



Press Release
RDC CONCRETE (INDIA) LIMITED
July 14, 2025
Rating Assigned

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	505.00	ACUITE A- Stable Assigned	-
Non Convertible Debentures (NCD)	65.00	ACUITE A- Stable Assigned	-
Bank Loan Ratings	30.00	-	ACUITE A2+ Assigned
Total Outstanding Quantum (Rs. Cr)	600.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has assigned the long-term rating at '**ACUITE A-' (read as ACUITE A Minus)** and short term rating at '**ACUITE A2+' (read as ACUITE A Two Plus)** on Rs. 535 Cr. bank facilities of RDC Concrete (India) Limited (RDC). The outlook is '**Stable**'.

Further, Acuité has also assigned the long-term rating of '**ACUITE A-' (read as ACUITE A Minus)** on Rs 65 Cr. of Non Convertible Debentures (NCD) of RDC Concrete (India) Limited (RDC) . The outlook is '**Stable**'.

Rationale for rating assigned

The rating assigned factors the leading market position of RDC at a consolidated level with a diversified geographical presence and robust growth in operating performance driven by growing volumes owing to continuous capacity additions and efficiency of operations. The rating also factors the average financial risk profile of RDC driven by improving networth owing to profit accretions and moderate credit metrics with low debt service coverage ratio due to increasing debt funded capex.

Moreover, the rating assigned factors in the diversified revenue portfolio of the Hella group in construction supplies with strong market position in other key segments as well resulting in healthy y-o-y growth in the operating performance of the group. The rating also draws comfort from the presence of reputed investors such as Tiger Global, Fundamental, etc. and strong resource mobilisation ability of the group in terms of equity raise and debt refinancing over the years. The rating is however constrained by the significant capex and acquisitions done by the group over the years, primarily driven by external debt which has impacted the financial risk profile leading to debt service coverage ratios falling below unity. However, with significant debt refinancing and fund raising in FY25, improvement in debt protection metrics is expected over the medium term and shall remain a key rating sensitivity. The rating is further constrained by the intensive working capital operations of the group marked by elevated debtor days and limited track record of operations.

About the Company

Incorporated in April 1993 and acquired by Hella Group in December 2021, RDC Concrete (India) Ltd (RDC) along with its subsidiaries Neptune Readymix Concrete Private Limited, Ultrafine Minerals & Admixtures Private Limited, Robo Silicon Private Limited and Robo Quarries Private Limited, is the second largest player of ready-mix concrete manufacturing in India. The company's products and services include ready-mixed concrete, transport and pumping, and technical services and also some special concrete solutions such as RDC selfcrete, RDC fibre cretes, RDC liteCrete, RDC hempcrete, etc. The company currently has 130 operational RMC plants,

of which 94 plants are commercial and 36 plants are captive plants. Nearly 93.30% of the shareholding of the company is with Hella Infra Market Ltd (HIML) and is promoted by Mr. Souvik Sengupta and Mr. Aaditya Sharda.

About the Group

Established in 2016, Hella Group is a Thane based manufacturer cum aggregator dealing in various types of construction materials. The group provides a wide range of industrial products (concrete, steel, cement, aggregates), building materials & services (walling, wood, plumbing, roofing), consumer interior essentials (tiles and sanitary ware, modular kitchen and hardware, paint, electrical appliances) and chemical compounds. It runs its business through India's first multi-product and multi-channel construction material platform – Infra.Market which is one of the biggest marketplaces and aggregators in the country having a tie-up with more than 500+ suppliers and 9,000+ retail stores (of which 1250+ retailers are dealer stores operating under the group's brand name). The group has also launched 30+ premium franchise stores measuring 10,000 sq. ft. Further, it has established a key presence across 22+ states in India and also has an export presence in Middle East and Asian countries such as Jordan, Vietnam, Singapore, Dubai, UK, Hong Kong, etc.

