



RAMA STEEL TUBES LTD.

Manufacturers & Exporters : ERW Steel Tubes (Black & Galvanised)

CIN : L27201DL1974PLC007114 | AN ISO 9001 : 2015 CO.

📍 Regd. Office : B-5, 3rd Floor, Main Road, Ghazipur, New Delhi (India) - 110096

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🌐 www.ramasteel.com

Date: September 2, 2021

To

The Manager – Listing National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 Symbol: RAMASTEEL	The Secretary BSE Limited, Corporate Relationship Dept., P. J. Towers, Dalal Street, Mumbai - 400 001. Script Code: 539309
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Dear Sir/Madam,

Sub: Investor Presentation

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Investor Presentation.

For Rama Steel Tubes Limited



(Kapil Datta)

Company Secretary & Compliance Officer

Email id: investors@ramasteel.com



Encl. As Above





RESILIENT TO GROW

Rama Steel Tubes Limited

Investor Presentation

September 2021





SAFE HARBOR

This investor presentation and the accompanying slides (the “**Presentation**”), has been prepared for **Rama Steel Tubes Ltd (the “Company”)**. Certain statements in this document may be forward looking statements. Such forward looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. The company will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

The Presentation has been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.



KEY RATIONALES:



Backward integration underway at Lepakshi plant at Anantpur, Andhra Pradesh and upgradation/modernization of machines at Sahibabad plant in Uttar Pradesh, upgradation process will strengthen its technical capabilities and improve cost efficiencies



New expansion at Lepakshi plant will be manufacturing different size of pipes to cater the diversified demand in the southern regions which are Value-Added Products.



Increase the share of value-added products with EBITDA margins of ~14%, the contribution from this segment will grow by more than 2x by FY23



The Steel Pipe Industry will be witnessing huge demand and is expected to grow at a CAGR of 8-10% in the coming 5 years as compared to growth rate of 4-5% CAGR in the last 5 years



With GOI's push for Infra and increased spending in Power and Telecom sector, RSTL expects huge demand for its products in the next 4-5 years



The UAE subsidiary and step-down subsidiary in Nigeria has enabled RSTL to strengthen its presence in Middle-East, African and European markets



RSTL is completely poised to increase its Export contribution to Revenues from 18 % in FY21 to ~30 % by FY23 from its standalone operations in India



RSTL has recently appointed business heads with accomplished pedigree and diversified experience within the industry who have developed strategies with a focussed approach in leading its different divisions and in line with the reset strategy.



COMPANY OVERVIEW



RSTL BUSINESS SNAPSHOT



Infrastructure Capital

Installed Capacity-
2,64,000 MTPA

Capacity Utilization-
60%
adding 50,000 mtpa in FY22

4 state of the art manufacturing facilities located in North, West and South; Production of **280,000** tonnes in past 3 years



Outreach & Penetration

PAN India Presence; clientele spread in more than **300 cities** spread across **17+ states** and **UT of India. Distributor/ Dealer network of 300+**

Global Reach- **17 countries in 4 continents**; Export contribution to revenue of **₹ 1,178** mn in last 3 years



Product Offering & Strength

SKUs- 300+;

offering wide product range across sectoral segments

Wide Product Range - Coated Products, Black Pipe, Galvanised Pipe, Pregalvanised

Product offering catering to a **5+** prominent industries and infrastructure projects



Human Capital, Pedigree And Accomplishments

Visionary Promoters, Resourceful Management, Total Head Count **250+**

Projects completed of **₹ 400+** crores in past 5 years, Present order book of **₹ 50+** crores for FY22 till date and further adding



FINANCIAL PROWESS

CAGR growth for past 5 years; **Revenue: 14%, EBITDA: 7%, PAT: 15%**

Strong cash flow from operations: **FY21: ₹ 248 mn, FY20: ₹ 298 mn**

Efficient working capital cycle; **FY21: 60 days, FY20: 70 days** Considered to be one of the most efficient in the industry



STRONG BRANDS



MILESTONES

Set up initial unit at Sahibabad, UP with Installed capacity of **10,000 metric tonnes p.a.** Close proximity to Delhi's Road and Rail networks

1981

Started plant to galvanize black pipes Received contracts from D.G.S&D and various other government departments

1984

Increased capacity to **25,000 mtpa**

1987

Started manufacturing larger dia Pipes under IS Specification and trademark "TTT Rama" and "Gujarat Rama"1

1990

Further, Increased capacity to **36,000 mtpa at the Sahibabad plant**

1992

Further, Increased capacity to **24,000 mtpa**

2001

Set up new plant at Khopoli, Raigad, Maharashtra with initial capacity of **36,000 mtpa** Set up a wholly owned subsidiary; RST International Trading FZE in Dubai, UAE

2015

Set up a step down subsidiary; RST Industries Ltd, Lagos, Nigeria

2016

Added capacity of 36,000 mtpa at Khopoli unit, total installed capacity **72,000 mtpa** Bagged prestigious export orders worth **₹ 300 mn**

2019

Further increased capacity by **60,000 metric tonnes** from **72,000 mtpa to 132,000 mtpa** at Khopoli plant, commercial production began in November 2020

2020

2017

Setup India's largest captive solar energy project in **ERW Pipes Segment** at Khopoli Plant

