

Date: 5th July, 2022

To, The Manager Department of Corporate Relationship BSE Limited 25 P. J. Towers, Dalal Street Mumbai -400 001 Scrip Code: RAMASTEEL 539309	To, The Asstt. Vice President National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Bandra (East) Mumbai -400 051 Scrip Code: RAMASTEEL
--	--

Sub: Outcome of the Board of Directors meeting held today i.e. 5th July, 2022 as per Regulations 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

Dear Sir/ Madam,

This is in continuation of our earlier announcement submitted to the exchange on 17th June, 2022 and 29th June, 2022, We wish to inform you that the Board of Directors of the Company had considered and approved *inter-alia* the following matters in its meeting held today i.e. 5th July, 2022 commenced at 11.30 a.m. and concluded at 12:25 p.m.:-

- a) Recommended the proposal of sub-division of Equity Share of face value of Rs. 5 /- each fully paid up into Equity Shares of face value of Re. 1/- each fully paid up at the Record Date to be determined as authorized by the Board of Directors, subsequent to the approval of the shareholders through Postal Ballot.

The detailed disclosures as required under Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September, 2015 are given in "**Annexure - A**" (enclosed).

- b) The alteration of "Capital Clause — Clause V" of the Memorandum of Association of the Company.
- c) Approved acquisition of majority stake in following companies along with details are as under:
- Acquisition of 51% stake in M/s Ashoka Infrasteel, a partnership Firm, from its partners and purchase consideration shall be made by issuance of fresh shares of Rama Steel Tubes Limited to the respective partners against purchase consideration subject to the approvals of statutory authority and shareholders of the company. The issuance of shares of Rama Steel Tubes



Limited shall be in the form of preferential issue of shares and shall be in compliance with applicable provisions of SEBI (ICDR) Regulations, 2018.

- ii. Acquisition of 50% shareholding of Hagar Mega Mart Private Limited by issuance of fresh equity shares of Rama Steel Tubes Limited against shares subscription amount subject to the approvals of statutory authority and shareholders of the respective companies. The issuance of shares of Rama steel Tubes Limited shall be in the form of preferential issue of shares and shall be in compliance with applicable provisions of SEBI (ICDR) Regulations, 2018.

The brief details of the said acquisition is attached in the prescribed format as "**Annexure - B**", (enclosed), the contents of which are self-explanatory. M/s Ashoka Infrasteel and M/s. Hagar Mega Mart Private Limited are not "Related Party" with the company within the meaning of the provisions of the Companies Act, 2013 read with applicable provisions of SEBI LODR Regulations, 2015. The Shares Subscription Consideration and Purchase consideration shall be made by issuance of fresh equity shares of the company by way of preferential issue subject to approvals or consents as may be required in accordance with rules/law/regulations.

- d) To consider and approve Issuance of such number of equity shares of M/s Rama Steel Tubes Limited up to maximum amount of Rs 32 Crore against acquisition of 51% stake in M/s Ashoka Infrasteel and 50% shareholding of M/s Hagar Mega Mart Private Limited subject to such terms and conditions as may be determined by the Board of Directors of the Company and at such price as may be determined in accordance with the applicable provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 and subject to approval of shareholders of the Company through Postal Ballot and approval of applicable regulatory authorities as the case may be, in accordance with the SEBI (ICDR) Regulations and other applicable laws;

The details as required under SEBI LODR Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 09th September, 2015 with respect to issuance of securities is enclosed as "**Annexure - C**" to this letter.

- e) The Board has also approved the request received for re-classification of some of the shareholders from "Promoter and Promoter Group Category" to the "Public Category" subject to approval of the same from the shareholders of the company and approval of stock exchanges as may be required in terms of applicable provisions of Regulation 31A of SEBI LODR Regulations, 2015.
- f) The Board has proposed to fix **1st July, 2022** as the **Cut- Off date** for the purpose of determining the name of shareholder(s) for the purpose of dispatch of Notice of Postal Ballot along with the details of E-voting to the shareholders.



- g) The Board has appointed Mr. Arun Kumar Gupta, Company Secretary in Practice (FCS 5551 | CP 5086), Proprietor of Arun Kumar Gupta & Associates, Company Secretaries as Scrutinizer for scrutinizing the E-voting process in a fair and transparent manner.

The Board of Directors has also approved the Draft Notice of Postal Ballot to be sent to the members for their approvals to be sought for the aforesaid business matters.

