



Press Release
UMBERTO CERAMICS INTERNATIONAL PRIVATE LIMITED
December 16, 2025
Rating Upgraded

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	70.26	ACUITE BBB+ Stable Upgraded	-
Bank Loan Ratings	12.50	-	ACUITE A2 Upgraded
Total Outstanding Quantum (Rs. Cr)	82.76	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has upgraded its long-term rating to '**ACUITE BBB+**' (read as **ACUITE triple B plus**) from '**ACUITE BBB-**' (read as **ACUITE triple B minus**) on the Rs.70.26 Cr. bank facilities and its short-term rating to '**ACUITE A2**' (read as **ACUITE A two**) from '**ACUITE A3+**' (read as **ACUITE A three plus**) on the Rs.12.50 crore bank facilities of Umberto Ceramics International Private Limited (UCIPL). The outlook is '**Stable**'.

Rationale for rating upgrade

The rating upgrade reflects UCIPL's improving operating performance, stronger profitability and robust financial risk profile. Revenues and margins have risen on the back of higher realizations and cost efficiencies, while low gearing and healthy coverage indicators highlight financial strength. Liquidity remains strong with healthy accruals, minimal debt obligations, and significant unutilized bank limits. The rating is, however, constrained by intensive working capital requirements due to high inventory levels and moderate receivables. Further, operations remain susceptible to fluctuations in the raw material prices, fuel costs and foreign exchange fluctuations.

About the Company

Incorporated in 2011, Umberto Ceramics International Private Limited (UCIPL) manufactures & exports porcelain tableware and trades cutlery, stoneware and has recently expanding into glassware trading also. Based in Mumbai, its directors are Mr. Bernard Gilbert Massaad & Mr. Sunil Kapoorchand Malesha. Registered in Gujarat, the company sells under the brand "Ariane" with worldwide market coverage.

Unsupported Rating

Not Applicable

Analytical Approach

Acuite has considered the standalone business and financial risk profile of UCIPL to arrive at the rating.

Key Rating Drivers

Experienced management

The management of the company has more than three decades of experience in the ceramic industry. The managing director of the company, Mr. Sunil Malesha, has worked for over a decade with R.A.K. Ceramics India. The senior management team is ably supported by a strong line of mid-level managers. The company has developed long-standing relationships with its reputed customers, which includes Marriott, Hyatt, Star Group of Hotels, Radisson Hotels, Taj Hotels, Oberoi Hotels, and Holiday Inn, to name a few. Acuité believes will sustain its existing business profile on the back of experienced management and a reputed clientele.

Improving operating performance

UCIPL has demonstrated improved operating performance with revenue rising to Rs.179.42 Cr in FY2025 from Rs.149.19 Cr in FY2024, supported by higher sales volumes and realizations, with H1FY26 at Rs.82.80 Cr. Profitability strengthened as operating margins expanded to 32.1% and PAT margin to 20.54%, aided by lower raw material and power costs, including solar savings, and high-margin customized HoReCa orders from marquee global clients. Moreover, the new trading segments in stoneware, cutlery, and glassware is expected to further support the topline from FY26 onwards and margins are expected to remain healthy in the near to medium term.

Healthy financial risk profile

UCIPL's financial risk profile remains healthy, supported by healthy net worth, coverage indicators, and low gearing. The tangible net worth stood at Rs.127.07 Cr as on March 31, 2025, compared to Rs.90.22 Cr as on March 31, 2024, reflecting steady accretion of profits to reserves. The net worth also includes Rs.9.86 Cr of redeemable cumulative preference shares, which are treated as quasi-equity. The company's gearing remained low at 0.34 times in FY2025 (0.44 times in FY2024), indicating limited reliance on external borrowings. The debt coverage metrics have also improved on account of higher operating profitability in FY2025 with interest coverage ratio and debt service coverage ratio at 15.23 times and 8.12 times, respectively (11.87 times and 3.06 times in FY2024).

Going forward, UCIPL's financial risk profile is expected to remain healthy, supported by its strong capital structure, healthy debt protection metrics, and prudent financial management.

Weaknesses

Intensive working capital management

UCIPL's working capital operations remain intensive, with gross current asset (GCA) days at 219 in FY2025 versus 188 in FY2024, driven by elevated inventory levels and moderate receivables. Inventory days stood at 162, reflecting the need to maintain multiple SKUs, while debtor days increased to 57, though about 78% of receivables are realized within 90 days. The company extends credit of 7–60 days, with partial advances from select customers, and generally avails 30–90 days credit from suppliers. Despite these pressures, UCIPL manages its requirements prudently, with average fund-based limit utilization at only ~17% over the six months ending November 2025, leaving significant limits unutilized, ensuring strong liquidity to support growth and new trading activities.

Acuite believes that the ability of the company to improve its scale of operations without any significant elongations in the working capital cycle will be a key monitorable.

Exposure to raw material, fuel cost and foreign exchange fluctuations

The ceramic and tableware industry remains vulnerable to fluctuations in raw material and energy costs, which can impact profitability despite strong demand. Further, UCIPL imports nearly ~42% of its procurement and exports ~40% of its supplies, thereby keeping the operations susceptible to foreign exchange fluctuations despite partial hedging.

