

## Newage Fire Protection Industries Private Limited

Instrument	Amount (In Rs. Cr)	Rating Assigned
Fund based – Term loans	Rs. 1.95 crore (Earlier Rs. 2.78 crore)	[ICRA]BB (Stable); Reaffirmed
Fund based – Cash Credits	Rs. 4.80 crore	[ICRA]BB (Stable); Reaffirmed
Fund based – FBP/UFBP	Rs. 1.50 Crore (Earlier Rs. 1.20 crore)	[ICRA]A4+; Reaffirmed
Fund based – PC* (Sub limits)	Rs. 1.50 Crore (Earlier Rs. 1.00 crore)	[ICRA]A4+; Reaffirmed
Non-fund based – LC	Rs. 2.00 Crore	[ICRA]A4+; Reaffirmed
Non-fund based – Buyers Credit# (Sub limits)	Rs. 2.00 Crore	[ICRA]A4+; Reaffirmed
Non-fund based – BG	Rs. 3.50 crore (Earlier Rs. 0.35 crore)	[ICRA]A4+; Reaffirmed
Unallocated limits@	Rs. 1.10 Crore (Earlier Rs. 3.72 Crore)	[ICRA]BB (Stable) / [ICRA]A4+; Reaffirmed
<b>Total Fund based &amp; Non fund based limits</b>	<b>Rs 14.85 Crore</b>	<b>[ICRA]BB (Stable) / [ICRA]A4+ Reaffirmed</b>

\*Pc sub limit of FBP/UFBP

# Buyers credit is sub limit of LC

@ unallocated limits rated on both short term and long term ratings

Source: ICRA

ICRA has reaffirmed the long-term rating of [ICRA]BB (pronounced ICRA double B) for Rs. 1.95 crore<sup>1</sup> 'Term loan' facilities (previously Rs 2.78 crore) and Rs. 4.80 crore 'Cash credit' facility of Newage Fire Protection Industries Private limited' (NFPIPL)<sup>2</sup>. The outlook assigned to the long-term rating is 'Stable'.

ICRA also reaffirms the short-term rating to [ICRA]A4+ (pronounced ICRA A four plus) to Rs.7.00 crore (previously Rs. 3.55 crore) short term fund based and non-fund based bank facilities of the company.

Further, ICRA has also reaffirmed the long term rating of [ICRA]BB and the short term rating of [ICRA]A4+ to Rs. 1.10 crore (previously 3.72 crore) unallocated limits of the company.

The rating reaffirmation continues to factor in the strong experience of the promoters within the industry along with operational and financial synergy from sister concerns, Moderate order book position with favorable domestic demand for firefighting systems led by increase in awareness about fire safety and security among commercial, industrial and real estate projects. The ratings also takes into consideration the diversified and reputed customer base of the company.

Further, the ratings continue to remain constrained by, moderate profitability given its significant presence in trading business and stretched capital structure on account of significant debt funding to undertake operations of the company; though, a considerable portion of unsecured loans from promoters provides comforts to an extent. The ratings also take into account the vulnerability of the company's profitability to stiff competitive pressures and fluctuating raw materials prices.

### About the Company

Newage Fire Protection Industries Private Limited was incorporated during 2010 with the objective to carry out manufacturing activities of various types of hose pipes, couplings, hydrant valves, nozzles, and various other

<sup>1</sup>100 lakh = 1 crore = 10 million

<sup>2</sup>For complete rating scale and definitions please refer to ICRA's website [www.icra.in](http://www.icra.in) or other ICRA Rating Publications



products required for setting up a fire protection system. Mr. Ashok Shah and Mr. Milind Shah are among the key directors of the company with Mr. Bharat Shah being the chief executive officer. The company has a corporate office located at Sion Mumbai, along with the manufacturing facility located at Khopoli, Thane.

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