2021

Upgradation at Sahibabad plant is under way for revamping and modernization

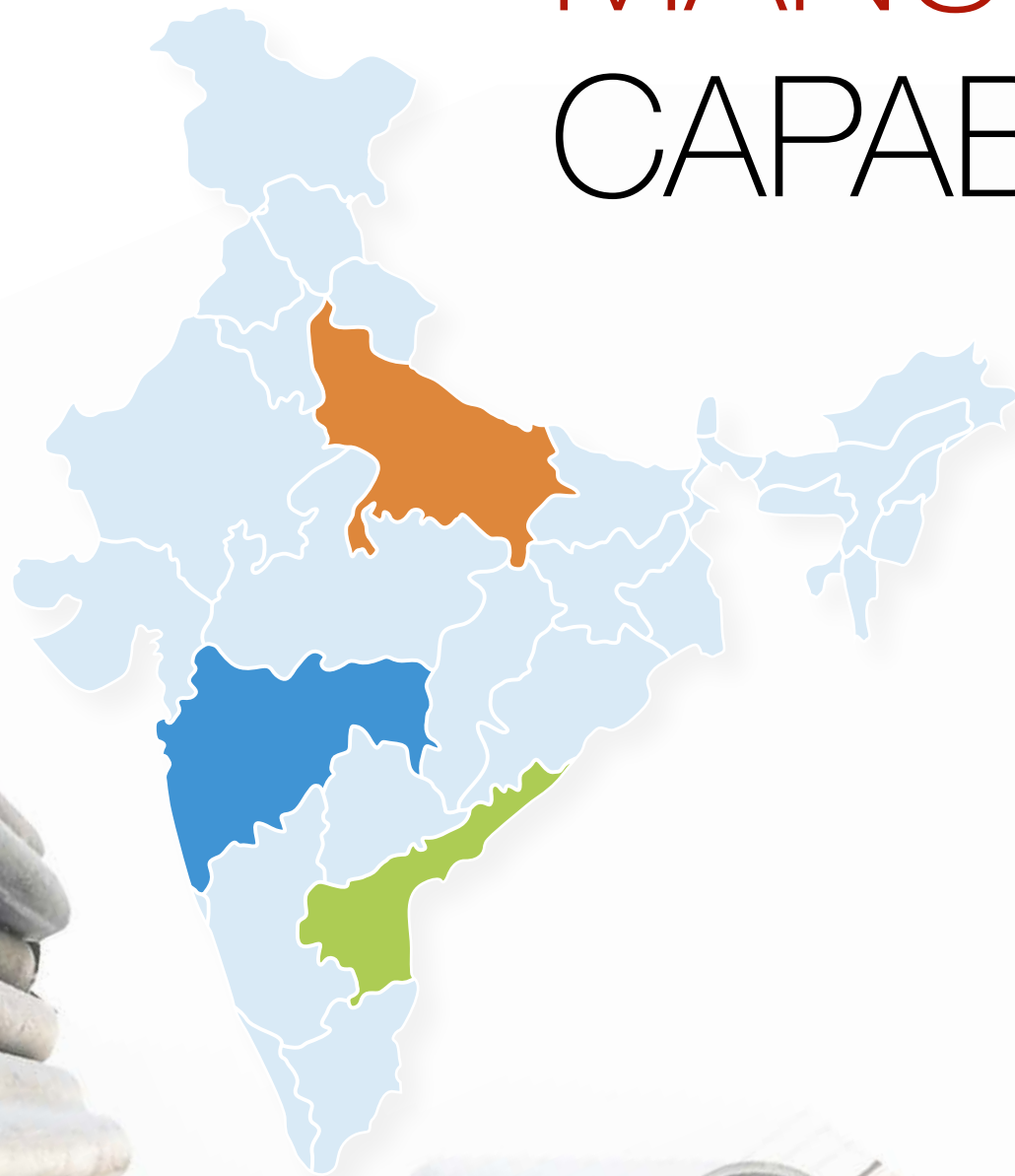
2018

Set up a wholly owned subsidiary; Lepakshi Tubes Private Limited in Anantpur District Andhra Pradesh with an initial capacity of **36000 mtpa**





MANUFACTURING CAPABILITIES



Rama Steel Tubes Ltd has strategically located plants' network spread across North, South and West regions of India. Our total installed capacity stands at **2,64,000 MTPA**, spread as under:



Uttar Pradesh

Sahibabad,
Uttar Pradesh

**Capacity:
60,000 MTPA**



Maharashtra

Khopoli
Maharashtra

**Capacity:
132,000 MTPA**



Andhra Pradesh

Anantpur
Andhra Pradesh

**Capacity:
72,000 MTPA**

- **Plant fungibility, Strategic locations, Market Access**
– enables substantial logistics savings
- **Sahibabad plant** - close proximity to Delhi's Road and Rail Networks giving a good coverage in the northern India region
- **Khopoli and Lepaskhi plant's** - close proximity to ports and market –Caters to demand across Maharashtra, Gujarat, Madhya Pradesh, Andhra Pradesh & Tamil Nadu, Kerala, Karnataka, Goa, Telangana





COMPETITIVE ADVANTAGE



A leading manufacturer of Steel Pipes and allied products with wide sectoral applications giving a competitive edge



A strong reputed and diverse client base from sectors like Telecom, Oil and Gas, Power, Infrastructure, Automobile etc.



4 manufacturing facilities which are fungible and strategically located in North, West and South regions and has a strong dealer network spread uniformly across the nation.



Presence in 17 international geographies including UK, US, UAE, and some other European, Gulf and African countries.



Superior products in sync with latest technological advancements and in-house design and research facility, installed a modern high speed Tube Mill based on the latest technology from world leader M/s. Kusakabe, Japan



Strong brands which have wide applications across multiple industries



Accomplished pedigree's for varied projects across infrastructure segments as approved vendors of different government institutions



RSTL STRUCTURE



SUBSIDIARIES & JV'S

Lepakshi Tubes Pvt. Ltd.

(Andhra Pradesh, India)

Subsidiary

Percentage of shares held: **100%**

Nature of business: **Engaged in same business as RSTL**

RST Industries Ltd.

(Lagos, Nigeria)

Step-Down Subsidiary (Direct Subsidiary of RST International FZE)

Percentage of shares held: **99%**

Nature of business: **Engaged in trading business of Steel related Products.**

RST International Trading

FZE (Dubai, UAE)

Subsidiary

Percentage of shares held: **100%**

Nature of business: **Engaged in trading of Building & Construction Material Item**

M/s. Pir Panchal Constructions Pvt. Ltd.

JV

Percentage of shares held: **25%**

Nature of business: **Engaged in business of Erection of Electric Poles & Construction Material Item**

GEOGRAPHICAL PRESENCE

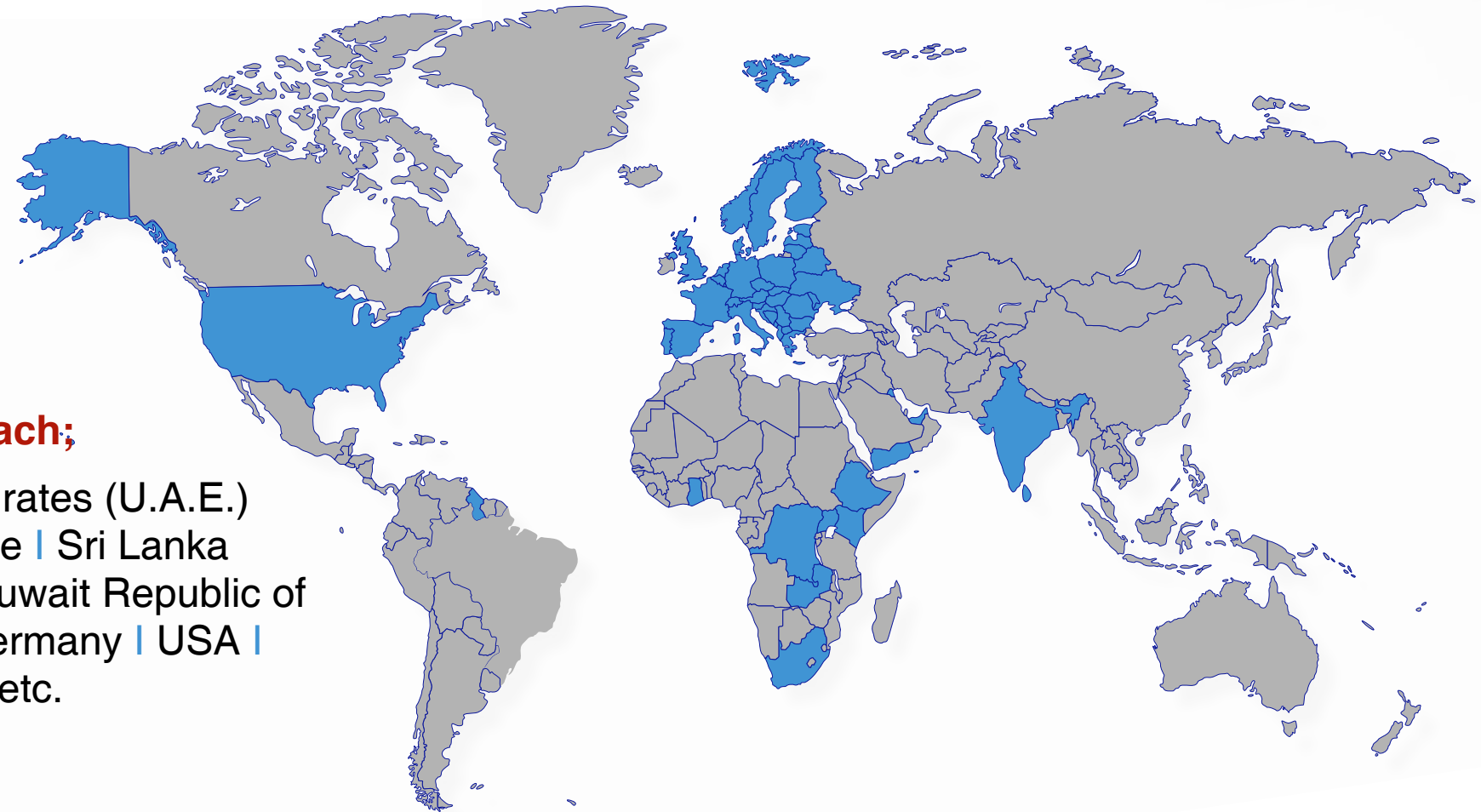
Domestic Market Reach;

