

Stone Granito LLP

March 13, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	59.50	CARE BB; Stable; ISSUER NOT COOPERATING*	Rating moved to ISSUER NOT COOPERATING category
Short Term Bank Facilities	5.50	CARE A4; ISSUER NOT COOPERATING*	Rating moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

Stone Granito LLP (SGL) has not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. In line with the extant SEBI guidelines, CARE Ratings Ltd.'s rating on SGL's bank facilities and/or instruments will now be denoted a '**CARE BB; Stable; ISSUER NOT COOPERATING/ CARE A4; ISSUER NOT COOPERATING***'

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The ratings assigned to the bank facilities of Saurabh International (SI) remained constrained on account of its nascent stage of operations, stretched liquidity, presence in highly fragmented ceramic industry with fortunes dependent upon real estate market, susceptibility of profitability to volatility in prices of fuel and raw materials, limited liability nature of constitution of firm. However, the ratings draw strengths from Experienced promoters, locational advantage with presence in the ceramic tile manufacturing cluster of India.

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers

At the time of last rating on March 11, 2025 the following were the rating strengths and weaknesses (updated for the information available from client)

Key weaknesses

Nascent Stage of operations

SGL has completed its project for setting up manufacturing unit for Glaze vitrified tiles in Morbi and commenced commercial operations from April 2025, with an installed production capacity of 1,30,000 MT per annum. The project was implemented as planned and has since become fully operational. Hence, FY26 will be the first full year of operations. Following the commencement of operations, the Company achieved an average capacity utilization of approximately 70% in 10MFY26 and recorded TOI of Rs.73.55 crore with PBT of Rs. 7.29 crore. As the operations of the company is at nascent stage, it is exposed to stabilization risk associated with the recently completed project.

SGL's capital structure remains leveraged, with overall gearing at 1.89x as on January 31, 2026 due to high reliance on external debt mainly in form of term debt as well as working capital borrowings due to its nascent stage of operations. Further, debt coverage indicators also remained moderate with PBILDT Interest Coverage of 4.39x during 10MFY26.

Presence in highly fragmented ceramic industry with fortunes dependent upon real estate market

The ceramic tile industry in India is highly competitive. Low entry barriers, easy availability of raw material and limited initial capital investment requirement has attracted large influx of unorganized and regional players. Moreover, the ceramic tile industry has strong linkages with the real estate industry, which, in India is highly fragmented and cyclical.

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

Susceptibility of profitability to volatility in prices of fuel and raw materials

Cost of major components i.e. raw materials (clay) and power & fuel cost (i.e. natural gas & propane) are market-driven and hence inability of the firm to pass it on to its customers may exert pressure on the profitability of the company. Ceramic tile business is working capital intensive due to the requirement of holding higher inventory levels for better customer service and faster deliveries and extension of elongated credit period to dealers and distributors.

Limited Liability nature of constitution of firm

SGL is a limited liability partnership firm hence, constitution as partnership firm restricts its overall financial flexibility in terms of limited access to external funds for any future expansion plans. There is an inherent risk of withdrawal of capital due to the partnership constitution of the entity. The partners may withdraw capital from the business as and when it is required, which may put pressure on capital structure of the firm.

Key strengths

Experienced promoters

SGL is promoted by Mr. Manish Adroja, Mr. Ramesh Fefar, Mr. Satish Bavarava and Mr. Vraj Adroja, who has over 15-20 years of experience in ceramic industry vide their association with other group companies. Long-standing presence of the partners in the industry will help firm to establish healthy relationship with its customers and suppliers.

Location Advantage:

Locational advantage with presence in the ceramic tile manufacturing cluster of India SGL's manufacturing facility is located at Morbi in Gujarat, which is the largest ceramic cluster of India. It provides advantage in terms of raw material sourcing and easy availability of skilled manpower. Clay and glaze frit is easily available from Gujarat and parts of Rajasthan, and liquified natural gas for firing of kilns is supplied by a Gujarat State PSU, Gujarat Gas Ltd. (rated CARE AAA; Stable/CARE A1+). Moreover, the vicinity of the city to major ports (such as Kandla and Mundra) will also lower the transportation cost and thus help the exporters of ceramic tiles from the region.

Liquidity: Stretched

The liquidity position of the company remained stretched as indicated by higher utilization of Working Capital limits, at ~75-80% for past twelve months ending February 2026. Further, cash and bank balance also remained low at Rs.0.25 crore as on January 31, 2026.

Assumptions/Covenants: Not Applicable

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

Applicable Criteria:

[Criteria on Information Adequacy Risk and Issuer Non-Cooperation](#)

[CARE Ratings' Policy on Default Recognition](#)

[Criteria on Assigning 'Outlook' or 'Rating Watch' to Credit Ratings](#)

[Financial Ratios – Non-Financial Sector](#)

[CARE Ratings' Criteria on Rating of Short Term Instruments](#)

[Rating Methodology - Manufacturing Companies](#)

[Liquidity Analysis of Non-Financial Sector Entities](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Consumer Durables	Consumer Durables	Ceramics

Morbi based Stone Granito LLP was incorporated on January 18, 2024, for manufacturing vitrified tiles with total capacity of 1,30,000 MT per annum. The company is promoted by Mr. Manish Adroja, Rameshbhai Fefar, Chetan Bavarva, Vraj Adroja alongwith 10 other partners. The company has commenced operations from April 2025 onwards. Promoters of the firm also has other group companies involved in similar business. Key group company is Segra Granito LLP (rated CARE BBB-; Stable/ CARE A3), is engaged in manufacturing of double charge vitrified tiles.

Brief Financials (₹ crore)	10MFY26 (Prov.)^
Total operating income	73.55
PBILDT	19.94
PAT	7.29
Overall gearing (times)	1.89
Interest coverage (times)	4.39

Prov.: Provisional; Note: 'the above results are latest financial results available'

^Operations commenced from April 01, 2025

Status of non-cooperation with previous CRA: Not applicable

Any Other information: Not Applicable

Rating History for last three years: Annexure-2

Covenants of rated instrument / facility: Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	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-Cash Credit		-	-	-	20.00	CARE BB; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	31-03-2032	39.50	CARE BB; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	5.50	CARE A4; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information.

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 - LT-Term Loan	LT	39.50	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable (11-Mar-25)	-	-
2	Fund-based - LT-Cash Credit	LT	20.00	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable (11-Mar-25)	-	-
3	Non-fund-based - ST-Bank Guarantee	ST	5.50	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4 (11-Mar-25)	-	-

*Issuer did not cooperate; based on best available information.

LT: Long term; ST: 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-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - 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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