

Bell Granito Ceramica Limited

February 26, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term / Short Term Bank Facilities	4.00	CARE BB-; Negative / CARE A4	LT rating and Negative outlook assigned and ST rating reaffirmed
Long Term / Short Term Bank Facilities	8.00	CARE BB-; Negative / CARE A4	LT rating reaffirmed; Outlook revised from Stable and ST rating assigned
Long Term / Short Term Bank Facilities	3.00	CARE BB-; Negative / CARE A4	Reaffirmed; Outlook revised from Stable

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The ratings assigned to the bank facilities of Bell Granito Ceramica Limited (BGCL) continue to remain constrained on account of its modest scale of operations, resulting from the underutilization of installed capacity. This, in turn, has led to continuous net losses, weak debt coverage indicators, and stretched liquidity. The ratings also remain constrained due to BGCL's presence in the highly fragmented and competitive ceramic industry, characterized by a large number of unorganized players, as well as its reliance on the cyclical real estate sector. The company's margins are also vulnerable to fluctuations in raw material and fuel costs.

The ratings, however, continue to derive strength from BGCL's experienced and resourceful promoters, along with its robust tangible net worth base and comfortable capital structure.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Improvement in total operating income (TOI) above Rs.100 crore and profitability marked by Profit before interest, lease rentals, depreciation, and taxation (PBILDT) margin above 5% on sustained basis.
- Improvement in debt coverage indicators marked by interest coverage ratio of 2x or more.

Negative factors

- Any major moderation in PBILDT margin from the current levels on a sustained basis.
- Moderation in overall gearing above 0.50x owing to increased reliance on external debt.
- Deterioration in debt coverage indicators marked by interest coverage ratio of below unity on a sustained basis.

Analytical approach: Standalone

Outlook: Negative

CARE Ratings Limited (CareEdge Ratings) has revised the outlook to 'Negative' from 'Stable' in view of BGCL's subdued operating performance and underutilization of installed capacity. However, the outlook may be revised to 'Stable' if the company demonstrates an improvement in the scale of operations along with higher capacity utilization.

Detailed description of key rating drivers:

Key weaknesses

Experienced and resourceful promoters

The management of BGCL includes Mr. Nalin Kant Amratlal Rathod, Mr. Tribhuvan Singh Rathod and Mr. Viren T. Rathod. Mr. Tribhuvan Singh Rathod, along with Mr. Viren Rathod, looks after the day-to-day operations of BGCL. The promoters are resourceful and have infused significant funds during the past five years ended FY25. The capex of ~Rs.270.00 crore was entirely funded through the infusion of equity shares by the promoters and associates in three different phases, with last phase was completed in FY20.

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

Robust tangible net worth base with comfortable capital structure

The capital structure of BGCL continued to remain comfortable, marked by an overall gearing ratio of 0.16 times as on March 31, 2025, (0.12 times as on March 31, 2024), owing to a robust tangible net worth base against moderate debt levels. BGCL has a comfortable tangible net worth of Rs.165.44 crore as on March 31, 2025 (Rs.185.50 crore as on March 31, 2024).

Key strengths**Modest scale of operations with continuous net losses**

The scale of operations of BGCL remained modest at Rs.77.98 crore in FY25 as compared to Rs.79.55 crore in FY24. During 9MFY26, the company reported TOI of ~Rs.55 crore and expects to achieve revenue of ~Rs. 70 crore for FY26.

BGCL's profitability moderated marginally and continued to remain weak, as reflected in a PBILDT margin of 2.53% in FY25 as against 2.66% in FY24. In FY25, the company reported a net loss of Rs. 20.06 crore increased from net loss of Rs.4.26 crore in FY24. The higher loss in FY25 was primarily on account of the write-off of sundry creditors amounting to Rs.11.55 crore in FY24 and the creation of a provision for doubtful capital advances amounting to Rs.4 crore in FY25. Consequently, BGCL reported a cash loss of Rs. 3.46 crore in FY25 as against gross cash accruals of Rs. 12.24 crore in FY24.

Under-utilization of installed capacity

BGCL undertook a capex amounting to ~Rs.270 crore in three different phases, entirely financed through its own funds. The third/last phase was completed during FY20. Despite the heavy costs incurred for capacity expansion commencing in FY14, BGCL's installed capacity remained highly under-utilized, marked by a low Fixed Asset Turnover Ratio of 0.20 times for FY25 (0.20 times for FY24).

Weak debt coverage indicators

The debt coverage indicators remained weak owing to cash losses reported in FY25 as against total debt to Gross Cash Accruals (TDGCA) ratio of 1.82 years during FY24. The interest coverage ratio remained moderate at 1.21 times during FY25, compared to 1.34 times in FY24.

