

Press Release

GLOBAL SURFACES LIMITED (ERSTWHILE GLOBAL STONES PRIVATE LIM

June 06, 2025

Rating Reaffirmed



Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	9.10	ACUITE BBB+ Negative Reaffirmed Stable to Negative	-
Bank Loan Ratings	134.00	-	ACUITE A2 Reaffirmed
Total Outstanding Quantum (Rs. Cr)	143.10	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of 'ACUITE BBB+' (read as ACUITE triple B plus) and short-term rating of 'ACUITE A2' (read as ACUITE A two) on the Rs. 143.10 Cr. bank facilities of Global Surfaces Limited (erstwhile Global Stones Private Limited). The outlook is revised to 'Negative' from 'Stable'.

Rationale for rating

The rating reaffirmation with a negative outlook factors that the financial parameters of the group are deteriorating sequential quarter on quarter basis, PAT stood at Rs. -11.02 Cr. in Q4FY2025 against -10.43 Cr. in Q3FY2025. Also, EBITDA of the group stood at Rs. -1.93 Cr. in Q4FY2025 against Rs. -5.31 Cr. in Q3FY2025. The stabilisation of Dubai plants remain a key monitorable, since the entity of Dubai are incurring EBDITA losses. Acuite believes that the group's ability to grow its scale of operations and profitability while improving its debt protection metrics remains a key rating monitorable since DSCR and ICR for FY25 are both below unity. The rating is further constrained on account of intensive working capital requirement of operations and stretched liquidity.

About the Company

The company was incorporated as Swastik Niwas Private Limited on August 23, 1991 and its name was changed to Global Stones Private Limited in 2004. The company was renamed to Global Surfaces Private Limited on October 20, 2021 and subsequently converted to public limited company; Global Surfaces Limited on October 21, 2021. Global Surfaces Limited (GSL), erstwhile rated as Global Stones Private Limited was takeover in 2004 by Mr. Rajiv Shah. The company is a one Star export house engaged in producing and exporting of slabs made of granite, marbles and engineered quartz. The manufacturing units are located at Jaipur, Rajasthan. The company exports granite and marble slabs to USA, Canada, UK, UAE etc.

About the Group

Global Surfaces FZE is a company incorporated in the laws of United Arab of Emirates. The company was incorporated on 23rd December 2021. The company is engaged in the manufacturing of quartz slabs. Mr. Mayank Shah and Ms. Sweta Shah are the directors of the company.

Global Surfaces Inc. is a company incorporated in the laws of United States. The company was incorporated on 20th April 2020 and is engaged in trading of quartz slabs.

Superior Surfaces Inc. was incorporated on May 5, 2023, in the State of Texas, USA. SSI is involved in the business of distributing artificial stones, including engineered quartz.

Global Surfaces FZE, Global Surfaces Inc. and Superior Surfaces Inc. are subsidiaries of Global Surfaces Limited and together referred as Global Group.

Unsupported Rating

Not Applicable

Analytical Approach

Extent of Consolidation

- Full Consolidation

Rationale for Consolidation or Parent / Group / Govt. Support

Acuité has consolidated the business and financial risk profile of Global Surfaces Limited, Global Surfaces FZE, Global Surfaces Inc. and Superior Surfaces Inc. The consolidation is in view of the common ownership and strong operational and financial linkages within the group.

Key Rating Drivers

Strengths

Experienced promoters with established track record of operations

The promoters of Global Surfaces Limited (GSL) have long experience in marble industry. GSL's board of directors comprises of six directors namely Mr. Mayank Shah, Mrs. Sweta Shah, Mr. Ashish Kachawa, Mr. Yashwant Kumar Sharma, Mr. Sudhir Baxi, and Dr. Chandan Chowdhury. Mr. Mayank Shah is the managing director and has around two decades of experience in the industry. The other five directors who are professionally running the company ably support him. Over the years, the group has been able to maintain healthy relations with their customers and suppliers. The group has set up operations in Dubai which is expected to augment business and will remain a key monitorable. Acuité believes that the group will continue to benefit from its experienced management and long track record of operation in the industry.

