

## RR MetalMakers India Limited

March 23, 2026

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	6.50	CARE B; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE B+; Stable and moved to ISSUER NOT COOPERATING category
Short Term Bank Facilities	18.50	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 & Key Rating Drivers

CARE Ratings Limited (CareEdge Ratings) has been seeking information from RR MetalMakers India Limited (RRMIL) to monitor the rating vide e-mail communications dated January 27, 2026, February 03, 2026, February 13, 2026, February 19, 2026 and March 02, 2026 among others and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CareEdge Ratings has reviewed the rating on the basis of the best available information which however, in CareEdge Ratings' opinion is not sufficient to arrive at a fair rating. The ratings on RRMIL's bank facilities will now be denoted as '**CARE B; 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 RRMIL have been revised on account of non-availability of requisite information. The ratings continue to remain constrained by moderate albeit fluctuating scale of operations and low networth base, moderate profit margins, leveraged capital structure and weak debt coverage indicators. The ratings are further considered by its working capital-intensive nature of operations, highly competitive and cyclical nature of industry. The ratings, however, derive strength from the experienced & resourceful promoters and their long track record of operations in steel industry and established relationship with the customer base and supplier base also provides strength to its ratings.

**Analytical approach:** Standalone

**Outlook:** Stable

### Detailed description of key rating drivers

At the time of last rating on August 06, 2025 the following were the rating strengths and weaknesses (updated based on 9MFY26 results available from stock exchange filings.)

#### Key weaknesses

##### Moderate albeit fluctuating scale of operations and low networth base

The overall scale of operations of RRMIL continue to remain moderate and fluctuating as marked by TOI which declined significantly from ₹ 96.39 crore in FY24 to ₹ 51.97 crore in FY25, (registering a decline of 46.08%) as the management prioritized the capex execution of the capex and expansion of the business of its group company i.e. RKBGL during the period. Further, the tangible net-worth base remained low at ₹ 9.16 crore as on March 31, 2025 (vis-à-vis ₹ 6.59 crore as on March 31, 2024) and the same has increase due to accretion of profits to reserve during the year. During 9MFY26, the company reported income from operations of ₹57.18 crore.

##### Moderate profit margins

The profitability margins of RRMIL remained low and fluctuating as it directly linked with the raw material prices of steel which is volatile in the nature. Further, the operating profit margin of RRMIL remained moderate, majorly due to trading nature of the business where there is limited value addition along with intense competition in the steel industry. The PBILDT margin improved from 6.16% in FY24 to 9.08% in FY24 mainly on account of improved realisations on traded goods. With the above coupled with lower interest cost and depreciation cost, the company had reported an improvement in the PAT margin from 1.09% in

<sup>1</sup>Complete definition of ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE Ratings Limited's publications.

FY24 to 3.23% in FY25. However, during 9MFY26(UA) the company reported losses an operating as well net loss worth ₹0.89 crore and ₹2.85 crore respectively owing to significant increase in raw material cost.

#### **Leveraged capital structure and debt coverage indicators**

The capital structure of the company continues to remain leveraged marked by higher working capital borrowings and higher purchase of goods on LC given its trading nature of business. Also, given its limited value addition as a result of trading nature of business debt coverage indicators continue to remain weak.

RRMIL's overall gearing stood high albeit improved to 2.92x as on March 31, 2025, as against 4.74x as on March 31, 2024, primarily due to increase in tangible networth base due to accretion of profits coupled with marginal decrease in total debt due to lower utilization of the working capital limits as on balance sheet date. Further, total debt to gross cash accruals (TD/GCA) remained weak albeit improved to 13.64x in FY25 as against 20.01x in FY24. The interest coverage ratio improved marginally and weak low at 1.43x in FY25 (vis-à-vis 1.35x in FY24).

