

RKB Global Limited

March 23, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	72.50	CARE BB; Stable	Reaffirmed
Short Term Bank Facilities	65.00	CARE A4+	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Reaffirmation of the ratings assigned to RKB Global Limited (RKBGL) continue to remain constrained by its moderate scale of operations, moderate profitability margin and its susceptibility to price volatility risk. The ratings are further constrained by its significant elongation of working capital cycle led by long standing unsold iron ore inventory and unrealized trade receivables and highly competitive and cyclical nature of industry.

The ratings, however, derived strength from the long track record of operations in manufacturing & trading of steel products with experienced and resourceful promoters, comfortable capital structure and moderate debt coverage indicators. The established relationship with diversified customer base and moderately concentrated supplier base also provides strength to its ratings.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Increase in scale of operation with total operating income (TOI) exceeding ₹450 crore on sustained basis
- Improvement in operating margin exceeding 8% and net profit margin to above 2% on a sustained basis
- Sustenance in the debt coverage indicators marked by interest coverage remain above 2x
- Timely recovery of long-standing receivables and conversion of iron-ore inventory into sales

Negative factors

- Substantial decrease in the scale of operations with PBILDT margin stood below 5% on a sustained basis
- Substantial elongation in working capital cycle marked by operating cycle exceeding 90 days.
- Deterioration in the debt coverage indicators with interest coverage falling below 1.40x on a sustained basis

Analytical approach: Standalone

Outlook: Stable

The "Stable" outlook reflects CARE Ratings Limited (CareEdge Ratings) expectation of continue to benefit from its experienced promoters along with long track record of operations and established relationship with diversified customer base which would enable company to sustain its operational and financial risk profile in the near to medium term.

Detailed description of key rating drivers:

Key weaknesses

Moderate scale of operations

The overall scale of operations remained moderate marked by TOI stood in the range of ₹360 crore to ₹432 crore during FY21 to FY25. TOI has decreased from ₹432.83 crore in FY24 to ₹411.13 crore in FY25 on account of reduction in the trading activities undertaken during the year. The trading revenue significantly reduced to ₹121.83 crore in FY25 from ₹320.31 crore in FY24 in line with the management strategy and increase in the manufacturing activities on the back of successful completion of the capex incurred during past. The revenue from steel manufacturing significantly increased to ₹204.82 crore in FY25 from ₹99.31 crore in FY24. Further, the company has also commenced trading of iron ore which contributed a revenue of ₹83.45 crore in FY25 (PY: ₹4.46 crore). Nevertheless, the scale of operations continues to remain moderate. Further during H1FY26, the company recorded TOI of ₹290.26 crore (vis-à-vis ₹162.22 crore in H1FY25). The company is expected to achieve moderate revenue growth in the near to medium term on the back of successful completion of its manufacturing facilities along with resumption of iron ore exports.

Moderate profitability margins

The profitability margins of RKBGL are directly linked with the raw material prices of steel which is volatile in the nature. The PBILDT margin has remained stable at 7.41% in FY25 from 7.11% in FY24 despite increase in the manufacturing revenues. However, the PAT margin has improved to 2.70% in FY25 as against 1.83% in FY24 on account of reduction in the interest cost incurred during the year. During H1FY26, the PBILDT margin has declined to 6.38%. PAT margin improved to 3.50% during H1FY26 on the back of increased in non-operating income. The company expects its profit margins to remain stable over the medium term.

Significant elongation of working capital cycle

The entity's operations continued to remain working capital intensive and the same has significantly elongated as reflected by Gross Current Asset (GCA) period of 234 days in FY25 (PY: 188 days) on account of increase in the collection period. Inventory holding period remained stable to 101 days in FY25 (PY: 101 days) due to gradual realization of long-standing iron ore inventory along with increase in the manufacturing activities during the year. Collection period significantly stretched to 93 days in FY25 from 43 days in FY24 led by sell of iron ore inventory during the year against which the debtors remained outstanding for more than six months as on September 30, 2025, as the delivery these iron inventory hasn't taken place till date. On the other hand, the payable period remained stable at 79 days in FY25 (PY: 81 days). Thus, the average operating cycle stretched at 115 days in FY25 (PY: 63 days). During FY25, net working capital (NWC) as a percentage of total capital employed was around 61% (PY: 52%). Consequently, the utilization of its working capital limits stood high.