Susceptibility of margins to volatility in prices of raw material and fuel costs

Prices of raw materials, i.e., clay, are market-driven and put pressure on the margins of tile manufacturers in case of volatility in the same. Another major cost component is fuel expenses in the form of natural gas, which is used to fire the kiln. The profitability of BGCL remains exposed to volatile natural gas prices, mainly on account of its linkages with the international demand-supply of natural gas. Hence, any adverse movement in material and fuel prices, and BGCL's inability to pass them on to end customers, could impact its profitability.

Presence in the highly fragmented and competitive industry and its fortunes linked with the cyclical real estate industry

BGCL operates in the ceramic industry, characterized by low entry barriers, along with the presence of large number of organized and unorganized players. Furthermore, most of the demand for tiles comes from the real estate industry, which, in India, is highly fragmented and cyclical in nature. Thus, any slowdown in the real estate industry will adversely affect the prospects of players in the ceramic tiles industry.

Liquidity: Stretched

The liquidity position of BGCL remained stretched, marked by an elongated working capital cycle of 202 days in FY25 (166 days in FY24). As of March 31, 2025, the working capital cycle deteriorated due to decreased creditors days. Net cash flow from operating activities improved and remained at Rs.5.04 crore in FY25, compared to a negative Rs.10.34 crore in FY24, on account of creditor balance written off amounting Rs.11.55 crore in FY24. BGCL reported cash loss of Rs.3.46 crore during FY25, compared to gross cash accruals Rs.12.24 crore in FY24, improved during FY24 on account of income from the written-off creditor balance. The current ratio improved, though it remained moderate at 2.05 times as of March 31, 2025, compared to 1.96 times as of March 31, 2024. Average working capital limits utilization remained high at more than 90% during the past twelve months ended January 2026.

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
Consumer Discretionary	Consumer Durables	Consumer Durables	Ceramics

Vadodara - based (Gujarat) Bell Granito Ceramica Limited (BGCL) was incorporated as "Bell Futura Tiles Limited" in January 1993. Subsequently, the name was changed to BGCL in May 1994. Mr. Tribhuvan Rathod, promoter and managing director of Restile Ceramic Limited, Hyderabad (RCL; Listed on BSE) took over the management of BGCL in FY08. Subsequently, BGCL's operations remained halted for next two years owing to clearance of existing dues of erstwhile management and a reference was made to Board for Industrial and Financial Reconstruction (BIFR) on January 20, 2010. On September 16, 2010, BGCL's management stated in BIFR's hearing that the net worth of the company turned positive and thus it is no longer a Sick Industrial Company. BIFR accordingly agreed not to recognize the company as sick under Sick Industrial Companies (Special Provisions) Act, 1985. The manufacturing plant under erstwhile management was demolished during FY14 and under the leadership of new management BGCL embarked a major capacity expansion program at its plant located at Gavasad, Vadodara, Gujarat. BGCL undertakes manufacturing of full body homogenous non-glazed vitrified tiles and vitrified step tiles, which find their utility in industrial and commercial establishments. Its installed capacity stood at 50.40 Lacs Square Meter Per Annum (SMPA) as on March 31, 2025. The entity sells its products throughout India and exports to countries viz. United Kingdom, Bangladesh, Spain, etc. under the brand name of its parent company, i.e. "Restile". It procures majority raw materials from Rajasthan and imports from Italy. The associate concern of BGCL, RCL is engaged in manufacturing of unglazed heavy-duty vitrified tiles.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	9MFY26 (UA)
Total operating income	79.55	77.98	55.39
PBILDT*	2.12	1.97	-3.78
Profit after tax (PAT)	-4.26	-20.06	NA
Overall gearing (x)	0.12	0.16	NA
Interest coverage (x)	1.34	1.21	-3.28

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

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

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/Non-fund-based-LT/ST		-	-	-	8.00	CARE BB-; Negative / CARE A4
LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG		-	-	-	4.00	CARE BB-; Negative / CARE A4
Non-fund-based - LT/ ST-Bank Guarantee		-	-	-	3.00	CARE BB-; Negative / CARE A4

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	Fund-based/Non-fund-based-LT/ST	LT/ST	8.00	CARE BB-; Negative / CARE A4	-	1)CARE BB-; Stable (07-Feb-25)	1)CARE BB-; Stable (20-Mar-24)	1)CARE BB-; Stable (27-Mar-23)
2	LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	LT/ST	4.00	CARE BB-; Negative / CARE A4	-	1)CARE A4 (07-Feb-25)	1)CARE A4 (20-Mar-24)	1)CARE A4 (27-Mar-23)
3	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	3.00	CARE BB-; Negative / CARE A4	-	1)CARE BB-; Stable / CARE A4 (07-Feb-25)	1)CARE BB-; Stable / CARE A4 (20-Mar-24)	1)CARE BB-; Stable / CARE A4 (27-Mar-23)

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/Non-fund-based-LT/ST	Simple
2	LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	Simple
3	Non-fund-based - LT/ ST-Bank Guarantee	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.

Contact us

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