Unsupported Rating

Not Applicable

Analytical Approach

Extent of Consolidation

• Full Consolidation

Rationale for Consolidation or Parent / Group / Govt. Support

To arrive at the rating of RDC Concrete (India) Limited (RDC), Acuite has consolidated the financial and business profiles of RDC, its parent company Hella Infra Market Limited (HIML, formerly known as Hella Infra Market Private Limited) including all the subsidiaries and associates of HIML. The consolidation takes into account the integrated nature of business of companies, cashflow fungibilities, operational linkages and common management. The rating also factors the corporate guarantee extended by HIML to RDC for all the borrowings and continued financial support extended through unsecured loans.

Key Rating Drivers

Strengths

Sustained equity infusions supported by reputed investors and strong resource mobilisation ability of Hella Group

The group is backed by reputed investors like Tiger Global, Accel India, Evolve India, Sacap Capital, etc who have been with the group since 2019 and extended support in the form of equity infusions in each of the fund raising rounds. On an overall basis, group has raised Rs 2,073 Cr. from FY20 to FY23 and Rs 1,975 Cr. in FY25 (including Rs 900 Cr. against swap acquisition of tile companies in FY25). Further, the group has refinanced total debt of Rs 1,700 Cr. in FY25, against which Rs. 756 Cr. has been received till May 2025 and balance Rs. 944 Cr. to be received in FY26. The group also received ~Rs 300 Cr. through 17% stake sale in RDC Concrete (India) Ltd during the period December 2023 to May 2024. Subsequently, these shares sold were replaced with shares of HIML. HIML also enhanced its working capital limits by Rs. 242.5 Cr. in FY25 and has sanctions to enhance by another Rs. 192.5 Cr. in FY26.

Diversified revenue streams with strong market position in key segments

The Hella group is engaged in all sorts of construction materials with key focus on products which have a fragmented market, drive macroeconomic shifts and high export potential. The key focus is to establish a robust distribution system expanding at B2B levels and develop a strong brand. The group has secured strong domestic market positions with being the largest manufacturer of ACC blocks and second highest ranking in categories like Concrete and Tiles. Majority of the product portfolio expansion is on account of acquisitions including Equiphant in 2020, RDC Concrete in 2021 and Shalimar Paints in 2022. The group has also ventured into new segments such as Bath & Fittings in 2020, Walling Manufacturing in 2023 and Wood Panel & Modular Kitchen in 2024. The extensive product range offers an edge over the competitors and allows to capture larger share of customers wallet through cross selling opportunities.

Further, RDC is a leading player in the RMC business and has over the years diversified its geographic reach from predominantly being a Southern India player to a Pan India player having a significant presence in south. In FY25, southern region accounted for 40% of sales (FY21: 53%; FY17: 65%), western region 30% (21%; 13%) while the northern and eastern region accounted for the balance 30% with nearly equal share. The diversification has resulted in RDC enjoying a healthy market share. The company has established relationships with marquee clients such as Tata Projects Ltd, Kalpataru Group, Larsen & Toubro Ltd, and ITD Cementation India Ltd, etc. Notably, its top 10 clients contributed only 20% of revenue in FY2025, highlighting a well-diversified and extensive customer base. The company has densified its RMC business by further penetrating its existing locations and adding more

RMC plants and leveraging on its parentage diverse geographical mix. The company has 130 operating plants as of March 2025 (FY24: 106 plants; FY23: 81 plants).