Long standing unsold iron ore inventory and unrealized trade receivables

RKBGL had long-standing 3.11 lakh metric tonnes (LMT) of iron ore inventory to the tune of ₹57.02 crore as on September 30, 2024 (as against ₹65.50 crore as on March 31, 2024) which remained unsold due to export ban on the iron ore during 2021. However, the same has reduced to 2.30 LMT valuing at ₹44.29 crore as on November 30, 2025. Further, it also has trade receivables amounting to ₹12.54 crore which are due for more than 3 years as on March 31, 2024. Out of which ₹9.76 crore have been realized and ₹2.78 crore still outstanding as on September 30, 2025.

However, as on September 30, 2025, out of the total debtors of ₹146.53 crore, debtors worth ₹74.08 crore outstanding for more than six months which primarily include debtors of ₹61.50 crore against which the company has recognized revenue in FY25 while the transfer of goods is still pending. Hence, ability of the company to complete the sales transaction and timely recovery of these debtors remains key credit monitorable.

Highly competitive and cyclical nature of industry

RKBGL is operating in a highly competitive industry due to the presence of various organized and unorganized players involved in the manufacturing of various steel products. Although, over the years the industry has become more organized with the share of unorganized players reducing, but margins continue to be under pressure due to fragmentation of the industry. Also, the steel industry is sensitive to the shifting business cycles including changes in the general economy, interest rates and seasonal changes in the demand and supply conditions in the market.

Key strengths

Long track record of operations in manufacturing & trading of steel products with experienced and resourceful promoters

RKBGL possesses a long track record of over nine decades of operations in trading of various steel products. The overall operations of RKBGL are looked after by the promoters Mr. Virat Shah, along with his son Mr. Alok Shah. Mr. Virat Shah has about five decades of experience in the similar line of business. Along-side, Mr. Alok Shah has over a decade of experience in the similar industry. The directors are supported by experienced and qualified second line of management having adequate experience in their respective fields. Until FY20, the company involved in trading of steel and iron products. However, since FY21 onwards, it set up its manufacturing units at Wada (Maharashtra) and Taloja (Maharashtra) and started manufacturing steel products. As a result of its long-standing existence, the company has established long-term relationships with its various customers, suppliers and other stakeholders.

Comfortable capital structure and moderate debt coverage indicators

The entity's capital structure stood comfortable, as marked by an overall gearing of 0.56x as on March, 31, 2025 (0.92x as on March, 31, 2024). Its debt profile largely comprises external debt in the form of working capital and term debt. The total outside liabilities to net worth stood low at 0.75x as on March, 31, 2025 (PY: 1.01x). The improvement in capital structure was on account of profit accretion of profits to reserves, repayment of term debt, and infusion of equity undertaken by the company.

Consequently, the debt coverage indicators also improved marked by total debt to GCA improved to 7.05x in FY25 as against 12.03x in FY24. Interest coverage also improved to 2.14x in FY25 (PY: 1.45x) on account of reduction in interest cost during the

year. Further, during H1FY26, overall gearing of the company stood 0.49x and Interest coverage has further improved to 3.42x. The capital structure and debt coverage indicators are likely to remain comfortable in the near to medium terms due to no major debt funded capex planned by the company.