Weaknesses

Decline in business profitability

The group has reported revenue of Rs. 207.64 Crore in FY25 against Rs. 225.29 Crore in FY24. The decline in the revenue is due to decline in demand in the international market. The EBITDA Margins of the group stood at 0.93% in FY25 against 16.61% in FY24 due to the increase in price of raw materials and increase in the employee benefits expenses, administrative and other manufacturing expenses. Due to subdued demand internationally and lesser than expected off-takes, the fixed costs of Dubai plant could not be fully absorbed. The PAT Margins of the group stood at -13.92% in FY25 against 8.78% in FY24 due to increase in depreciation and finance cost. The Q4FY25 revenues and PAT margin were at RS. 57.47 Cr. and -19.17% against Q3FY24 revenues and PAT margin of Rs. 46.06 Cr. and -22.62% respectively. Acuite believes going forward stabilization of Dubai plant will impact the overall operating performance and margins that will remain a key monitorable.

Declining Financial Risk profile

The financial risk profile of the group is marked by net-worth of Rs. 303.80 Crore in FY25 eroded due to losses during the year, against Rs. 332.22 Crore in FY24. The total debt of the group stood at Rs. 199.46 Crore in FY25 against Rs. 144.63 Cr. in FY24. Further, the debt-equity ratio of the group stood at 0.66 times in FY25 against 0.44 times in FY24. The interest coverage ratio of the group stood at 0.59 times in FY25 against 6.09 times in FY24. The DSCR of the group stood at 0.23 times in FY25 against 3.36 times in FY24. TOL/TNW ratio stood at 0.77 times in FY25 against 0.51 times in FY24. Acuité believes that going forward the debt protection metrics of the group is a key monitorable.

Intensive Working capital operations

The working capital operations of the group is intensive marked by GCA days of 417 days in FY25 against 319 days in FY24. There is an increase in the GCA days due to the inventory days of the group which stood at 168 days in FY25 against 149 days in FY24, debtor days of the group stood at 224 days in FY25 against 178 days in FY24 and creditor days stood at 166 days in FY25 against 106 days in FY24. Acuite believes that the working capital cycle of the group is expected to be intensive over the medium term.

Rating Sensitivities

- Movement in operating income and profitability
- Movement in Working capital operations
- Stabilisation of Dubai plants operations
- Improvement in debt protection metrics

Liquidity Position

Stretched

The liquidity profile of the group stretched. The net cash accruals of group stood at Rs. (10.24) Cr. in FY25 against the debt repayment of Rs. 7.45 Cr. However net cash accruals of the company on standalone basis is Rs. 13.85 Cr. which is supporting the group in the repayment of the loan. The group has cash & bank position of Rs. 2.78 Cr. and current ratio stood at 1.53 times for FY25. Additional the warrants of Rs. 150 Cr. stands forfeited as warrant holders have failed to exercise their rights to convert the warrants and acquire Equity Share underlying the said

warrants which also impact the liquidity profile of the group. Acuité believes that the liquidity position of the group will remain key monitorable over the medium term.

Outlook: Negative

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	207.64	225.29
PAT	Rs. Cr.	(28.90)	19.78
PAT Margin	(%)	(13.92)	8.78
Total Debt/Tangible Net Worth	Times	0.66	0.44
PBDIT/Interest	Times	0.59	6.09

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

Not Applicable

Interaction with Audit Committee anytime in the last 12 months (applicable for rated-listed / proposed to be listed debt securities being reviewed by Acuite)

