



**Press Release**  
**SIYARAM GRANITO PRIVATE LIMITED**  
**May 07, 2025**  
**Rating Reaffirmed and Withdrawn**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	58.82	ACUITE BBB-   Stable   Reaffirmed	-
Bank Loan Ratings	2.93	Not Applicable   Withdrawn	-
Bank Loan Ratings	6.25	-	ACUITE A3   Reaffirmed
Total Outstanding Quantum (Rs. Cr)	65.07	-	-
Total Withdrawn Quantum (Rs. Cr)	2.93	-	-

**Rating Rationale**

Acuité has reaffirmed the long-term rating of 'ACUITE BBB-' (read as ACUITE triple B Minus) and the short-term rating of 'ACUITE A3' (read as ACUITE A three) on the Rs.65.07 crore bank facilities of Siyaram Granito Private Limited (SGPL). The outlook is 'Stable'.

Further, Acuité has withdrawn its long term rating on the bank loan facilities of Rs.2.93 Cr. of Siyaram Granito Private Limited without assigning any rating as it is proposed facility. The rating has been withdrawn on account of the request received from the issuer as per Acuité's policy on withdrawal of ratings as applicable to the respective facility / instrument.

**Rationale for rating**

The reaffirmation in rating takes into account the established track record of operations and experienced management of more than a decade in ceramic industry. Further, the rating takes into consideration the improvement in the company's scale of operations, marked by an operating income of Rs.174.76 Cr. in FY2024 as against Rs.133.22 Cr. in FY2023. The increase revenue is contributed by company's completed capital expenditure related to enhancement of installed capacity of glazed vitrified tiles. However, there has been slight decline in topline in FY2025 estimated at Rs.162.44 Crore owing to weak demand in the market. Further, the EBITDA margin and PAT margin of the company stood at 10.71 per cent and 1.51 per cent respectively in FY2024. Additionally, the financial risk profile of the company remained moderate marked by gearing which stood at 1.25 times as on March 31, 2024 and coverage indicators reflected by interest coverage ratio and debt service coverage ratio which stood at 3.21 times and 1.62 times respectively as on 31st March 2024. The liquidity position of the company is also adequate marked by net cash accruals of Rs.11.83 Crore as on 31<sup>st</sup> March 2024 against the debt repayment obligation of Rs.5.09 Crore over the same period. However, the above mentioned strengths are partly off-set by moderately intensive working capital nature of operations marked by marked by GCA days of 162 days as on 31st March 2024, fragmented industry characterized by intense competition and vulnerability in the margins due to fluctuations in the raw material prices.

**About the Company**

Gujrat based, Siyaram Granito Private Limited incorporated in 2014 is engaged in manufacturing of ceramic tiles. The current directors of the company are Mr. Jayprakash Nathalal Bavarva, Mr. Chirag Manubhai Ujariya, Mr. Jayesh Thakarshibhai Varsda and Mr. Devendra Bhudarbhai Barasara.

**Unsupported Rating**

Not Applicable

### **Analytical Approach**

Acuite has considered the standalone financial and business risk profiles of Siyaram Granito Private Limited (SGPL) to arrive at the rating.

## Key Rating Drivers

### Strengths

#### Experienced Management and established track record of operations

SGPL has been engaged in manufacturing of vitrified tiles from 2014. Currently the company is managed by Mr. Jayprakash Nathalal Bavarva, Mr. Chirag Manubhai Ujariya, Mr. Jayesh Thakarshibhai Varsda and Mr. Devendra Bhudarbhai Barasara who has an experience of about more than a decade in ceramic industry. Their experience into this line of business would help the company to flourish. Acuite believes that SGPL will continue to benefit from its established track record and experience of promoters in this line of business.

#### Moderate Financial Risk Profile

The financial risk profile of the company is moderate, marked by the net worth of Rs.46.59 Crore in FY24 and Rs.42.82 Cr. in FY23. The increase in the net-worth is on an account of accretion of profits into reserves. Further, the total debt of the company stood at Rs.58.22 Crore as on 31st March 2024 as against Rs.53.43 Crore as on 31st March 2023. The capital structure of the company is marked by gearing ratio which stood at 1.25 times as on 31st March 2024. Further, the coverage indicators of the company are reflected by interest coverage ratio and debt service coverage ratio which stood at 3.21 times and 1.62 times respectively as on 31st March 2024 as against 3.45 times and 1.54 times respectively as on 31st March 2023. The TOL/TNW ratio of the company stood at 1.73 times as on 31st March 2024 as against 1.85 times as on 31st March 2023 and DEBT-EBITDA of the company stood at 3.10 times as on 31st March 2024 as against 2.91 times as on 31st March 2023. Acuite believes that going forward the financial risk profile of the company will remain moderate in near to medium term.