300+ Cities in India,

17+ States & UT

International Presence & Reach;

South Africa | United Arab Emirates (U.A.E.)
United Kingdom (U.K.) | Europe | Sri Lanka
Ethiopia | Kenya | Uganda | Kuwait Republic of
Congo | Yemen | Guyana | Germany | USA |
South Africa | Zambia | Malta etc.



PRODUCT PORTFOLIO



STEEL PIPES AND TUBES/GALVANIZED PIPES

Revenue contribution: **25%**

Products 1: **ERW Galvanized/Black Steel Pipes and Tubes**

Industry Applications: Water, oil and gas pipelines, water sewerage systems, industrial plant piping, agriculture and irrigation, etc.

Products 2: **Scaffolding Pipes and Tubes, Pre-Grooved Pipes**

Industry Applications: Handrails, casing, fence, bumpers, towers, etc.

Products 3: **Swaged Poles**

Industry Applications: Highway and street lighting poles, traffic signal poles, etc.

TRANSMISSION & ELECTRIFICATION PRODUCTS

Revenue contribution: **20%**

Products: **Telecom Transmission Tower and Substation Structure**

Industry Applications: Cellular telephony, microwave communication links, transmission and lighting tower, transmission line materials, etc.

STRUCTURAL STEEL PRODUCTS

Revenue contribution: **50%**

Products: **Hollow Section (RHS/SHS)**

Industry Applications: Furniture industries and domestic applications, cabins, bus stands, cranes, racks furniture partition framework, guardrails, etc.

SHEETS AND COATED PRODUCTS

Revenue contribution: **5%**

Products:

Cold Rolled, Galvanized Plain/Corrugated, Colour Coated Coils/Sheets

Industry Applications:

Cellular telephony, microwave communication links, transmission and lighting tower, transmission line materials, etc.

BOARD OF DIRECTORS



Mr. Naresh Kumar Bansal
Chairman & Managing Director

Mr. Naresh has ~45 years of experience in manufacturing industry of “Steel Tubes” with dynamic vision and sharp business acumen. He is often referred as a craftsman and pioneer of the industry making him a sectoral veteran, has been a mentor to many other leaders in the industry. His domain expertise in business and equally strong understanding of the technology gives an unparalleled edge to RSTL in setting up and manufacturing steel tubes.

He has always been very resourceful in all the strategic planning and identification of new growth drivers and setting up new business levers. He has always strived with relentless efforts to inculcate a culture of enhancing the quality of work in every individual.



Mr. Richi Bansal
Executive Director

With over 16 Years of Experience in business, Mr. Richi is responsible for developing and executing management strategies; focusing on enhancing the quality of business in all aspects with high quality related to product, service and any interaction with stakeholders.

He also overlooks marketing, finance and business development functions, he has been very instrumental in setting up and growing international operations which has given a unique advantage to RSTL.

He is the people’s man and understands very strongly the relevance of human capital, has lately on-boarded industry leaders to head key business functions as part of his medium term business restructuring exercise which RSTL has undertaken.



Mr. Vinod Pal Singh Rawat
Executive Director

He, aged 39, is a Commerce Graduate. He has over 16 years of experience in steel pipe industry. He has been associated with our group from last 5 years as Commercial Manager (Taxation). He has vast experience in matters related to Indirect Taxation. He has served as the Manager (Taxation) in Spark Electrodes Private Limited. He was also associated with our group from 2009 to 2014. He has successfully handled Indirect Taxation matters of the Company.

BOARD OF DIRECTORS

Mr. Bharat Bhushan Sahny

Independent Director

A law graduate with a vision to reach the top, he has been showing his business acumen for the past more than 40 years. His dynamic vision and sharp mindedness have brought Rama Steel Tubes Limited to its current market position. His industry knowledge and business essence remain unparalleled. It can be rightfully said that he is the backbone of the company.

Mr. Jai Prakash Gupta

Independent Director

Mr. Jai Prakash Gupta has done Diploma in Mechanical Engineering. He has over 30 years of experience in steel pipe industry. He has rich experience of 30 years in Jindal Pipes Limited. His suggestions and guidance has helped in improving production process, achieving production targets, minimizing breakdowns and product rejections.

Mrs. Anju Gupta

Independent Director

A first-generation entrepreneur, her dynamic problem-solving approach has helped us in achieving greater fetes. With her hard-work and passion towards her work, she sets the right example for everyone at Rama Steel Tubes Limited. She joined Rama Steel Tubes Limited in January 2017 as an Independent Director in the Board of Directors of the Company.

MANAGEMENT TEAM

Mr. Rakesh Chaturvedi

President- Commercial

Mr. Rakesh Chaturvedi has more than 40 years of progressive experience in steel industry and his deep experience and impressive accomplishments across his career, including most recently thirteen years as Executive Vice President (Domestic Marketing) and worked 13 years for Bhushan Steel Limited. His abilities as an innovative and impactful leader will bring to building on RSTL's story in ways that connect and inspire a wide range of areas.

He began his carrier as Sales Officer with Ajanta Tubes Limited in 1980. In 1988, he joined Bhushan Steel & Strips Limited as Assistant Manager (Marketing) and grew to the level of General Manager (Marketing). After working for 12 years in Bhushan Steel & Strips, he joined Vardhan Industries Limited as Vice President of the Company. Since it was a new entrant in the field of Galvanized Steel, he developed a solid network for the company's product in the shortest possible time and established the product in the very competitive market. In 2005, he joined Bhushan Steel Limited as Executive Vice President (Domestic Marketing) and worked 13 years for Bhushan Steel Limited.