Strong growth in operating performance

The operating revenues of the group has been growing at a strong pace with Rs. 11,846.55 Cr. in FY23 to Rs. 14,527.23 Cr. in FY24. In FY25, the revenues are estimated to have grown by ~20-25%. The group recorded a revenue of Rs 13,444 Cr. for 9MFY25. This growth in revenues is majorly attributable to the concrete segment (28% of FY24 revenue) which has grown at 48% in FY24, steel segment (20.4%) and chemical segments (19%). With increasing share of private labels in the revenue mix, the operating margins have also improved significantly from 6.4% in FY23 to 7.22% in FY24. Further, the margins are estimated to have improved to 7.60-7.80% in FY25 and with increasing economies of scale, margins are expected to improve further over the medium term. Currently, majority of revenue is driven from B2B channel mix (83.7% of FY24 revenue), however, the group has a constant focus on expanding its retail network as well through development of extensive distribution network. On a consolidated basis, RDC's revenue from operations grew by 23% from Rs 2,030.54 Cr. in FY24 to Rs 2,503.87 Cr. in FY25 driven by company's focus on acquiring new clients in the industrial segment and successful expansions across various cities with a geographically diversified plant network contributing to increased production and increasing sales volume from 4,618 kilo cubic meters in FY24 to 5,289 kilo cubic meters in FY25. The expansion in scale and footprint led to improved fleet utilisation and a significant reduction in logistics costs, resulting in an improvement in operating profit margins from 8.50% in FY23 to 8.87% in FY25. Acuité believes this volume-led growth is likely to continue through FY26–FY27, supported by the commissioning of additional plants and the ramp-up of recently operationalised facilities, which is expected to further improve margins over the medium term.

Weaknesses

Dependence on external debt to support acquisitions, capex and working capital significantly impacted financial risk profile, expected to improve through equity infusions and debt refinancing

While the tangible net worth of the group stood improving at healthy levels to Rs 2,009.15 Cr. in FY24 as against Rs 1,857.42 Cr. in FY23, the significant dependence on external debt to support acquisitions, capex and working capital led to an increase in the gearing (including lease liabilities) from 1.52 times in FY23 to 2.17 times in FY24. Further, the debt protection metrics also stood low with debt service coverage ratios remaining below unity in FY23 & FY24. Moreover, the recent debt refinancing of Rs 1,700 Cr. and equity raise of Rs 1,975 Cr. in FY25 is expected to improve the financial risk profile significantly over the medium term. Further, the group has capex plans of ~Rs 1,600-1,700 Cr. over FY26-FY27 which is expected to be funded through mix of equity, internal accruals and debt. Moreover going forward, the group plans to reduce the high cost long term debt and enhance its working capital limits, which shall be a key rating sensitivity. Additionally, the management also proposes for raising funds through initial public offer. This being at a preliminary stage has not been factored in the rating, however, successful fund raising shall further improve the capital structure.

Further, the financial risk profile of RDC at a consolidated level also stood moderate with growing network from Rs 152.17 Cr. in FY24 to Rs 229.29 Cr. in FY25 owing to profit accretions and moderate credit metrics with Debt/EBITDA of 3.16 times as on FY25 (3.18 times in FY24) due to increasing debt levels towards the capex funding and low debt service coverage ratios, repayments managed through unsecured loan infusions by group companies. RDC's capex intensity is likely to increase in the near term with the company incurring a total capex and acquisitions of around ~Rs 160 Cr. in FY25 with around 24 plants added. The company proposes to add another 25 plants, each year, over FY26-FY28, in addition to capex at its subsidiary Ultrafine Minerals & Admixtures, resulting in average capex spends of around Rs 140-150 Cr. each year. These capex spends are expected to fund through a mix of debt and equity. Therefore, while the company's ongoing expansion plans are expected to increase net debt levels over FY26–FY28, a gradual ramp-up of the newly added capacities to sustain credit metrics shall be a key rating sensitivity.

Intensive working capital requirements

The working capital operations of the group is intensive marked by high gross current asset days of 163 days in FY24 (151 days in FY23). This is mainly attributable to elevated debtor levels which stood at 132 days in FY24 as against 121 days in FY23. The receivable days is expected to remain in the range of 120 days over the medium term. Moreover, the creditor days have increased over the years which has provided marginal ease to working capital. The group sources materials from leading players like Ultratech, JSW Steel, etc. Further, since the group is majorly supplying materials directly from manufacturer and key materials such as concrete is perishable in nature, inventory maintenance is low at 10-15 days.

The debtors levels of RDC also stood stable at 108 days in FY25 (105 days in FY24), however, creditor days improved from 150 days in FY25 as against 137 days in FY24 providing moderate ease to working capital. The receivable days is expected to remain in the range of 90-120 days over the medium term. Therefore, given the inherent risks associated with collections, RDC's ability to efficiently manage its working capital remains a key determinant of its overall credit profile.

