Navair International Private Limited

June 27, 2025

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term bank facilities	16.89	CARE BBB; Stable	Assigned
Long-term / Short-term bank facilities	78.11	CARE BBB; Stable / CARE A3+	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Ratings assigned to bank facilities of Navair International Private Limited (NIPL) factor in moderate operational performance of the company marked by moderate scale of operations and profitability margins. Ratings also draw comfort from the comfortable financial risk profile of the company marked by comfortable capital structure and debt coverage indicators. Ratings also take cognisance of reputed clientele base and experienced promoters in the industry. However, ratings are constrained by working capital nature of operations, susceptibility to tender-driven nature of business and profitability susceptible to raw material price changes, and foreign exchange fluctuations. CARE Ratings Limited (CareEdge Ratings) believes the company's ability to improve the gross current asset days and total outside liabilities to total net worth base (TOL/TNW) in the short-to-medium term will remain a key credit monitorable.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Improvement in total operating income (TOI) above ₹250 crore and profit before interest, lease rentals, depreciation and taxation (PBILDT) margin of 12% on a sustained basis.
- Improvement in TOL/TNW below 1.25x on a sustained basis.

Negative factors

- Decline in TOI below ₹150 crore and decline in PBILDT margin below 9% on a sustained basis.
- Deterioration in capital structure of the company as marked by TOL/TNW above 2.00x on a sustained basis.

Analytical approach: Standalone

Outlook: Stable

"Stable" outlook reflects CareEdge Ratings' opinion that NIPL will continue to derive benefit from its promoters' long-standing experience in the industry.

Detailed description of key rating drivers:

Key strengths

Moderate operational performance

The company's operational performance grew at compounded annual growth rate (CAGR) of 21% in the last five years period ending FY25 (refers to April 01 to March 31) and stood at ₹176.20 crore in FY25. The growth was primarily driven by the expansion of infrastructure in India, which boosted the demand for civil infrastructure and, resultantly, increased the demand for fire safety doors. Profitability margins marked by PBILDT and profit after tax (PAT) margins stood moderate at 12.06% and 6.65%, respectively, in FY25. In 2MFY26 (refers to April 01 to May 31), the company has booked an operating income of ₹32.50 crore and has orders in hand of ₹107.05 crore as on May 31, 2025, providing revenue visibility for short term. The company's ability to improve its operational performance and diversification of products and sustenance of profitability margins will remain a key credit monitorable.

[1]Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Comfortable financial risk profile
The capital structure of the company stood comfortable as marked by overall gearing of 0.91x as on March 31, 2025, which comprises term loan of ₹26.31 crore and working capital of ₹27.69 crore. In FY25, the company undertook capacity expansion with total outlay of ~₹26 crore, which was operational from March 2025 and was partly funded through debt of ₹19 crore. The debt coverage indicators stood comfortable as marked by interest coverage ratio and total debt to gross cash accruals (TDGCA) stood moderate at 6.28x and 3.79x as on March 31, 2025. The company's TOL/TNW stood moderate at 1.48x as on March 31, 2025. CareEdge Ratings believes the company's comfortable capital structure provides sufficient financial flexibility to support the growing scale of operations.

Reputed clientele base
With ~32% of its TOI derived from its top 10 clients, the company maintains a diversified and reputable customer base, reducing exposure to concentration risk. However, the company's ability to diversify its customer base while securing repeated orders from the existing customers will remain a key monitorable.

Established track record of operations
Incorporated in 2004, the company is currently promoted by Asheet Taneja and Nima Taneja. Asheet Taneja (Managing Director) holds a B.Tech degree and has over 20 years of professional experience responsible for the company's expansion and overall management. Nima Taneja (Director) is a graduate with 18 years of experience and leads the purchase and administration. Their deep industry knowledge and a team of qualified personnel provide a competitive edge in building a reputable clientele. NIPL is supported by a team of qualified professionals.

Key weaknesses

Working capital nature of operations
The group's operations remained working capital intensive driven by elongated gross current asset days of 197 days as on March 31, 2025, resulting from higher inventory period of 80-90 days. Operating cycle of the company stood at 113 days as on March 31, 2025. Working capital requirements are largely met through average working capital utilisation of ~63% over 12 months ending March 2025, with highest utilisation of 82% in November 2024. CareEdge Ratings believes the company's ability to improve the operating cycle and gross current asset days will remain a key credit monitorable over medium term.

Profitability susceptible to raw material price changes and foreign exchange fluctuations
The company's key raw materials include wood, steel, and glass, whose prices are determined by market conditions. In FY25, these raw materials' cost accounted for ~54% of TOI, making the company vulnerable to price volatility, which impacts its profitability margins. For orders with an execution period exceeding one year, the company includes price escalation clauses allowing it to pass on increased costs to customers. However, for orders with shorter execution periods, typically less than one year, the company has to absorb rise in raw material costs. Conversely, if raw material prices decrease, the company benefits from improved margins, as the selling price remains unchanged from earlier negotiation. The company imports certain goods, exposing it to foreign exchange fluctuation risks. It does not have an active hedging policy to mitigate these risks. The company recorded a foreign exchange gain of ₹0.08 crore in FY25.

Susceptibility to tender-driven nature of business
NIPL's revenue and profitability is closely tied to its ability to secure orders through competitive bidding on tenders and converting sales from private party leads. Majority orders are fixed-price contracts, limiting the company's ability to pass on fluctuations in raw material prices. Hence, NIPL's capacity to bid for additional contracts in the competitive industry while preserving its profitability will continue to be a crucial factor to monitor.

Liquidity: Adequate

The company has adequate liquidity marked by GCA of ₹14.26 crore in FY25 and is expected to be ~₹15 crore against minimal debt repayment of obligations of ~₹5 crore in FY26. NIPL's current ratio and quick ratio stood at 1.34x and 0.76x, respectively, as on March 31, 2025. Working capital requirements are largely met through average working capital utilisation of ~63% over 12 months ending March 2025, with highest utilisation of 82% in November 2024.

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

[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
Diversified	Diversified	Diversified	Diversified

Established in 1982, at Barhi-Sonipat, Haryana, near New Delhi, NIPL operates across India through dedicated sales offices and individuals. These fire doors are marketed under their own brand name. The company is currently promoted by Asheet Taneja and Nima Taneja.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (UA)	2MFY26 (UA)
Total operating income	181.87	176.20	32.50
PBILDT	16.61	21.25	NA
PAT	9.96	11.72	NA
Overall gearing (times)	0.77	0.91	NA
Interest coverage (times)	7.73	6.28	NA

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

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

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan	-	-	-	March 2030	16.89	CARE BBB; Stable
LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	-	-	-	-	78.11	CARE BBB; Stable / CARE A3+

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 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	LT/ST	78.11	CARE BBB; Stable / CARE A3+	-	-	-	-
2	Fund-based - LT-Term Loan	LT	16.89	CARE BBB; Stable	-	-	-	-

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

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

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here

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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About us:

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