You are requested to please take the above disclosures in your records.

Thanking you,
Yours Truly,

For **Rama Steel Tubes Limited**

K. Datta

Kapil Datta
Company Secretary & Compliance Officer



Encl.: As above.

Sub-division of shares of the Company

Sr. No.	Particulars	Details				
1.	Split ratio	<p>Equity Share of face value of Rs. 5/- each fully paid up will be sub divided into equity shares of face value of Re. 1/- each fully paid up.</p> <p>Note Upon sub-division of face of value of each share from Rs. 5/- to Re. 1/-, all fractions if any, resulting from the sub-division of shares shall be consolidated into whole equity shares and the same will be disposed-off at the market price and the net proceeds (less expenses, if any) will be distributed proportionately, as far as practicable, to the members concerned.</p>				
2.	Rationale behind the split	To facilitate more liquidity of the Company's equity shares in the stock market and to widen shareholder base and to make the shares affordable to small investors				
3.	Pre and post Share Capital - authorised, paid-up and Subscribed.	<p>Based on the ration of split of shares, the share capital of the Company pre and post will be as follows:</p> <p>Authorised Share Capital:</p> <table border="1"> <thead> <tr> <th align="center">Pre sub-division</th> <th align="center">Post sub-division</th> </tr> </thead> <tbody> <tr> <td>Rs. 11,50,00,000 (Rupees Eleven Crore Fifty Lakhs Only) Comprising of 2,30,00,000 Equity Shares of Rs. 5/- (Rupee Five) each</td> <td>Rs. 11,50,00,000 (Rupees Eleven Crore Fifty Lakhs Only) Comprising of 11,50,00,000 Equity Shares of Re. 1/- (Rupee One) each</td> </tr> </tbody> </table> <p>Paid-up and Subscribed Share Capital:</p> <p>The Pre Sub-division and Post Sub-Division Share Capital will be disclosed by the Company as on the Record Date to be decided for the sub-division.</p> <p>As authorized by the Board, the Managing Director or Company Secretary of the Company shall decide the Record Date subsequent to the approval of the shareholders of the Company through Postal Ballot.</p>	Pre sub-division	Post sub-division	Rs. 11,50,00,000 (Rupees Eleven Crore Fifty Lakhs Only) Comprising of 2,30,00,000 Equity Shares of Rs. 5/- (Rupee Five) each	Rs. 11,50,00,000 (Rupees Eleven Crore Fifty Lakhs Only) Comprising of 11,50,00,000 Equity Shares of Re. 1/- (Rupee One) each
Pre sub-division	Post sub-division					
Rs. 11,50,00,000 (Rupees Eleven Crore Fifty Lakhs Only) Comprising of 2,30,00,000 Equity Shares of Rs. 5/- (Rupee Five) each	Rs. 11,50,00,000 (Rupees Eleven Crore Fifty Lakhs Only) Comprising of 11,50,00,000 Equity Shares of Re. 1/- (Rupee One) each					



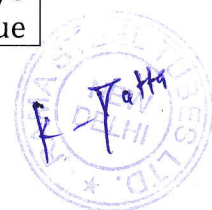
4.	Expected time of completion	Approximately within 2 months from the approval of the shareholders of the Company through Postal Ballot.
5.	Class of shares which are sub-divided	Existing equity shares of the face value of Rs. 5/- each.
6.	Number of equity shares of each class pre and post-split	Refer serial no. 3 above.
7.	Number of shareholders who did not get any shares in consolidation and their pre-consolidation shareholding	Not Applicable.



Annexure - B

Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

a) Name of the target entity, details in brief such as size, turnover etc.;	1. Name- M/s Ashoka Infrasteel. 2. Authorised Share Capital: Not Applicable 3. Paid Up Share Capital: Not Applicable 4. Turn Over: Rs. 142.49 Crore as on 31 st March, 2022
b) Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arms length"	NO
c) Industry to which the entity being acquired belongs;	The Firm has been dealing in steel tubes and pipes since more than three decades. This is one of the premier dealers of ERW Steel Pipes and Tubes (Black and Galvanized) in India.
d) Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);	Purchase of 51% stake in M/s Ashoka Infrasteel, thereby making M/s Ashoka Infrasteel, a subsidiary of the Company. The acquisition of the M/s Ashoka Infrasteel as envisaged will help in marketing the products of the company by using large dealer base of M/s Ashoka Infrasteel and will help in reach of company's products at PAN India Level.
e) Brief details of any governmental or regulatory approvals required for the acquisition;	Nil
f) Indicative time period for completion of the acquisition;	Within 6 months.
g) Nature of consideration - whether cash consideration or share swap and details of the same;	Consideration towards acquisition of 51% stake from existing partners shall be made by issuance of fresh equity shares of M/s Rama Steel Tubes Limited of the value