Diversified product portfolio with established relationship with customer base

RKBGL boasts a diversified portfolio of over 60 products, ranging from roofing and corrugated sheets to H-beams for Pre-Engineered Buildings (PEBs). The company serves as an OEM in Maharashtra for Tata sheets—specialized materials used in cleanroom construction for the pharmaceutical, food, and beauty sectors. Additionally, RKBGL is an OEM on the West Coast for Tata Steel galvanized coils and an authorized dealer in Mumbai for JSW's 'Colouron+' brand. Beyond its OEM and dealership roles, the company trades bare galvalume, GP galvanized, and color-coated coils. Expanding its operational footprint, RKBGL has also ventured into manufacturing steel products, including galvanized and color-coated roofing sheets, canopies, pipes, binding wires, bright bars, welding electrodes, and PEBs. Despite this extensive product diversification, the customer profile remained moderately concentrated with the top 10 customers comprising 74% of the net sales in H1FY26 (FY24: 34%), representing a healthy mix of both long-standing and newly acquired clients.

Liquidity: Adequate

The liquidity remained adequate, marked by comfortable current ratio, comfortable quick ratio, healthy cash and equivalents and adequate cash accruals against high debt repayments. The current ratio and quick ratio stood at 1.98x and 1.35x respectively as on March 31, 2025 (PY:1.85x; 0.82x). The utilization of the fund based working capital limits remained high as marked by average maximum utilization of 95.03% with non-fund-based limit utilization stood at 72.12% for the past 12 months ended October 2025. While cash-flow from operations was negative at ₹38.96 crore in FY25 (PY: negative of ₹19.84 crore), due to a significant decrease in inventory and increase receivables during the year. The unencumbered cash and bank balance stood at ₹ 22.15 crore as on September 30, 2025 and ₹20.26 crore as on March 31, 2025. The expected GCA level remains sufficiently cushioned against its debt repayments obligations in the range of ₹5 crore to ₹ 6.20 crore for FY26 and FY27.

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](#)

[Iron & Steel](#)

[Wholesale Trading](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Commodities	Metals & Mining	Diversified Metals	Diversified Metals

Originally established in 1932 as the partnership M/s Rajankumar and Bros., the entity was reconstituted as RKB Global Limited (RKBGL) in 2013. The company is engaged in the trading of roofing sheets, galvanized coils, and wire rods, which accounted for approximately 30% of TOI in FY25. All traded goods and primary raw materials are sourced from domestic suppliers.

Since FY21, RKBGL has strategically expanded into manufacturing, which now contributes roughly 50% of TOI in FY25. These operations are conducted through ISO 9001:2015 certified facilities located in Wada and Taloja, Maharashtra. As of September 2025, these plants possess a combined installed capacity of 53,000 MT. The manufacturing portfolio includes color-coated and galvanized corrugated sheets, roofing accessories, MS pipes, hollow sections, binding wires, bright bars, welding electrodes, and Pre-Engineered Buildings (PEBs). Additionally, from FY24 onwards, the company resumed its operations in the trading and contractual mining of iron ore.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	September 30, 2025 (A)
Total operating income	432.83	411.13	290.26
PBILDT*	30.76	30.46	18.53
Profit after tax (PAT)	7.92	11.10	10.15
Overall gearing (x)	0.92	0.56	0.49
Interest coverage (x)	1.45	2.14	3.42

A: Audited UA: Unaudited; 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 (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Working Capital Limits		-	-	-	72.50	CARE BB; Stable
Non-fund-based - ST-Letter of credit		-	-	-	65.00	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 - LT-Working Capital Limits	LT	72.50	CARE BB; Stable	1)CARE BB; Stable (06-Jan-26) 2)CARE BB; Stable (06-Aug-25)	1)CARE BB (RWD) (11-Mar-25) 2)CARE BB; Stable (31-Dec-24)	1)CARE BB-; Stable (05-Dec-23)	-
2	Non-fund-based - ST-Letter of credit	ST	65.00	CARE A4+	1)CARE A4+ (06-Jan-26) 2)CARE A4+ (06-Aug-25)	1)CARE A4+ (RWD) (11-Mar-25) 2)CARE A4+ (31-Dec-24)	1)CARE A4 (05-Dec-23)	-

LT: Long term; ST: Short term; 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 - LT-Working Capital Limits	Simple
2	Non-fund-based - ST-Letter of credit	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.

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