Mr. Chaturvedi holds a Diploma in Marketing Management from Bhartiya Vidhya Bhawan. He has earned his Masters in Political Science from Meerut University and is a Graduate in Economics and Political Science from University of Delhi

Mr. Rajeev Kohli

Chief Executive Officer (CEO)

Mr. Rajeev Kohli has more than 25 years of senior management experience, including a decade of strategic development and plan execution at national level in the steel and tube industry, most recently as CEO of the Apollo Metalex Private Limited for 3 years, he also held position of Director in Apollo Tricoat Tubes Limited.

Mr. Kohli will lead to a significant reshaping of RSTL's international footprint, the expansion of the product portfolio across multiple new segments and a wide-ranging reset of the domestic and international strategy.

Mr. Rajeev Kumar Agarwal,

Chief Financial Officer (CFO)

A qualified Chartered Accountant & Company Secretary, Rajeev has a proven track record and extensive experience of over 13 years of exemplary career, out of which he has devoted 9 years exclusively to the Steel Industry. He has worked with companies like Azure Power, JSL Group etc. He has been associated with Rama Steel Tubes Limited from past 3 years spearheading the finance function largely managing budget planning, funds management, treasury, and taxation matters.

MANAGEMENT TEAM

Mr. Keshav Sharan Sharma

Chief Operating Officer (COO)

A Mechanical engineer, Keshav has 40 years of professional experience in the steel industry and has been associated with the company since 2014. He's spent his career stints mostly with large corporates like Bhushan Power and Steel Limited, Bhushan Steel Limited, Bharat Berg Limited, Khandewal Tubes Limited, Surya Roshni Limited, Jain Tubes Limited, Quality Steel Tubes Limited, Abul Khir Limited Bangladesh etc in various senior management positions. He is actively involved in all strategic decisions within the group and has been assigned with the responsibility to handle the overseas operations as well as export sales & domestic marketing functions.

Mr. Vineet Goel

Vice President –Sales & Marketing

Mr. Vineet Goel brings more than two decades of experience in marketing and will bring leadership, knowledge and proven know-how to our transformation plan, he will be very instrumental and contribute to the deployment of business strategies in collaboration with the sales team.

He has always been an experienced manager with skills in direct sales as well as cross-functional teams, efficiently managing a product life cycle, justifying new product development. He joined Bhushan Power & Steel Limited in 1998 as Manager, Marketing, and then in 2018 was lastly promoted as Vice President, Marketing and continued in the same position. His expertise in marketing of Tubes such as MS ERW Black and Galvanised Steel Tubes, Hollow Sections (MS Black and Galvanised) and Pre Galvanised-Round and Hollow Section Tubes.

Mr. Goel is a Management Post Graduate in Marketing from IGNOU, Delhi and holds a Bachelor in Mechanical Engineering from Punjab University.

Mr. Kapil Datta

Company Secretary

Kapil is a qualified Company Secretary and associated with Rama Steel Tubes Limited with more than 7 years of experience in secretarial and regulatory compliances, he is responsible for managing all the secretarial and regulatory compliance for the company.

Mr. Alok Aggarwal

General Manager –
Institutional & Government,
Sales & Marketing

Alok is Graduate and also holds a Diploma in sales & marketing having robust experience of more than 33 years in Steel Industry. He heads the Institutional & Government sales and marketing areas where he has strong understanding and is very resourceful in developing and growing similar relations for RSTL, he has been with RSTL since xx years and has contributed with some accomplished business success from government institutions/bodies.

MARQUEE CLIENTS



OIL AND GAS

**SAIL, GAIL, RIL,
Gujrat Gas etc.**



TELECOM

Airtel, BSNL, etc.



INFRASTRUCTURE

**L&T, GMR, DLF, TATA,
LARSEN & TOUBRO,
ADANI etc.**



POWER

**NTPC, BSES, UPCL,
PVVNL, DVVNL,
HPSEBL etc**



AUTOMOBILE

Ashok Leyland, Tata Motors, etc.

**AND MANY MORE CLIENTS IN VARIOUS
INDUSTRIES....**





PRESTIGIOUS PROJECTS UNDERTAKEN

Some of the major projects that the company has been associated with include:

Project/Client company name:
**BSES RAJDHANI
POWER LIMITED (BSES)**

Project description:
Earthing Electrodes
Product used: **GI Pipes**

Project/Client company name:
**HIMACHAL PRADESH
STATE ELECTRICITY
BOARD LIMITED**

Project description:
**Village & Highway
Electrification**
Product used: **Steel
Tubular Poles**

Project/Client company name:
**HPCL BHATINDA &
MANGLORE REFINERY
PROJECT**

Project description:
Refinery Project
Product used: **Pipes**

Project/Client company name:
**NOIDA POWER
CORPORATION LIMITED**

Project description:
Electrification in Noida
Product used:
**Earthing
electrodes & Steel
Tubular Poles**

Project/Client company name:
**PURVANCHAL VIDYUT
VITRAN NIGAM LIMITED**

Project description:
Kumbh Mela Electrification
Product used:
Steel Tubular Poles

Project/Client company name:
**PASCHIMANCHAL VIDYUT
VITRAN NIGAM LIMITED**

Project description:
**Village & Highway
Electrification**
Product used:
Steel Tubular Poles

Project/Client company name:
**UP & UTRAKHAND
PEYJAL NIGAM**

Project description:
Water distribution
Product used: **GI Pipes**

- Total size of projects concluded in last 5 years is ₹ 400+ crores
- In the current year already working on projects of ₹ 50+ crores and working on order pipeline of ₹ 100+ crores
- RSTL has been actively working under different schemes of “Jal Shakti Abhiyan” for different projects