#### **Working capital intensive nature of operations**

The operations of RRMIL stood working capital intensive in nature marked by gross current assets period of 252 days in FY25 (vis-à-vis 168 days in FY24) due to majority of funds being utilized in receivables and inventory and the company witnessed elongation in the same due to significant reduction in TOI during the year. The company is required to maintain a steady level of inventory for a wide portfolio of products in order to meet the regular flow of demand, thus inventory period increased significantly and stood elongated at 155 days in FY25 (vis-à-vis 83 days in FY24). Similarly, the collection period also elongated and stood at 95 days in FY25 (vis-à-vis 37 days in FY24). On the other hand, the creditors period also increased to 199 days in FY25 from 75 days in FY24 which led to stable operating cycle at 52 days in FY25 as against 45 days in FY24.

#### **Highly competitive and cyclical nature of industry**

RRMIL is operating in a highly competitive industry due to the presence of various organized and unorganized players involved in the trading 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**

##### **Experienced & resourceful promoters with long track record of operations and established relationship with the customer base and supplier base**

Promoted by Mr. Virat Shah and Mr. Alok Shah, RRMIL possesses a long track record of about three decades of operations in manufacturing & trading of various steel products. Established in the year 1995, RR Metalmakers is primarily engaged in trading of iron ore, steel and steel products. Until FY21, the company was involved in only trading of steel and iron products. However, since FY21 onwards, it set up its manufacturing units in Gujarat which has a capacity of 800 MT per month and started manufacturing ERW pipes and roofing sheets. The company has a portfolio of over 20 products and caters to customers across the globe over the years. As a result of its long-standing existence, the company has established long-term relationships with its various customers, suppliers and other stakeholders.

**Assumptions/Covenants:** Not applicable

**Environment, social, and governance (ESG) risks:** Not applicable

#### **Applicable criteria**

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

[Definition of Default](#)

[Rating Outlook and Rating Watch](#)

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

[Short Term Instruments](#)

[Iron & Steel](#)

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## About the company and industry

### Industry classification

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

Established in the year 1995, RR Metalmakers is primarily engaged in trading of iron ore, steel and steel products. The company is promoted by Mr. Virat Shah and Mr. Alok Shah. RRRMIL is primarily engaged in trading roofing sheets, galvanised coils, wire rods etc. (contributing around 89.96% of the total income for FY23). The company is an authorized distributor of JSW, TATA and Arcelormittal through its facilities located at Wada and its manufacturing facility is located at Ahmedabad.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	9MFY26 (UA)
Total operating income	96.39	51.97	57.18
PBILDT*	5.94	4.72	-0.89
Profit after tax (PAT)	1.05	1.68	-2.85
Overall gearing (x)	4.74	2.92	-
Interest coverage (x)	1.35	1.43	NM

A: Audited; UA: Unaudited; NM: Not Meaningful; 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

**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		-	-	-	6.50	CARE B; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit		-	-	-	18.50	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	Non-fund-based - ST-Letter of credit	ST	18.50	CARE A4; ISSUER NOT COOPERATING*	1)CARE A4 (RWD) (06-Aug-25) 2)CARE A4 (RWD) (02-Apr-25)	1)CARE A4 (RWD) (11-Mar-25) 2)CARE A4 (RWN) (09-May-24)	1)CARE A4 (13-Mar-24)	-
2	Fund-based - LT-Cash Credit	LT	6.50	CARE B; Stable; ISSUER NOT COOPERATING*	1)CARE B+; Stable (06-Aug-25) 2)CARE B+ (RWD) (02-Apr-25)	1)CARE B+ (RWD) (11-Mar-25) 2)CARE B+ (RWN) (09-May-24)	1)CARE B+; Stable (13-Mar-24)	-

\*Issuer did not cooperate; based on best available information.  
LT: Long term; ST: Short term

**Annexure-3: Detailed explanation of covenants of the rated instruments/facilities:** Not Applicable**Annexure-4: Complexity level of the various instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	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](mailto:care@careedge.in) for clarifications.

## Contact us

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