Rating Rationale

26 Nov 2026

Fitex Industries Ltd

SUMMARY OF RATING ACTION

Facilities**	Amount (Rs.Crs.)		Tenure	Rating*		Regulators
	Previous	Present		Previous (26 Dec 2025)	Present	
Fund Based						
Term Loan -Outstanding	22.39	15.29	Long-Term	BWR BB + / Stable Assignment	BWR BBB- / Stable Upgrade	RBI
Cash Credit -Sanctioned	44.00	44.00				
Loans against Property -Sanctioned	17.31	16.64				
Adhoc Facilities FB (CC/ TL/OD) -Sanctioned	3.50	3.50				
PC/PCFC -Sanctioned	21.00	21.00				
Cash Credit -Proposed	5.00	0.00	Long-Term		Withdrawn	
Term loan-Outstanding	0.00	5.08	Long-term	-	BWR BBB-/ Stable/Assignment	RBI
Term loan -sanctioned	0.00	11.98				
Sub Total	**113.2**	**117.49**				
Non-Fund Based						
Forward Contract -Sanctioned	1.30	1.30	Short-term	BWR A4+/ Assignment	BWR A3/Upgrade	RBI
Sub Total	**1.30**	**1.30**				
Grand Total	**114.5**	**118.79**	**(Rupees One Hundred Eighteen Crore and Seventy-Nine Lakh Only)**			

Note:

1. Please refer to BWR website www.brickworkratings.com for the definition of the ratings
2. Refer to Annexures I, II, and III for details of rated bank loan facilities, debt instruments, and the List of Entities Consolidated**.**

RATING ACTION/OUTLOOK

Brickwork Ratings has upgraded the long-term rating of bank loan facilities amounting to Rs. 100.43 crore of Fitex Industries Ltd. to BWR BBB-/Stable and the short-term rating of bank loan facilities amounting to Rs. 1.30 crore to BWR A3. Further, Brickwork Ratings has assigned a long-term rating of BWR BBB-/Stable to additional bank loan facilities amounting to Rs. 17.06 crore. The total rated bank facilities aggregate to Rs. 118.79 crore. The proposed cash credit facility of Rs. 0.00 crore has been withdrawn in accordance with BWR's withdrawal policy, following the submission of an undertaking confirming that the company has not availed the proposed facility.

The ratings assigned to the bank facilities of Fitex Industries Ltd. continue to derive strength from the company's improving operational track record, extensive experience of its promoters, growing scale of operations and improved profitability. The ratings also factor in the company's healthy financial risk profile, adequate liquidity position and completion of the first two phases of the expansion project, which have commenced commercial operations. The ongoing expansion is expected to further enhance the company's production capacity and support its future growth. The assessment is based on the audited financial statements for FY25 and audited financial statements for FY26.

The rating outlook has been assigned as "Stable" as BWR believes that Fitex Industries Ltd. business risk profile will be maintained over the medium term. The 'Stable" outlook indicates a low likelihood of rating change over the medium term. The rating outlook may be revised to 'Positive' in case the revenue and profitability margins show sustained improvement. The rating outlook may be revised to 'Negative' if the financial risk profile goes down.

KEY COVENANTS OF THE INSTRUMENT/FACILITY

The terms of sanction include standard covenants normally stipulated for such facilities.

ANALYTICAL APPROACH & APPLICABLE RATING CRITERIA

Analytical Approach	Comments
Applicable Rating Criteria	• General Criteria • Approach to Financial Ratios • Short Term Debt • Manufacturing Company • BWR Withdrawal Policy
Parent/Group/Government Support	NA
Analytical Approach (Consolidation/ Standalone)	For arriving at its ratings, BWR has considered the standalone approach for the firm. BWR has applied its rating methodology as detailed in the Rating Criteria detailed below (hyperlinks provided at the end of this rationale).

KEY RATING DRIVERS WITH DETAILED DESCRIPTION

Credit Strengths:

- **Established Track Record and Experienced Promoters:**
  The company has an established track record of over four decades, supported by promoters having significant industry experience and sound knowledge of the business.
- **Diversified Product Portfo**lio:
  The company manufactures a wide range of products, including automotive components, truck and trailer parts, scaffolding, fasteners and hardware items, catering to multiple end-user industries.
- **Established Manufacturing Infrastructure:**
  The company has well-established manufacturing facilities equipped with modern machinery, advanced technology and in-house manufacturing capabilities.

Credit Risks

- **Competitive Industry Environment:**
  The company operates in a highly competitive industry, with the presence of several established players, which may limit pricing flexibility.
- **Raw Material Price Volatility:**
  The company's operations are exposed to fluctuations in raw material prices, which may impact production costs and operating margins.
- **Customer and Geographical Concentration:**
  The company's business is concentrated in select geographical markets and key customers, exposing it to changes in demand from these markets and customers.