INDUSTRY OVERVIEW

1

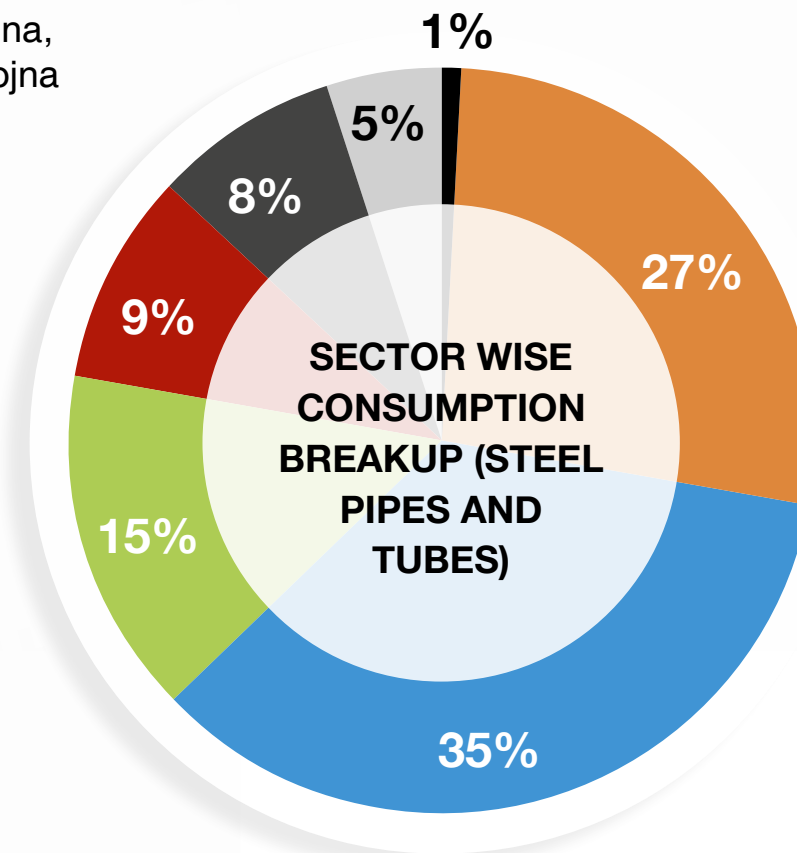
Demand for ERW pipe has grown at a CAGR of 4-5% in last 5 years and it is expected to grow further by 8-10% over the next 5 years driven by Government thrust to agriculture and the rural economy, infrastructure schemes such as Bharat mala Pariyojna, City Gas Distribution (CGD) projects, Pradhan Mantri Awas Yojna and installation of newer applications like solar trackers.

2

Implementation of recently awarded CGD license will require at least 10,000-15,000 km per annum of pipes by FY28-29 entailing an opportunity of over ₹5,000 crore per annum over next 10 years.

3

Growth in structural pipes demand is expected to be 3x by FY23.



- Construction
- Infrastructure
- Capital Goods
- Automotive
- Pipes and Tubes
- Consumer Durables
- Others



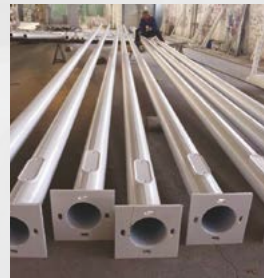
SECTORAL DEMAND



Infrastructure

In Union Budget 2021, government has allocated ₹ 13,750 Cr. to AMRUT and Smart Cities Mission.

There is increased spending for building Skyscrapers and for Urbanization of Tier II and Tier III cities.



Airports and Railway Infrastructure

Govt has proposed to spend ~ ₹ 1 trillion for building 100 new Airports by FY25 and spend ~ ₹ 50 lakh crores by 2030 for redevelopment of ~400 stations and for building 4 new freight corridors.



Power:

- As per the National Infrastructure Pipeline (NIP) 2019-25, energy sector projects accounts for the highest share (24%) out of the total expected capex of ₹ 111 lakh crore. 100% FDI is now allowed in this sector.
- Solar- Future of Power Generation- is expected to witness exponential growth.



Water Supply in Rural Areas and for Agriculture:

- GOI plans to spend ₹ 3.5 lac Crore by FY24 for offering water to rural areas under the Nal Se Jal Scheme.
- It also intends to increase spending for micro irrigation requirements.



Telecom

- ₹ 12,195 crore (US\$ 1.65 billion) production-linked incentive (PLI) scheme for telecom & networking products under the Department of Telecom.
- In 2021-22, the Department of Telecom has been allocated ₹ 58,737 Cr (56% allocation towards revenue expenditure and 44% towards capex).



Oil & Gas

- There is a huge demand of ~4mn mt pipes required by the Oil and Gas Industry in next 2-3 years.

BUSINESS STRATEGY

NEW MANAGEMENT INDUCTION

- Appointed very senior people from the industry at the helm of affairs, their insights include setting up new operations, technology development, sales & marketing, business development and project management.
- Having accomplished several pedigrees and a well-defined network, they will be very instrumental for overall business delivery in both management, executive, and board roles.
- RSTL is confident that they will be a force in developing and driving RSTL forward – in a very exciting but also challenging time.
- RSTL expects to witness a complete focussed and organized approach in each of their business divisions; expected to enhance their operational and financial performance



MODERNIZATIONS, ADDITION OF CAPACITIES AND BACKWARD INTEGRATION-

- Backward integration plan to setup a cold rolling mill in this year with a capacity of 50,000 tpa, the strip hot dip Galvanising plants to produce the additional which will increase tonnage and profit margins
- To cater the eastern market, a new unit will be setup in Raipur, Chattisgarh with a total capacity of 250,000 tonnes, to begin with 50,000 mtpa in FY22
- Modernization of all the capacities are underway, this will increased tonnage with enhanced efficiencies, Shahibabad plant will be fully modernized by November 21



BUSINESS STRATEGY

FOCUS ON INCREASING THE SHARE OF VALUE-ADDED PRODUCTS



- Product mix includes Black Pipes, Galvanised Pipes, Pre- Galvanised pipes, Electricity Poles, Structural material which includes Scaffoldings etc.
- RSTL is now focussing more on galvanized and coated products which will yield better realizations as compared to structured steel pipes
- Additionally have added some very niche product lines which are highly margin accretive, this segment will eventually grow posting substantial numbers