Limited track record and inherent challenges of construction business

The group has a relatively short operating track record as operations started in 2016. Also, the construction sector is fragmented with low entry barriers and numerous small players, hence exposes the group to intense competition risks. Further, growth in construction industry is vulnerable to the developments in infrastructure and real estate sector.

ESG Factors Relevant for Rating

The group has commitment to energy management and product stewardship. On the environment safeguard front, the group preserves natural resources and reduces energy intensive processes by engaging in use of recycled metal scrap and production of secondary steel, exports chemical raw materials to make sustainable and alternative fuels like Bio-diesel, is setting up recyclable and low energy consuming Oriented Polyvinyl Chloride pipes to replace the traditional cement pipes. Further, the group has developed healthy employment practices such as insurance benefits, health and safety policies, corporate social responsibility programs for upskilling, vocational training, gender equality and rural development. Further, it promotes gender diversity and inclusivity. The board comprises of a strong team of promoters and experienced industry professionals. Also, to manage the corporate governance anti bribery, anti corruption and whistleblower policy has been framed. The group ensures efficient credit risk management and indulges in data privacy and data security practices.

Rating Sensitivities

- Continued growth in the operating performance
- Higher than expected debt levels or inability to refinance/ raise funds in a timely manner leading to deterioration in the financial risk profile
- Stretch in working capital operations affecting the liquidity

All Covenants

- Net debt/Networth of 3x to be tested on half-yearly basis on the Issuer's consolidated financial statements
- Net debt/EBIDTA on the Hella's consolidated financial statements to be tested half-yearly (EBIDTA of trailing twelve months to be considered) to be 4.00x till September 2025, 3.50x from March 2026 and thereafter

Liquidity Position Adequate

With the equity raise of Rs 1,975 Cr. and debt refinancing of Rs 1,700 Cr. in FY25 (Rs 756 Cr. received till May 2025 and Rs 944 Cr. to be received in FY26) through NCDs with a three-year bullet repayment, the group liquidity is expected to remain adequate over the medium term. Historically, the liquidity of the group has been stretched with accruals of Rs 594.85 Cr. in FY24 as against repayment obligations of Rs 1,389 Cr. for the same period and debt servicing was managed through debt raise and refinancing. Further, the group is expected to generate net cash accruals of ~Rs 850 & 1,200 Cr. in FY26 & FY27 respectively as against annual repayment of ~Rs 500-550 Cr. Further, group maintained total cash balance of Rs 1,040 Cr. as on December 31, 2024 of which Rs 632 Cr. are unencumbered. The overall utilisation of fund based limits stood at ~84% for 12 months ending on March 31, 2025, further, group has been sanctioned another revolving line of credit of Rs 830 Cr. for a period of five years which is fully utilised. Therefore, the group's ability to generate adequate accruals, enhance its working capital limits and raise equity over near to medium term shall be a key rating sensitivity.

At a consolidated level, RDC's net cash accruals increased from Rs 108.60 Cr. in FY24 to Rs 136.34 Cr. in FY25, however, marginally insufficient to manage the debt repayment obligation of 138.06 Cr (including lease liabilities), however, managed through unsecured loan infusions from group. The company enhanced its fund-based limits by Rs ~60 Cr. in FY25 from Rs 115 Cr. in FY24 to support the business growth and average utilisation stood moderate at ~84% for 12 months ending on March 31, 2025. Further, the company also had healthy cash and cash equivalents balance of Rs 112.7 Cr of which ~Rs 58 Cr. stood unencumbered as on March 31, 2025.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	14527.23	11846.55
PAT	Rs. Cr.	378.04	155.28
PAT Margin	(%)	2.60	1.31
Total Debt/Tangible Net Worth	Times	2.17	1.52
PBDIT/Interest	Times	2.16	2.34

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

None

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>
- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>
- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.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 :

