operational performance: The group's scale of operations has remained on an increasing trend, registering a compounded annual growth rate (CAGR) of ~23% for three fiscals ended FY26 (refers to April 01 to March 31). TOI increased by 7.83% to ₹545.81 crore in FY26 from ₹506.18 crore in FY25. Growth was primarily driven by increase in sales volume and realisation, healthy demand for the products, government impetus on infrastructure spending, and additions to the customer base from industrial segment due to sustainable nature of the products. The group achieved TOI of ₹156.18 crore in Q1FY27 (refers to April 01, 2026, to June 30, 2026; based on unaudited results). Diversification of the group's existing portfolio by adding new products and higher utilisation of existing and newly added capacities is expected to further accelerate growth.

The group's PBILDT margin improved to 17.25% in FY26 from 15.36% in FY25. This was driven by cost optimisation initiatives undertaken by the company, including product price revisions and enhanced processing capabilities, which enabled utilisation of a wider range of end-of-life tyres (ELTs). These consequently led to reduction in raw material consumption costs and, improved operational efficiencies, which ultimately led to an improvement in profitability margins in FY26. The group also derived benefits from stable sale of extended producer responsibility (EPR) credits which stood at ₹29.33 crore in FY26. Going forward, ramp-up of capacities, improvement in capacity utilisation across manufacturing facilities and an increased contribution from relatively higher-margin products are expected to support operating profitability margin.

Improvement in financial risk profile: The group's capital structure remained comfortable and improved in FY26, supported by proceed of ₹78.70 crore raised through a qualified institutions placement (QIP), part of which was utilised towards prepayment of external debt of ₹23.02 crore. The group had a satisfactory net worth base of ₹300.30 crore as on March 31, 2026. Consequently, overall gearing ratio stood low at 0.43x as on March 31, 2026, and debt coverage indicators were comfortable with interest coverage ratio and total debt to gross cash accruals (TD/GCA) of 8.23x and 1.90x, respectively, in FY26. CareEdge Ratings expects the group's financial risk profile to remain comfortable in the near-to-medium term, despite proposed debt-funded capex and incremental working capital borrowings required to support increased scale of operations.

The group's operating cycle remained moderate at 53 days in FY26. Owing to a large product portfolio and supply chain disruptions in the last quarter of FY26, the group is required to maintain adequate inventory at each processing stage for smooth operation of its production processes and to ensure prompt delivery to its customers, resulting in an average inventory holding period of ~59 days in FY26. The group offers a liberal credit period of ~1-2 months to its customers as majority are large players, with high bargaining power, resulting in an average collection period of 38 days for FY26 (PY: 27 days). The group receives a credit period of ~1-2 months from its suppliers, resulting in an average creditor's period of 43 days in FY26.

Experienced promoters and pan-India manufacturing facilities with a diversified product portfolio: TRIL's operations are managed by Bhupinder Kumar Sekhri, Gaurav Sekhri and Subodh Kumar Sharma. Bhupinder Kumar Sekhri, Chairman and Managing Director, has over five decades of experience in the rubber industry. He is ably supported by Gaurav Sekhri, Joint Managing Director, who has over two decades of experience in the commodity trading business and other verticals, including cargo handling operations and warehousing businesses. The group has established a significant track record in this business, leading to long-term relationships with suppliers and customers.

The group has established its pan-India presence by strategically setting up eight manufacturing facilities across different geographic locations in India and overseas. The group has diversified product portfolio, which includes crumb rubber modifier (CRM), micronized rubber powder, reclaimed rubber/ ultrafine crumb rubber compound, crumb rubber modified bitumen (CRMB), High carbon steel abrasives, polymer composites and masterbatch (PCMB), among others, primarily used in infrastructure and automotive industries. From FY27, the group added new products to its portfolio, including tyre pyrolysis oil (TPO) and variants of recovered carbon black (rCB). This helps the group mitigate overall risk by reducing reliance on individual products.

Association with reputed and diversified customer base: The group has been engaged in ELT/waste tyres recycling business for over two decades, successfully building strong relationships with its customers. These established relationships, the group has consistently secured repeat orders from its existing customers. The group has established business alliances with reputed companies such as MRF Limited (rated 'CARE AAA; Stable/ CARE A1+'), Apollo Tyres Limited, CEAT Limited (rated 'CARE AA; Positive/ CARE A1+'), JK Tyre & Industries Limited (rated 'CARE AA-; Stable / CARE A1+'), Indian Oil Corporation Limited, Hindustan Colas Limited, Hyundai Construction Equipment (India) Private Limited, Mahindra CIE Automotive Limited,

Rico Auto Industries Limited, Zenith Industrial Rubber Products Private Limited, and IJM (India) Infrastructure Limited, among others. Sales to the top 10 customers accounted for ~36% of total sales in FY26. This diversified customer base mitigates dependence on few clients to a large extent.