FOCUS ON EXPORTS

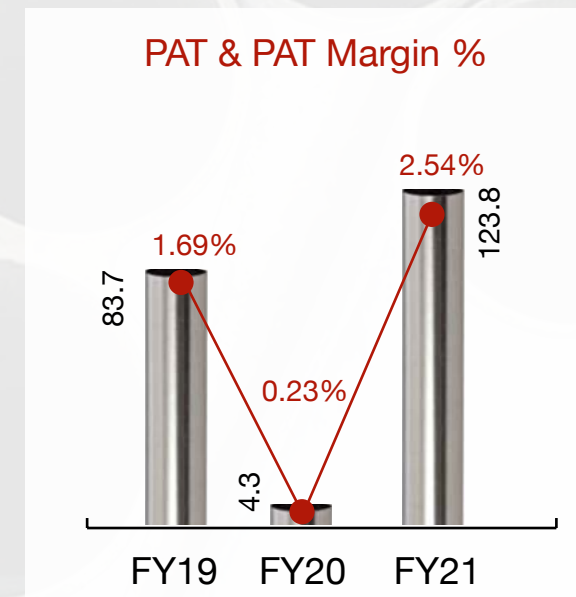
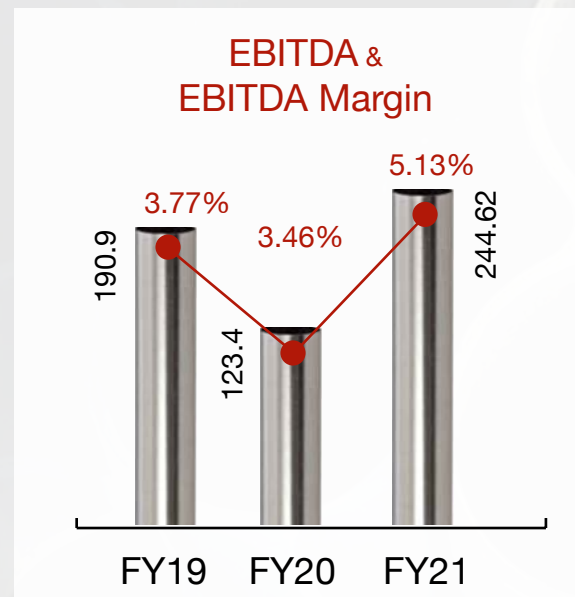
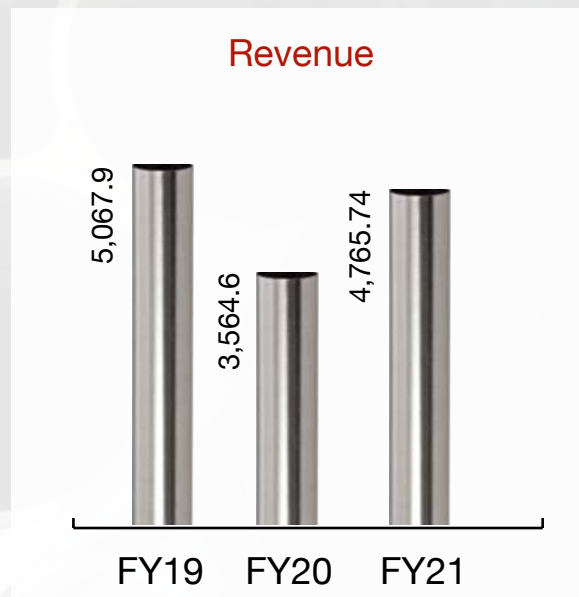
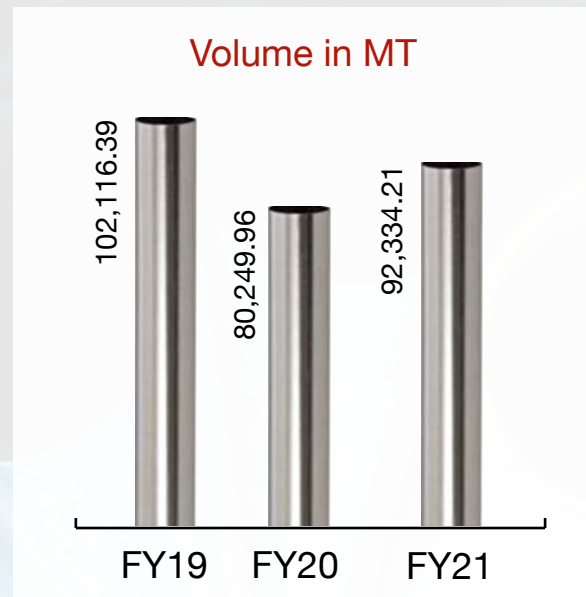
- RSTL has been consistently grown exports which now contribute close to 20% of our revenues, presently exporting to 17 countries, margins in the export business are higher than the domestic business
- RSTL's step down subsidiary is also manufacturing and supplying other building materials in different regions in MENA
- Export products generally constitutes Black Pile, Galvanised Pipe, Hot rolled sheet/coil , cold rolled sheet/coil, IBAM , Galvanised Coils and Corrugated sheets and chequered plate sheet



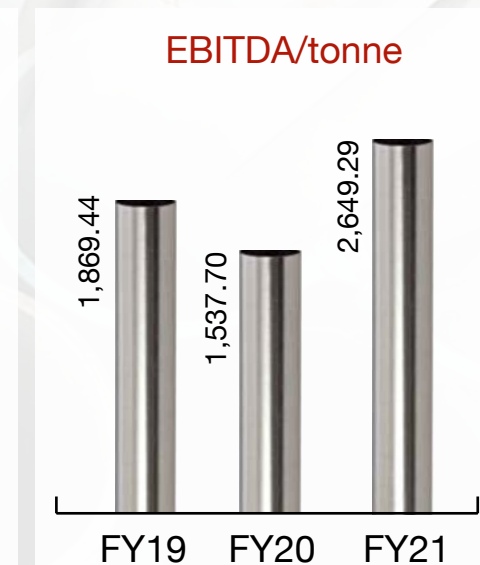
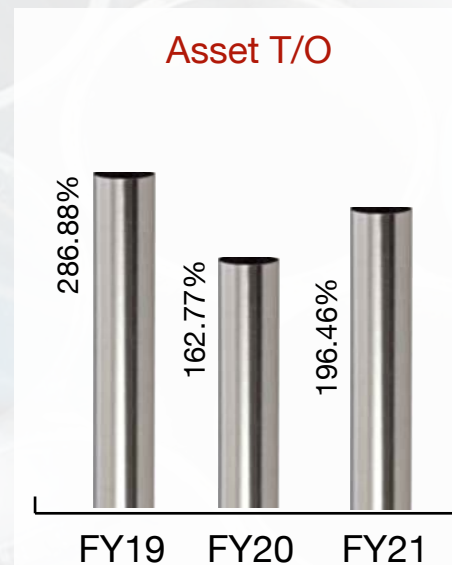
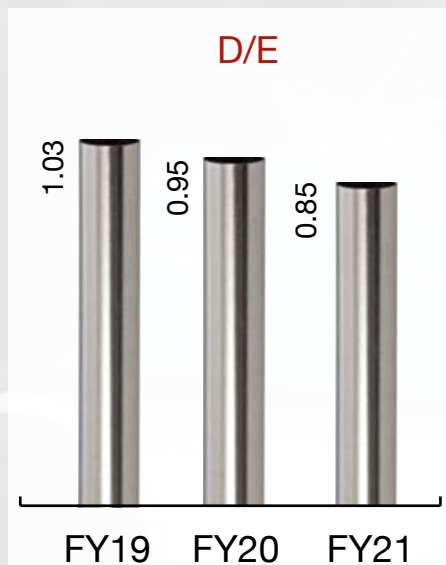
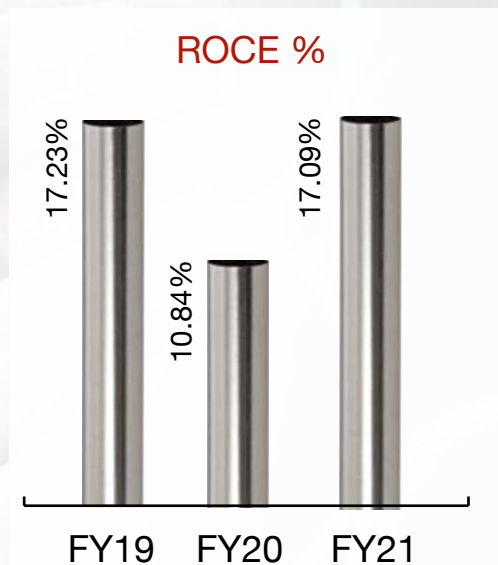
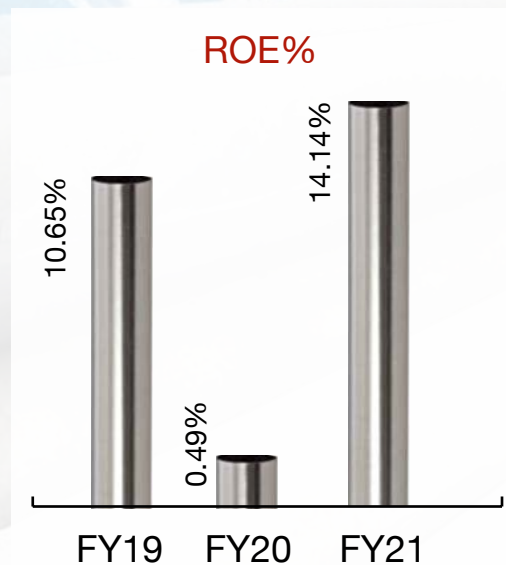
FINANCIAL HIGHLIGHTS