Not applicable

Any Other Information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité'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
24 Feb 2025	PC/PCFC	Short Term	16.00	ACUITE A2 (Downgraded from ACUITE A2+)
	PC/PCFC	Short Term	23.80	ACUITE A2 (Downgraded from ACUITE A2+)
	Letter of Credit	Short Term	6.00	ACUITE A2 (Downgraded from ACUITE A2+)
	Bank Guarantee (BLR)	Short Term	0.20	ACUITE A2 (Downgraded from ACUITE A2+)
	PC/PCFC	Short Term	14.00	ACUITE A2 (Downgraded from ACUITE A2+)
	Letter of Credit	Short Term	2.00	ACUITE A2 (Downgraded from ACUITE A2+)
	Stand By Line of Credit	Short Term	20.00	ACUITE A2 (Downgraded from ACUITE A2+)
	Stand By Line of Credit	Short Term	35.00	ACUITE A2 (Downgraded from ACUITE A2+)
	Stand By Line of Credit	Short Term	2.00	ACUITE A2 (Downgraded from ACUITE A2+)
	Stand By Line of Credit	Short Term	15.00	ACUITE A2 (Downgraded from ACUITE A2+)
	Working Capital Term Loan	Long Term	4.41	ACUITE BBB+ Stable (Downgraded (Negative to Stable) from ACUITE A- Negative)
	Cash Credit	Long Term	1.00	ACUITE BBB+ Stable (Downgraded (Negative to Stable) from ACUITE A- Negative)
	Cash Credit	Long Term	1.00	ACUITE BBB+ Stable (Downgraded (Negative to Stable) from ACUITE A- Negative)
	Proposed Long Term Loan	Long Term	2.69	ACUITE BBB+ Stable (Downgraded (Negative to Stable) from ACUITE A- Negative)
22 Nov 2024	Working Capital Term Loan	Long Term	4.41	ACUITE A- Negative (Reaffirmed)
	Cash Credit	Long Term	1.00	ACUITE A- Negative (Reaffirmed)
	Cash Credit	Long Term	1.00	ACUITE A- Negative (Reaffirmed)
	Proposed Long Term Loan	Long Term	2.69	ACUITE A- Negative (Reaffirmed)
	PC/PCFC	Short Term	16.00	ACUITE A2+ (Reaffirmed)
	PC/PCFC	Short Term	23.80	ACUITE A2+ (Reaffirmed)
	Letter of Credit	Short Term	6.00	ACUITE A2+ (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	0.20	ACUITE A2+ (Reaffirmed)
	PC/PCFC	Short Term	14.00	ACUITE A2+ (Reaffirmed)
	Letter of Credit	Short Term	2.00	ACUITE A2+ (Reaffirmed)
	Stand By Line of Credit	Short Term	20.00	ACUITE A2+ (Reaffirmed)
	Stand By Line of Credit	Short Term	35.00	ACUITE A2+ (Reaffirmed)
	Stand By Line of Credit	Short Term	15.00	ACUITE A2+ (Assigned)
	Stand By Line of Credit	Short Term	2.00	ACUITE A2+ (Reaffirmed)
	Working Capital Term Loan	Long Term	5.80	ACUITE A- Negative (Reaffirmed)

23 Aug 2024	Term Loan	Long Term	3.30	ACUITE A- Negative (Reaffirmed)
	Cash Credit	Long Term	1.00	ACUITE A- Negative (Reaffirmed)
	Cash Credit	Long Term	1.00	ACUITE A- Negative (Reaffirmed)
	PC/PCFC	Short Term	16.00	ACUITE A2+ (Reaffirmed)
	PC/PCFC	Short Term	23.80	ACUITE A2+ (Reaffirmed)
	Letter of Credit	Short Term	6.00	ACUITE A2+ (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	0.20	ACUITE A2+ (Reaffirmed)
	PC/PCFC	Short Term	14.00	ACUITE A2+ (Reaffirmed)
	Letter of Credit	Short Term	2.00	ACUITE A2+ (Reaffirmed)
	Stand By Line of Credit	Short Term	20.00	ACUITE A2+ (Reaffirmed)
	Stand By Line of Credit	Short Term	35.00	ACUITE A2+ (Reaffirmed)
02 Feb 2024	Working Capital Term Loan	Long Term	5.80	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	3.30	ACUITE A- Negative (Reaffirmed)
	Cash Credit	Long Term	1.00	ACUITE A- Negative (Reaffirmed)
	Cash Credit	Long Term	1.00	ACUITE A- Negative (Reaffirmed)
	PC/PCFC	Short Term	16.00	ACUITE A2+ (Reaffirmed)
	PC/PCFC	Short Term	23.80	ACUITE A2+ (Reaffirmed)
	Letter of Credit	Short Term	6.00	ACUITE A2+ (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	0.20	ACUITE A2+ (Reaffirmed)
	PC/PCFC	Short Term	14.00	ACUITE A2+ (Reaffirmed)
	Letter of Credit	Short Term	2.00	ACUITE A2+ (Reaffirmed)
	Stand By Line of Credit	Short Term	20.00	ACUITE A2+ (Assigned)
	Stand By Line of Credit	Short Term	35.00	ACUITE A2+ (Assigned)
17 Nov 2023	Working Capital Term Loan	Long Term	5.80	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	3.30	ACUITE A- Negative (Reaffirmed)
	Cash Credit	Long Term	1.00	ACUITE A- Negative (Reaffirmed)
	Cash Credit	Long Term	1.00	ACUITE A- Negative (Reaffirmed)
	PC/PCFC	Short Term	16.00	ACUITE A2+ (Reaffirmed)
	PC/PCFC	Short Term	23.80	ACUITE A2+ (Reaffirmed)
	Letter of Credit	Short Term	8.00	ACUITE A2+ (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	0.20	ACUITE A2+ (Reaffirmed)
		Short		