RATING SENSITIVITY FACTORS

Going forward, the ability of the company to significantly improve its scale of operations with sustainable profitability, improvement in debt protection metrics and manage its working capital efficiently shall be the key rating sensitivities.

Positive :

- Revenue exceeding Rs.350 crore, with operating margin sustained above 7%, resulting in improved profitability and cash accruals.
- Successful completion of the ongoing capex within the scheduled timeline, without any elongation in the repayment of term debt.

Negative :

- Significant decline in revenue growth by 20%, with operating margin falling below 4% and net profit margin below 1%, leading to deterioration in overall financial performance.
- Weakening of liquidity, with deterioration in DSCR below 1.15x, resulting in lower cash accrual.

LIQUIDITY POSITION - Adequate

The company's liquidity position is considered adequate, supported by cash and bank balances of Rs. 17.87 crore as on March 31, 2026, and a current ratio of 1.50x. Net cash accruals of Rs. 7.01 crore against CPLTD of Rs. 6.12 crore in FY26, with a DSCR of 1.24x, indicate adequate cash flow to meet debt repayments. Going forward, net cash accruals are projected at Rs. 10.32 crore against CPLTD of Rs.5.75 crore in FY27. Cash credit utilisation stood at around 72%, providing some headroom in working capital limits. Further, unsecured loans of Rs. 11.20 crore, subordinated to bank borrowings and retained in the business as quasi-equity, provide additional financial support. The adjusted TNW stood at Rs. 38.51 crore in FY26 and is projected to increase to Rs. 50.57 crore in FY27, with adjusted Total Debt/ TNW and TOL/TNW improving from 2.38x and 3.32x in FY26 to 2.15x and 2.80x in FY27, respectively, supporting the company's financial position.

ENVIRONMENTAL, SOCIAL, GOVERNANCE (ESG) PRACTICES

The company demonstrates an adequate ESG profile, supported by its environmental, social and governance practices.

Environmental: The company is expected to focus on efficient utilisation of natural resources, energy conservation, pollution control and appropriate waste-management practices across its manufacturing operations.

Social: The company focuses on maintaining a safe and healthy working environment, adhering to applicable labour laws, ensuring employee welfare and providing opportunities for skill development and training.

Governance: The company's governance practices are supported by the promoters' industry experience, management oversight, adherence to statutory and regulatory requirements, and internal control mechanisms to ensure transparency and accountability.

COMPANY/FIRM PROFILE

Industry Classification			
Macroeconomic Indicator	**Sector**	**Industry**	**Basic Industry**
Consumer Discretionary	**Automobile and Auto Components**	**Auto Components**	**Auto Components & Equipments**

FITEX Industries Ltd., established in 1980, is a well-established manufacturing organization specializing in a wide range of industrial and automotive components. Over the years, the company has grown into a diversified manufacturer with expertise in:

- Stamping Truck & Trailer Suspension Components
- Automobile Components
- Sheet Metal Components
- Fence Decorative Parts

- Scaffolding
- High Tensile Fasteners
- Hand Tools and Hardware

With more than two decades of experience, the promoters of FITEX bring strong industry knowledge and leadership to the organization. Supported by a team of highly skilled and motivated professionals, the company consistently focuses on delivering superior-quality products that meet global standards. FITEX leverages advanced technology, efficient processes, and its experienced workforce to ensure continuous innovation and product excellence. Its ability to offer one of the widest product ranges at competitive prices sets it apart in the market and helps serve an expanding global customer base.

KEY FINANCIAL INDICATORS

Standalone Financial Indicators (in ₹ crore)	FY23-24(A)	FY24-25 (A)	FY25-26 (A)
Operating Revenue	148.34	219.95	279.77
EBITDA	8.71	11.59	16.14
PAT	1.72	2.67	4.89
Adjusted Tangible Net worth	19.95	22.68	38.51
Adjusted Total Debt/ Tangible Net worth	3.06	3.26	2.38
Current Ratio	1.45	1.59	1.50

A: Audited UA: Unaudited NA: Not Available; Note: these are latest available financial results P: Provisional *PBILDT: Profit before interest, lease rentals, depreciation and tax. All ratios as per BWR's calculations; Amount in ₹ crore.