Rating Sensitivities

- Continued growth in scale of operations while maintaining its profitability

- Significant increase in debt levels or inadequate cash accruals impacting the financial risk profile and liquidity profile
- Significant elongations in working capital cycle

Liquidity Position

Strong

UCIPL has a strong liquidity position marked by healthy cash accruals of Rs.42.38 Cr in FY2025 against minimal repayment obligation of Rs.1.79 Cr during the same period. Going ahead, the company is expected to generate healthy accruals in the range of Rs.42.74-46.42 Cr against its repayment obligations in the range of Rs.5.15-9.76 Cr during the same period. The reliance on working capital limits stood low at ~17% for the last 06 months ending November 2025. The company has an unencumbered cash and bank balance of Rs.7.97 Cr as on March 31, 2025. The current ratio stood healthy at 1.80 times as on March 31, 2025.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	179.42	149.19
PAT	Rs. Cr.	36.85	20.74
PAT Margin	(%)	20.54	13.90
Total Debt/Tangible Net Worth	Times	0.34	0.44
PBDIT/Interest	Times	15.23	11.87

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
18 Sep 2024	Bank Guarantee/Letter of Guarantee	Short Term	2.50	ACUITE A3+ (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	3.00	ACUITE A3+ (Reaffirmed)
	Letter of Credit	Short Term	7.00	ACUITE A3+ (Reaffirmed)
	Cash Credit	Long Term	16.60	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	10.50	ACUITE BBB- Stable (Reaffirmed)
	Proposed Long Term Loan	Long Term	10.66	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	11.90	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	10.50	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	10.10	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	4.24	ACUITE Not Applicable (Withdrawn)
21 Jun 2023	Bank Guarantee/Letter of Guarantee	Short Term	2.50	ACUITE A3+ (Upgraded from ACUITE A4+)
	Bank Guarantee/Letter of Guarantee	Short Term	3.00	ACUITE A3+ (Upgraded from ACUITE A4+)
	Letter of Credit	Short Term	7.00	ACUITE A3+ (Upgraded from ACUITE A4+)
	Cash Credit	Long Term	12.50	ACUITE BBB- Stable (Upgraded from ACUITE BB+ Stable)
	Cash Credit	Long Term	10.50	ACUITE BBB- Stable (Upgraded from ACUITE BB+ Stable)
	Term Loan	Long Term	4.24	ACUITE BBB- Stable (Upgraded from ACUITE BB+ Stable)
	Proposed Long Term Loan	Long Term	41.26	ACUITE BBB- Stable (Upgraded from ACUITE BB+ Stable)
	Cash Credit	Long Term	6.00	ACUITE BBB- Stable (Upgraded from ACUITE BB+ Stable)
28 Mar 2022	Bank Guarantee/Letter of Guarantee	Short Term	2.50	ACUITE A4+ (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	3.00	ACUITE A4+ (Reaffirmed)
	Letter of Credit	Short Term	7.00	ACUITE A4+ (Reaffirmed)
	Cash Credit	Long Term	12.50	ACUITE BB+ Stable (Upgraded from ACUITE BB Negative)
	Cash Credit	Long Term	10.50	ACUITE BB+ Stable (Upgraded from ACUITE BB Negative)
	Term Loan	Long Term	12.75	ACUITE BB+ Stable (Upgraded from ACUITE BB Negative)
	Term Loan	Long Term	9.35	ACUITE BB+ Stable (Upgraded from ACUITE BB Negative)
	Proposed Long Term Loan	Long Term	23.40	ACUITE BB+ Stable (Upgraded from ACUITE BB Negative)
		Long		ACUITE BB+ Stable (Upgraded from

	Cash Credit	Term	6.00	ACUITE BB Negative)
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Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
State Bank of India	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.50	Simple	ACUITE A2 Upgraded (from ACUITE A3+)
Bank Of Baroda	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.00	Simple	ACUITE A2 Upgraded (from ACUITE A3+)
Bank Of Baroda	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	16.60	Simple	ACUITE BBB+ Stable Upgraded (from ACUITE BBB-)
KOTAK MAHINDRA BANK LIMITED	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.50	Simple	ACUITE BBB+ Stable Upgraded (from ACUITE BBB-)
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	11.90	Simple	ACUITE BBB+ Stable Upgraded (from ACUITE BBB-)
Bank Of Baroda	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.50	Simple	ACUITE BBB+ Stable Upgraded (from ACUITE BBB-)
KOTAK MAHINDRA BANK LIMITED	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	7.00	Simple	ACUITE A2 Upgraded (from ACUITE A3+)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.16	Simple	ACUITE BBB+ Stable Upgraded (from ACUITE BBB-)

State Bank of India	Not avl. / Not appl.	Term Loan	26 Feb 2024	Not avl. / Not appl.	30 Jun 2031	10.50	Simple	ACUITE BBB+ Stable Upgraded (from ACUITE BBB-)
Bank Of Baroda	Not avl. / Not appl.	Term Loan	07 Jun 2024	Not avl. / Not appl.	30 Jun 2031	10.10	Simple	ACUITE BBB+ Stable Upgraded (from ACUITE BBB-)

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About Acuité Ratings & Research

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