	PC/PCFC	Term	14.00	ACUITE A2+ (Reaffirmed)
19 Jun 2023	Working Capital Term Loan	Long Term	5.80	ACUITE A- Negative (Reaffirmed (Stable to Negative))
	Term Loan	Long Term	3.30	ACUITE A- Negative (Reaffirmed (Stable to Negative))
	Cash Credit	Long Term	1.00	ACUITE A- Negative (Reaffirmed (Stable to Negative))
	Cash Credit	Long Term	1.00	ACUITE A- Negative (Reaffirmed (Stable to Negative))
	PC/PCFC	Short Term	16.00	ACUITE A2+ (Reaffirmed)
	PC/PCFC	Short Term	23.80	ACUITE A2+ (Reaffirmed)
	Letter of Credit	Short Term	8.00	ACUITE A2+ (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	0.20	ACUITE A2+ (Reaffirmed)
	PC/PCFC	Short Term	14.00	ACUITE A2+ (Reaffirmed)
31 Mar 2022	Cash Credit	Long Term	2.00	ACUITE A- Stable (Upgraded from ACUITE BBB+ Stable)
	Stand By Line of Credit	Long Term	5.80	ACUITE A- Stable (Upgraded from ACUITE BBB+ Stable)
	Term Loan	Long Term	6.00	ACUITE A- Stable (Upgraded from ACUITE BBB+ Stable)
	Proposed Long Term Bank Facility	Long Term	3.30	ACUITE A- Stable (Upgraded from ACUITE BBB+ Stable)
	PC/PCFC	Short Term	16.00	ACUITE A2+ (Upgraded from ACUITE A2)
	Bills Discounting	Short Term	32.00	ACUITE A2+ (Upgraded from ACUITE A2)
	Letter of Credit	Short Term	8.00	ACUITE A2+ (Upgraded from ACUITE A2)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
HDFC Bank Ltd	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.20	Simple	ACUITE A2 Reaffirmed
HDFC Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.00	Simple	ACUITE BBB+ Negative Reaffirmed Stable to Negative
Kotak Mahindra Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.00	Simple	ACUITE BBB+ Negative Reaffirmed Stable to Negative
HDFC Bank Ltd	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	6.00	Simple	ACUITE A2 Reaffirmed
Kotak Mahindra Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.00	Simple	ACUITE A2 Reaffirmed
HDFC Bank Ltd	Not avl. / Not appl.	PC/PCFC	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	16.00	Simple	ACUITE A2 Reaffirmed
HDFC Bank Ltd	Not avl. / Not appl.	PC/PCFC	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	23.80	Simple	ACUITE A2 Reaffirmed
Kotak Mahindra Bank	Not avl. / Not appl.	PC/PCFC	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	14.00	Simple	ACUITE A2 Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Long Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.69	Simple	ACUITE BBB+ Negative Reaffirmed Stable to Negative
HDFC Bank Ltd	Not avl. / Not appl.	Stand By Line of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.00	Simple	ACUITE A2 Reaffirmed
HDFC Bank Ltd	Not avl. / Not appl.	Stand By Line of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	15.00	Simple	ACUITE A2 Reaffirmed
Kotak Mahindra Bank	Not avl. / Not appl.	Stand By Line of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE A2 Reaffirmed
HDFC Bank Ltd	Not avl. / Not appl.	Stand By Line of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	35.00	Simple	ACUITE A2 Reaffirmed
HDFC Bank Ltd	Not avl. / Not appl.	Working Capital Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	07 Feb 2027	4.41	Simple	ACUITE BBB+ Negative Reaffirmed Stable to Negative

*Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)

Sr.No.	Company Name
1	Global Surfaces Limited (erstwhile Global Stones Private Limited)
2	Global Surfaces FZE
3	Global Surfaces Inc.
4	Superior Surfaces Inc.

Contacts

Mohit Jain Chief Analytical Officer-Rating Operations	Contact details exclusively for investors and lenders
Siddharth Garg Associate Analyst-Rating Operations	Mob: +91 8591310146 Email ID: analyticalsupport@acuite.in

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