Key Performance Highlights:



Key Financial Ratios:



FINANCIAL HIGHLIGHTS



A. Financial Statement Highlights for Q1 FY22 v/s Q1 FY21

Particulars (INR MN)	Q1 FY22	Q1 FY21
Revenue from Operations	1,382.9	474.5
Other Income	42.8	7.3
Total Revenue	1,425.8	481.75
Total Expenses	1,342.6	506.9
EBITDA	115.58	2.45
EBITDA Margin (%)	8.36%	0.52%
Depreciation	9.82	8.1
Finance Cost	22.5	19.5
Share of profits from Associates and JVs	5.6	3.86
PBT with Exceptional Item	88.8	-21.3
Exceptional Items	-	-
PBT	88.8	-21.3
Current Tax	16.6	-
Earlier Years	-	-
Deferred Tax	1.24	-2.1
Tax	17.8	-2.1
PAT	71	-19.2
Other comprehensive profit / loss	-0.74	0.02
Net PAT	70.3	-19.2
PAT Margin %	5.13%	-4.05%
Diluted EPS	4.18	-1.14

Financial Performance Comparison – Q1 FY22 v/s Q1 FY21

- Revenue from operations increased by 191.4% from ₹ 474.5 Mn in Q1 FY21 to ₹ 1,382.9 Mn in Q1FY22 mainly led by demand surge for all our products and better price realizations.
- Total sales volumes increased by 107% to 20,029.60 Metric tons as compared to 9,698.05 Metric tons in Q1FY21; led by demand surge for all our products and better price realizations.
- EBITDA increased by 4,617.5% from ₹ 2.45 Mn in Q1 FY21 to ₹ 115.58 Mn in Q1 FY22
- EBITDA margins have increased and reported at 8.36% in Q1 FY22 versus 0.52% in Q1 FY21, due to better realizations and effective cost management practices.
- Net Profit stood at ₹ 71 mn in Q1 FY22, compared to ₹ -19.2 mn in Q1 FY21.
- Consolidate Diluted EPS for Q1 FY22 is ₹ 4.18 per share (of the face value of ₹ 5 Each) as compared to ₹ -1.14 per share in Q1 FY21.

FINANCIAL HIGHLIGHTS



B. Financial Statement Highlights:

Particulars (INR MN)	FY21	FY20	FY19
Revenue from Operations	4,704.35	3,528.09	5,041.46
Other Income	61.39	36.51	26.40
Total Revenue	4,765.74	3,564.60	5,067.86
Total Expenses	4,521.12	3,441.38	4,877.08
EBITDA	244.62	123.22	190.78
EBITDA Margin (%)	5.13	3.46	3.76
Depreciation	34.62	29.01	27.64
Finance Cost	76.98	96.31	93.72
Share of profits from Associates and JVs	14.04	23.24	24.51
PBT with Exceptional Item	147.06	21.14	93.93
Exceptional Items	-	-	-
PBT	147.06	21.14	93.93
Current Tax	28.79	1.90	21.72
Earlier Years	-	0.05	2.80
Deferred Tax	(-) 5.51	14.92	(-)14.30
Tax	23.28	16.87	10.22
PAT	123.78	4.27	83.71
Other comprehensive profit / loss	(-)2.62	3.92	1.82
Net PAT	121.16	8.19	85.53
PAT Margin %	2.54	0.23	1.69
Diluted EPS	7.21	0.49	5.09

Financial Performance Comparison – FY21 v/s FY20

- Revenue from operations increased by 32%, EBITDA by 98.52%, and PAT by 2,798.83%.
- The growth in Revenue is attributed to much higher demand in the products and better price realizations.
- There has also been substantial increase in margins. This is due to better product mix, increase in share of value-added products and implementation of better cost management practices.
- WC capital cycle has also reduced from 70 days in FY20 to 60 days in FY21. This is due to the implementation of cash and carry model and due to better inventory management practices employed by the company.
- Raw material cost has gone up by 33% from ₹ 3,240 mn in FY20 to ₹ 4,311 mn in FY21 due to sharp increase in Steel Prices in FY21.
- Finance cost decreased by 20% from ₹ 96.31 mn in FY20 to ₹ 76.98 mn in FY21 owing to efficient utilisation of funds, adoption of cash & carry model and better price negotiation with lenders.
- Fixed Assets increased by 18% from ₹ 459 mn in FY20 to ₹ 541 mn in FY21 due to addition of capacities.
- Borrowings (LT+ST) have grown marginally by 2.6% from ₹ 797 mn in FY20 to ₹ 818 mn in FY21.

FINANCIAL HIGHLIGHTS

Consolidated P&L

Particulars (INR MN)	FY19	FY20	FY21
Total Income from Operations	5,067.87	3,564.60	4,765.74
Raw Material Cost	4,701.71	3,239.99	4,311.93
Employee Benefit Expense	59.01	6.97	72.20
Other Expenses	116.31	131.73	136.98
EBITDA	190.78	123.22	244.62
EBITDA Margin %	3.76%	3.46%	5.13%
Depreciation	27.64	29.01	34.62
Interest	93.72	96.31	76.98
Share of Net profit from investments in Associates and JVs	24.51	23.24	14.04
PBT	93.93	21.13	147.06
Tax	10.22	16.87	23.28
PAT	83.72	4.26	123.78
PAT Margin %	1.65%	0.41%	2.35%
Basic EPS (Rs.)	5.08	0.49	7.21
Diluted EPS (Rs.)	5.09	0.49	7.21

FINANCIAL HIGHLIGHTS

Consolidated Balance Sheet

Particulars (INR MN)	FY19	FY20	FY21
Non-Current Assets	525.53	637.65	764.34
PPE	375.13	355.15	459.85
CWIP	9.26	67.90	43.29
Investment Properties	37.8	36.35	38.41
Intangible Assets	0.18	0.07	0.31
Right of Use Assets	-	16.2	14.44
Investment in JV and Associates	45.27	68.51	82.56
Financial Assets	-	-	-
Investments	0.061	0.06	0.06
Other Financial Assets	44.065	82.31	121.27
Deferred Tax Assets (Net)	6.19	-	-
Other Non-Current Assets	7.56	11.10	4.15
Current Assets	1,479.17	1,737.64	1,711.25
Inventories	513.5	539.39	728.61
Financial Assets	-	-	-
Trade Receivables	644.6	721.50	522.56
Cash and Cash Equivalent	67.6	131.17	220.77
Bank Balances	-	-	-
Other Financial Assets	2.04	2.42	2.23
Other Current Assets	251.4	343.17	237.08
Total Assets	2,004.37	2,375.29	2,475.58