RATING HISTORY FOR THE PREVIOUS THREE YEARS

	Current Rating (2026)			Rating History					
				2025		2024		2023	
Instrument	Tenor	Amount (₹. Crore)	Rating	Date	Rating	Date	Rating	Date	Rating
Fund Based	LT	117.49	BWR BBB-/Stable Upgrade BWR BBB-/Stable Assignment	26 Dec 2025	BWR BB+/ Stable Assignment	-	-	-	-
Non-Fund Based	ST	1.30	BWR A3 upgrade	-	BWR A4+ Assignement -			-	-
Total		**118.79**	**(Rupees One Hundred Eighteen Crore and Seventy-Nine Lakh Only)**						

COMPLEXITY LEVEL OF THE RATED INSTRUMENTS

Instrument	Complexity Indicator
Fund Based	Simple
Non Fund Based	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 BWR's website www.brickworkratings.com/download/ComplexityLevels.pdf

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY (IF ANY):

No outstanding ratings with other Credit Rating Agencies.

ANY OTHER INFORMATION: NA

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Annexure I: Details of Bank Loan Facilities

(Amount in Rupees Crore)

Type	Facilities	Tenor	Axis Bank Ltd.	Canara Bank	SIDBI	TATA Capital Financial Services Ltd.	Union Bank of India	Total (Rs. Cr.)	Regulator
Fund Based	Loans Against Property – Sanctioned	Long-term	16.64	0.00	0.00	0.00	0.00	16.64	RBI
	Cash Credit – Sanctioned		0.00	25.00	0.00	0.00	19.00	44.00	RBI
	Term Loan – Outstanding		0.00	2.99	9.65	5.52	14.19	32.35	RBI
	Ad Hoc Facilities (CC/TL/OD) – Sanctioned		0.00	0.00	0.00	0.00	3.50	3.50	RBI
	PC/PCFC – Sanctioned		0.00	0.00	0.00	0.00	21.00	21.00	RBI
Total Fund Based			**16.64**	**27.99**	**9.65**	**5.52**	**57.69**	**117.49**	
Non-Fund Based	Forward Contract – Sanctioned	Short-term	0.00	0.00	0.00	0.00	1.30	1.30	RBI
Total Non-Fund Based			0.00	0.00	0.00	0.00	1.30	1.30	
Total			**16.64**	**27.99**	**9.65**	**5.52**	**58.99**	**118.79**	**RBI**

ANNEXURE II: Details of Instruments/Facilities

Name of the Instrument / Facility	Long Term/ Short Term	ISIN	Date of Issuance (DD-MMYYYY)	Coupon Rate (%)	Maturity Date (DDMM-YYYY)	Size of the Issue (₹ cr)	Rating Assigned and Rating Outlook	Regulator
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

ANNEXURE III: List of Entities Consolidated

Name of Entity	% ownership	Extent of consolidation	Rationale for consolidation
NIL	NIL	NIL	NIL

Annexure IV: List of Instruments and Names of Regulators of the Instruments

As required by SEBI CRA Circular dated Feb 10, 2026, a list of activities or instruments falling under the purview of various FSRs, along with the names of respective FSRs, is being disclosed below:

A.	Rating activities	
Sr. No.	Instrument / activity Name	Regulator of the instruments
1	Listed/Proposed to be listed bonds/debentures/preference share (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI)* $	RBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI)*	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI)*	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/ NHB/FIs ^	RBI
9	External Commercial Borrowings and other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs,HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Borrowing programme ~	-
15	Issuer Ratings #	-
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts $	RBI
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI
21	Expected Loss Ratings (Listed/Proposed to be listed bonds/ debentures/preference share (all securities))	SEBI

22	**Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities))**	**MCA**
23	**Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) ***	**Investor-side regulator such as IRDAI, PFRDA @**

* Includes securitisation transactions involving assignee payout, acquirer's payout.
~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In PRs subsequent to issuance(s), Brick Work Ratings India Private Limited (BWR) shall separately capture the rated quantum details along with names of respective regulators.
^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.
# There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.
@ These ratings were assigned during regulatory regime prior to introduction of SEBI CRA Circular dated Feb 10, 2026 and the investor side regulators have accordingly been included.
$ By virtue of the instrument being listed, SEBI acts as the regulator for listing and related issues.

Note: Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

B.	Other Activities	Regulator of the Instruments
1	**Monitoring Agencies**	**SEBI**
2	**Research activities incidental to rating such as research for Economy, Industries and Companies**	**NA**

Grievance Management

For any grievances relating to rating of instruments regulated by SEBI, please contact sebigrievance@brickworkratings.com. Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

For any grievances relating to rating of instruments regulated by other FSR (Financial Services Regulators), please contact grievance@brickworkratings.com

Disclosure of Conflict of Interest

BWR Board of Directors have no influence over rating decisions, nor do they sit on the rating committees or review, discuss, or evaluate any credit ratings during the Board meetings.

About Brickwork Ratings

Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI]. BWR is the 5th agency to get a credit rating registration in India in 2009 and its corporate office in Bengaluru. It has a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. Canara Bank is an institutional investor in Brickwork.

Brickwork offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporate and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Urban Local Bodies and Municipal Corporations.

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