Not Applicable

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.	30.00	Simple	ACUITE A2+ Assigned
Not Applicable	INE076I07020	Non-Convertible Debentures (NCD)	12 Mar 2025	11.00	12 Mar 2028	26.00	Simple	ACUITE A- Stable Assigned
Not Applicable	INE076I07038	Non-Convertible Debentures (NCD)	02 Apr 2025	11.00	02 Apr 2028	39.00	Simple	ACUITE A- Stable Assigned
Not Applicable	Not avl. / Not appl.	Proposed Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	68.64	Simple	ACUITE A- Stable Assigned
Not Applicable	Not avl. / Not appl.	Proposed Working Capital Demand Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	50.00	Simple	ACUITE A- Stable Assigned
IDFC First Bank Limited	Not avl. / Not appl.	Term Loan	02 Nov 2022	Not avl. / Not appl.	31 Oct 2026	20.24	Simple	ACUITE A- Stable Assigned
IDFC First Bank Limited	Not avl. / Not appl.	Term Loan	26 Sep 2024	Not avl. / Not appl.	24 Sep 2029	60.80	Simple	ACUITE A- Stable Assigned
Bajaj Finance Ltd.	Not avl. / Not appl.	Term Loan	30 Jun 2023	Not avl. / Not appl.	31 Dec 2026	17.50	Simple	ACUITE A- Stable Assigned
Bajaj Finance Ltd.	Not avl. / Not appl.	Term Loan	27 Mar 2025	Not avl. / Not appl.	05 Apr 2029	25.00	Simple	ACUITE A- Stable Assigned
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	30 Sep 2020	Not avl. / Not appl.	30 Sep 2025	1.23	Simple	ACUITE A- Stable Assigned
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	01 Aug 2023	Not avl. / Not appl.	01 Aug 2028	47.35	Simple	ACUITE A- Stable Assigned
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	30 Jun 2022	Not avl. / Not appl.	30 Jun 2026	10.83	Simple	ACUITE A- Stable Assigned
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	29 Sep 2022	Not avl. / Not appl.	29 Sep 2027	15.56	Simple	ACUITE A- Stable Assigned
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	29 Jan 2021	Not avl. / Not appl.	29 Jan 2026	2.53	Simple	ACUITE A- Stable Assigned
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	31 Mar 2022	Not avl. / Not appl.	07 Mar 2028	5.32	Simple	ACUITE A- Stable Assigned
HDFC Bank Ltd	Not avl. / Not appl.	Working Capital Demand Loan (WCDL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	55.00	Simple	ACUITE A- Stable Assigned
HSBC	Not avl. / Not appl.	Working Capital Demand Loan (WCDL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	55.00	Simple	ACUITE A- Stable Assigned
Bandhan Bank	Not avl. / Not appl.	Working Capital Demand Loan (WCDL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	50.00	Simple	ACUITE A- Stable Assigned
IDFC First Bank Limited	Not avl. / Not appl.	Working Capital Demand Loan (WCDL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE A- Stable Assigned

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

Sr. No	Name of the companies
1	Hella Infra Market Limited (Formerly known as Hella Infra Market Pvt Ltd)
2	Hella Chemical Market Private Limited
3	Hella Infra Market Wood Products Private Limited
4	Hella Infra Market Retail Private Limited
5	Sociam Equipments Solutions Private Limited
6	Hella Infra Market Pipes & Fittings Private Limited
7	Hella Infra Market Ceramics Private Limited
8	Hella Infra Market Singapore Pte Limited
9	HIM Infra General Trading LLC
10	Sociam Singapore Pte Limited
11	Shalimar Paints Limited
12	RDC Concrete (INDIA) Limited
13	Hella Infra Market Metal Private Limited
14	Ketan Constructions Private Limited
15	Hella Infra Market Steel Private Limited
16	Engistone India Private Limited
17	Emcer Tiles Private Limited
18	Millenium Group
19	Ultrafine Mineral & Admixtures Private Limited
20	Neptune Readymix Concrete Private Limited
21	Eastern Speciality Paints and Coatings Private Limited
22	Shalimar Adhunik Nirman Limited
23	Amstrad Consumer India Private Limited
24	Ivas Kadson Hardwares Private Limited
25	Robo Silicon Private Limited
26	Robo Quarries Private Limited

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About Acuité Ratings & Research

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