Key weaknesses

Exposed to project execution and stabilisation risks associated with sizeable planned capex: The company is undertaking capex aggregating ~₹255.00 crore in three phases from FY27-FY29 for setting up two manufacturing facilities and enhancing capacities across its products (Rubber, PCMB, TPO and rCB) with a combined total installed capacity of 1,74,000 metric tonne (MTs) per annum. This includes a new plant with an estimated cost of ~₹200.00 crore covering its entire product range at Sullurpeta, Tirupati (Andhra Pradesh), ~₹25.00 crore for solar installation, another new PCMB facility at Palghar (Maharashtra) with an estimated cost of ~₹20.00 crore, and other routine capex. In view of the proposed expansion, the management is planning to raise funds of ~₹100.00 crore through equity infusion during FY28, subject to obtaining the requisite approvals from the board of directors, shareholders, and other applicable regulatory authorities, a term loan of ~₹30.00 crore, and the balance through internal accruals. Debt of ₹30.00 crore has already been tied-up. First phase of projects is expected to be commissioned by Q4FY28 and become fully operational from FY30. Currently, the project is at a nascent stage, and land acquisition in Andhra Pradesh and other legal and regulatory approvals are in process. Its ability to commission the projects within the budgeted cost and timelines remains monitorable. The capex related to the new TPO and rCB production facility at Varale commenced trial runs in Q1FY27 and is expected to commence commercial sales by Q2FY27-end, with operations expected to stabilise by Q3FY27.

Profitability susceptible to raw material price volatility: Raw materials constituted over 55% of the TRIL's total cost of production in FY26. Hence, raw material price volatility may negatively impact the group's profitability. Products are manufactured by recycling ELT, mainly radial truck and bus radial (TBR) tyres, which are discarded after use in medium and heavy commercial vehicles (MHCV). These tyres have higher recyclable content with better rubber quality. This exposes the group to volatility in prices of natural rubber (NR) and synthetic rubber (SR), as decline in NR/SR prices would exert pressure on prices of products manufactured by the group. While input-price changes are passed on through quarterly price revisions, associated time lag exposes operating margins to adverse raw material price movements.

Exposed to foreign exchange fluctuations and regulatory risks: The group's exports constituted ~8% of total sales in FY26 (PY: 6%), while imports accounted for ~54% of total raw material purchases. Although exports provide a partial natural hedge, the absence of a formal hedging mechanism exposes operating margins and cash accruals to adverse exchange-rate movements. Import of waste tyres/ELT is also subject to regulatory approvals. West Asia conflicts led to supply-chain disruptions and an increase in prices of crude oil derivatives, impacting sales to the consumer segment in FY26, partly offset by demand from the infrastructure segment.

Fortunes linked majorly to industries that are cyclical in nature: The group's fortunes are closely linked with demand emanating from road construction and tyre manufacturing segments, which depend significantly on growth in infrastructure and automotive industries. These segments contributed over 50% of the group's revenue in FY26 and Q1FY27. Prospects of these industries are highly correlated with economic cycles, and in turn, subject to cyclical demand patterns inherent in the industry. In times of an economic downturn, demand for these products may decline, which may put pressure on the group's growth. However, this risk is mitigated to some extent since the group is also catering to other industries, diversifying its sectoral exposure and gradually reducing its dependence on them.

Liquidity: Adequate

The group's liquidity position remains adequate with expected gross cash accruals (GCA) of ~₹76.00 crore in FY27 against repayment obligations of ₹12.13 crore in the same year. average utilisation of its working capital limits stood at ~80% for 12 months ending August 2026. However, the company is undertaking sizeable capex of ~₹255.00 crore in three phases from FY27-FY29, which is proposed to be funded through term loan of ₹30.00 crore, equity infusion of ~₹100.00 crore subject to obtaining the requisite approvals from the board of directors, shareholders, and other concerned regulatory authorities, and the balance through internal accruals. While the term debt has been tied up, the capex remains at a very nascent stage. The sizeable capex is expected to constrain the buffer available from internal accruals. Consequently, cost overruns, capex exceeding the envisaged amount, or delays in raising funds through the proposed equity infusion may exert pressure on the group's liquidity and will remain key rating monitorable.

Applicable criteria

[Consolidation](#)

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Capital Goods	Industrial Products	Rubber

A Delhi-based public listed company incorporated in March 1987 (formerly Tinna Overseas Limited), TRIL is engaged in recycling ELT and waste tyres to produce a wide range of value-added products including CRM, micronized rubber powder, reclaimed rubber compounds, CRMB, polymer modified bitumen (PMB), bitumen emulsion, steel abrasives, and PCMB. The group has an installed capacity to process 2,00,000 MTs per annum of ELT/waste tyres as on March 31, 2026.