FINANCIAL HIGHLIGHTS

Consolidated Balance Sheet (Continues)

Particulars (INR MN)	FY19	FY20	FY21
Equity	870.1	878.28	999.45
Equity Share Capital	83.97	83.97	83.97
Other Equity	786.12	794.31	915.48
Non-Current Liabilities	218.7	205.03	311.71
Financial Liabilities			
Borrowing	206.8	181.54	299.77
Other Financial Liabilities	7.56	9.4	2.51
Provisions	4.37	5.39	5.58
Deferred Tax Liabilities (Net)	-	8.7	3.85
Current Liabilities	915.9	1,291.98	1,164.43
Financial Liabilities			
Borrowings	660.52	615.93	518.74
Trade Payables	188.19	592.63	502.97
Other Financial Liabilities	32.5	34.20	35.92
Other Current Liabilities	26.56	45.33	81.21
Provisions	2.98	3.00	3.36
Current Tax Liabilities (Net)	5.18	0.90	22.22
Total Equity and Liabilities	2,004.70	2,375.29	2,475.58



FORWARD GUIDANCE AND OUTLOOK

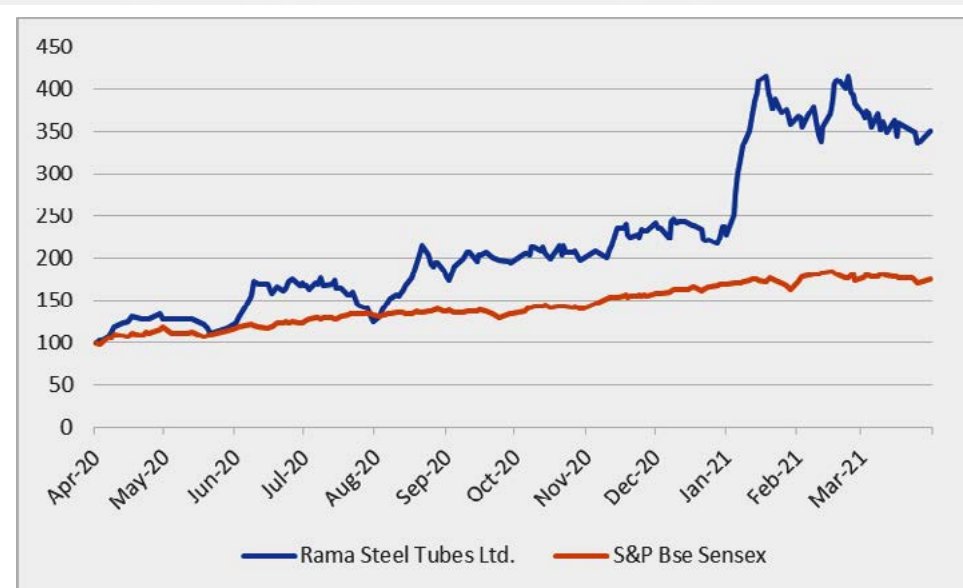
- Setting up a cold rolling mill and the Strip Galvanising facility to produce the additional value added products at Lepakshi Plant, Anantpur, Andhra Pradesh
- Incremental capacities will be able to address opportunities in the Eastern and North Eastern states, RSTL proposes to add another 250,000 tonnes of additional capacity by end of FY24
- RSTL will continue to leverage through product development capabilities to launch niche items that address high-demand applications,
- Backward integration capacity of 50,000 tonnes per year going upto 200,000 tonnes of total capacity by end of FY24, these exercises will add at least ~300 bps of margins across revenue board
- Working to widen the presence in the large diameter (150x150 mm to 300x300 mm) pipe segment which holds immense potential in India as well as abroad. In the next 3-4 years, management expects to grow this segment significantly so that it contributes ~15% of the total sales volumes
- Management expects that the reset strategy will translate into YoY growth of ~30% in capacity utilization, ~25% revenue, EBITDA & PAT growth, margin accretion by ~100 bps every year upto FY24

CAPITAL MARKET INFORMATION



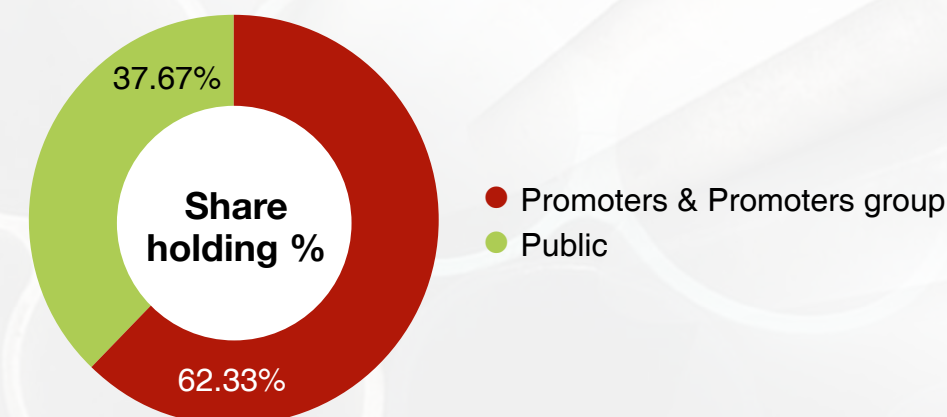
Market Indicators

CMP (As on 31st August, 2021):	238.95
BSE Scrip Code:	539309
NSE Symbol:	RAMASTEEL
52 Week H/L:	268.7/34.15
2W Avg Vol (in Mn)	
Mkt Cap (As on 24th August, 2021) In Mn	3,996.10



(Shareholding as at 30th June, 2021)

Particulars	No. of Shareholders	No. of Shares held	Shareholding %
Promoters & Promoters group	6	10,046,833	62.33%
Public	3,757	6,325,867	37.67%
Total	3,763	16,794,000	100.00





CORPORATE SOCIAL RESPONSIBILITY

RSTL's core philosophy and ideology is always practiced in all forms of its business activities and its ability to share, relate and collaborate with stakeholders, promoting community development and wellbeing

RSTL always contributes to the mother-nature for every natural resources like air, water, energy, land and biodiversity, which are either utilised by us or impacted by our operations. RSTL's continuous endeavour to contribute and reduce the impact of their operations on the Earth.

RSTL always ensures that their products are used for **the betterment of the society and environment**, from past two years RSTL has been largely contributing towards women empowerment and skill development;
FY21: 1.99 mn, FY20: 2.50 mn.



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WORKS

RAMA STEEL TUBES LTD.

Sahibabad (UP)

B-21,B-25/1 and B-5, Site No.4,
Industrial Area, Sahibabad,
Uttar Pradesh-201010

LEPAKSHI TUBES PVT.LTD.

Survey No-398, Nayanapalli Road,
Village Kallur, Lepakshi Mandal,
Distt. Anantpur, Andhra Pradesh-515331



THANK YOU

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