### Weaknesses

#### Moderately Intensive Working Capital Operations

The working capital operations of the company are moderately intensive marked by GCA days of 162 days as on 31st March 2024 as compared to 195 days as on 31st March 2023. Further, the debtor days stood at 90 days as on 31st March 2024 as compared to 135 days as 31st March 2023. On the other hand, the creditor days stood at 96 days as on 31st March 2024 as compared to 168 days in the previous year. The inventory days of the company stood at 76 days as on 31st March 2024 as compared to 58 days as on 31st March 2023. Further, working capital limits stood at an average of 94.12% for the last six months ended March 2025. Acuite believes that the working capital operations are likely to remain similar in near to medium term.

#### Moderation in Business Risk Profile

The company has achieved a turnover of Rs.174.76 Crore in FY2024 against Rs.133.22 Crores in FY2023. The increase revenue is contributed by company's completed capital expenditure related to enhancement of installed capacity of glazed vitrified tiles. However, there has been slight decline in topline in FY2025 estimated at Rs.162.44 Crore owing to weak demand in the market. Further, the EBITDA Margin of the company decreased and stood at 10.71% in FY2024 against 13.73% in FY2023 on an account of surge in raw material costs in FY2024 as against FY2023 owing to global supply chain disruptions and increased logistic costs due to geopolitical tensions and recessionary trends in major export markets like US, UK and Europe. Volatility in input costs is a frequent issue the ceramic sector faces. This volatility can be due to a number of things, including changes in the cost of energy, transportation, and raw material costs. Additionally, depending on factors including availability, demand-supply dynamics, and geological conditions, clay prices can fluctuate widely. Likewise, the PAT Margin stood at 1.51% in FY2024 against 1.70% in FY2023 on an account of high depreciation and finance costs. Acuite notes that to remain competitive in the market, the company must sustain their revenue and profitability along with continually evaluating and handling the input price fluctuation and the same will remain as a key rating sensitivity.

### Rating Sensitivities

- Sustaining scale of operations and profitability
- Working capital Operations

### Liquidity Position

#### Adequate

The liquidity profile of the company is adequate with net cash accruals of Rs.11.83 Cr. as on 31st March 2024 against the debt repayment obligation of Rs.5.09 Crore over the same period. Going forward, the company is expected to generate net cash accruals under the range of Rs.9.50 Crore to Rs.13.00 Crore against the debt repayment obligations up to Rs.5.00 Crore over the same period. The working capital limits stood at an average of 94.12% for the last six months ended March 2025. The current ratio of the company stood at 1.32 times as on 31st March 2024 as against 1.35 times as on 31st March 2023. Further, the cash and bank balance available with the company stood at Rs.0.09 Crore as on 31st March 2024. Acuite believes that going forward the company will maintain adequate liquidity position due to steady accruals.

**Outlook: Stable**

**Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	174.76	133.22
PAT	Rs. Cr.	2.64	2.26
PAT Margin	(%)	1.51	1.70
Total Debt/Tangible Net Worth	Times	1.25	1.25
PBDIT/Interest	Times	3.21	3.45

**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

- 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, Acuité 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](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
23 Feb 2024	Bank Guarantee (BLR)	Short Term	6.25	ACUITE A3 (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	4.77	ACUITE BBB-   Stable (Reaffirmed)
	Term Loan	Long Term	19.97	ACUITE BBB-   Stable (Reaffirmed)
	Covid Emergency Line.	Long Term	2.01	ACUITE BBB-   Stable (Reaffirmed)
	Cash Credit	Long Term	25.00	ACUITE BBB-   Stable (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE BBB-   Stable (Assigned)
05 Jul 2023	Bank Guarantee (BLR)	Short Term	6.25	ACUITE A3 (Assigned)
	Proposed Long Term Bank Facility	Long Term	1.38	ACUITE BBB-   Stable (Assigned)
	Term Loan	Long Term	22.09	ACUITE BBB-   Stable (Assigned)
	Covid Emergency Line.	Long Term	1.27	ACUITE BBB-   Stable (Assigned)
	Covid Emergency Line.	Long Term	2.01	ACUITE BBB-   Stable (Assigned)
	Cash Credit	Long Term	25.00	ACUITE BBB-   Stable (Assigned)

## 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 (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	6.25	Simple	ACUITE A3   Reaffirmed
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	35.00	Simple	ACUITE BBB-   Stable   Reaffirmed
State Bank of India	Not avl. / Not appl.	Channel/Dealer/Vendor Financing	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE BBB-   Stable   Reaffirmed
State Bank of India	Not avl. / Not appl.	Covid Emergency Line.	30 Aug 2021	Not avl. / Not appl.	31 Jan 2027	1.57	Simple	ACUITE BBB-   Stable   Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.93	Simple	Not Applicable Withdrawn
State Bank of India	Not avl. / Not appl.	Term Loan	30 Aug 2021	Not avl. / Not appl.	31 Jul 2029	17.25	Simple	ACUITE BBB-   Stable   Reaffirmed

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### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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