The group includes two associate entities, Fratelli Vineyards Limited (formerly Tinna Trade Limited), engaged in commodity and steel abrasives trading, and TP Buildtech Private Limited, engaged in construction chemicals. It also operates one overseas subsidiary, Global Recycle LLC, Oman, acquired in March 2023, with a processing capacity of 15,000 MT per annum. In FY25, TRIL established a wholly owned subsidiary in Saudi Arabia, Tinna Rubber Arabia Limited to set up a 24,000 MT per annum tyre recycling plant which is expected to commence operations by Q1FY28. The group has also formed a joint venture in South Africa with Lionshare Holdings and Mbodla Investments namely; Mbodla Investments (Pty) Limited, Johannesburg to develop a recycling facility, which began its first phase of operations in Q1FY26.

Brief Financials (₹ crore) (Consolidated)	March 31, 2025 (A)	March 31, 2026 (A)	Q1FY27 (UA)^
Total operating income	506.18	545.81	156.18
PBILDT*	77.73	94.15	34.07
Profit after tax (PAT)	48.36	52.85	20.57
Overall gearing (times)	0.76	0.43	NA
Interest coverage (times)	6.77	8.23	11.79

A: Audited; UA: Unaudited; NA: Not Available; Note: these are latest available financial results.

*PBILDT: Profit before interest, lease rentals, depreciation, and taxes

^refers to April 01, 2026, to June 30, 2026.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

For complexity level of instruments rated refer to Annexure-1

Lender details: Annexure-4

Disclosure on facilities/instruments and name of regulators:

A list of facilities / instruments falling under the purview of financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan	RBI	NA	-	-	-	December, 2034	108.76	CARE BBB; Stable
Fund-based - LT-Working Capital Limits	RBI	NA	-	-	-	-	112.00	CARE BBB; Stable
Fund-based/ Non-fund-based-LT/ST	RBI	NA	-	-	-	-	6.00	CARE BBB; Stable / CARE A3+
Non-fund-based - LT/ ST-BG/LC	RBI	NA	-	-	-	-	11.00	CARE BBB; Stable / CARE A3+

NA: Not Applicable

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2026-2027	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024
1	Fund-based - LT-Term Loan	LT	108.76	CARE BBB; Stable	-	1)CARE BBB-; Stable (13-Oct-25) 2)CARE BBB-; Stable (02-May-25)	1)CARE BBB-; Stable (04-Oct-24)	1)CARE BB+; Stable (03-Jan-24) 2)CARE BB+; Stable (16-Aug-23)
2	Fund-based - LT-Working capital Term Loan	LT	-	-	-	1)Withdrawn (13-Oct-25) 2)CARE BBB-; Stable (02-May-25)	1)CARE BBB-; Stable (04-Oct-24)	1)CARE BB+; Stable (03-Jan-24) 2)CARE BB+; Stable (16-Aug-23)
3	Fund-based - LT-Working Capital Limits	LT	112.00	CARE BBB; Stable	-	1)CARE BBB-; Stable (13-Oct-25) 2)CARE BBB-; Stable (02-May-25)	1)CARE BBB-; Stable (04-Oct-24)	1)CARE BB+; Stable (03-Jan-24) 2)CARE BB+; Stable (16-Aug-23)
4	Non-fund-based - LT/ST-BG/LC	LT/ST	11.00	CARE BBB; Stable / CARE	-	1)CARE BBB-; Stable / CARE A3 (13-Oct-25)	1)CARE BBB-; Stable / CARE A3	1)CARE BB+; Stable / CARE A4+ (03-Jan-24)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2026-2027	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024
				A3+		2)CARE BBB-; Stable / CARE A3 (02-May-25)	(04-Oct-24)	2)CARE BB+; Stable / CARE A4+ (16-Aug-23)
5	Fund-based/Non-fund-based-LT/ST	LT/ST	6.00	CARE BBB; Stable / CARE A3+	-	1)CARE BBB-; Stable / CARE A3 (13-Oct-25) 2)CARE BBB-; Stable / CARE A3 (02-May-25)	1)CARE BBB-; Stable / CARE A3 (04-Oct-24)	1)CARE BB+; Stable / CARE A4+ (03-Jan-24) 2)CARE BB+; Stable / CARE A4+ (16-Aug-23)

LT: Long term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Lender details

To view lender-wise details of bank facilities please [click here](#)

Annexure-5: List of entities consolidated

Sr. No.	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Global Recycle LLC	Full	Subsidiary
2	Tinna Rubber Arabia Limited	Full	Wholly owned subsidiary
3	Mbodla Investments (Pty) Ltd	Moderate	Joint venture
4	T P Buildtech Private Limited	Moderate	Associate

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

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