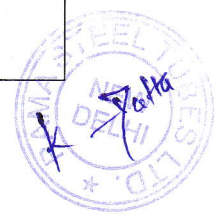
	equal to the total value of consideration payable to the existing partners of M/s Ashoka Infrasteel against above said acquisition stake of 51%.
h) Cost of acquisition or the price at which the shares are acquired;	The fair valuation of M/s Ashoka Infrasteel as determined by Independent Valuer is around Re 55 Crore.
i) Percentage of shareholding / control acquired and / or number of shares acquired;	51% Stake.
j) Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);	<p>Line of business: M/s ASHOKA INFRASTEEL is a Partnership Firm promoted by three partners namely Shri AshokKumar Ramlal Bansal, Smt. Shashi Ashokkumar Bansal and Shri Samarth Ashokkumar Bansal. The Firm has been dealing in steel tubes and pipes since more than three decades now. This is one of the premier dealers of ERW Steel Pipes and Tubes (Black and Galvanized) in India.</p> <p>It is also dealing in ERW pipes from 15 NB Dia to 1000 MM Dia in MS Black Steel Tubes, Galvanised Tubes and Seamless Carbon Steel Tubes. They are currently dealing with various OEMs, Infrastructure companies, HVAC - Fire Fighting and MEP contacting companies, Agriculture solution providers, Fabricators and many industries and Industrial contractors.</p>
	<p>Date of incorporation: The entity was started 30 years back in the form of Proprietary Concern by Shri Ashokkumar Ramlal Bansal and to expand the business Shri Ashokkumar Ramlal Bansal has transferred business to the Partnership Firm under the name of M/s Ashoka Infrasteel, which was constituted on 12th day of October, 2018.</p>
	<p>Turnover of last 3 years: FY 2019-20: Rs. 103.43 crore FY 2020-21: Rs. 76.18 crore FY 2021-22: Rs. 142.49 crore</p>
	<p>Country in which the acquired entity has presence: India</p>



Annexure - B

Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

a) Name of the target entity, details in brief such as size, turnover etc.;	1. Name- M/s Hagar Mega Private Ltd. 2. Authorised Share Capital: Re. 1.00 Crore 3. Paid Up Share Capital: Re. 1.00 Crore 4. Turn Over: Re. 1.26 Crore as on 31 st March, 2022
b) Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arms length"	NO
c) Industry to which the entity being acquired belongs;	Hagar Mega Mart Private Limited is engaged in the business of manufacturing of Sanitary ware, bathroom accessories, faucets, vanities, sinks, drains indifferent finishes and varieties etc.
d) Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);	Proposed to subscribe for acquisition of 50% shareholding of M/s Hagar Mega Mart (P) Limited, by way of allotment of fresh shares of M/s Hagar Mega Mart (P) Limited, thereby making Hagar Mega Mart (P) Limited, an associate company. The acquisition of the Hagar Mega Mart (P) Limited as envisaged will help to enter in to Sanitary Ware business. The Company will also use networks of dealership of M/s Hagar Mega Mart (P) Limited for its growth and expansion.
e) Brief details of any governmental or regulatory approvals required for the acquisition;	Nil



f) Indicative time period for completion of the acquisition;	Within 6 months.
g) Nature of consideration - whether cash consideration or share swap and details of the same;	<p>Shares Subscription Consideration shall be made by issuance of fresh equity shares of M/s Rama Steel Tubes Limited of the same value.</p> <p>Company will issue such number of equity shares to M/s Hagar Mega Mart (P) Limited up to maximum amount of Rs. 5.50 Crore at the price as may be determined in accordance with SEBI (ICDR) Regulations, 2018.</p>
h) Cost of acquisition or the price at which the shares are acquired;	The fair value per share of Hagar Mega Mart (P) Limited as determined by Independent valuer is Rs. 40/- per share.
i) Percentage of shareholding / control acquired and / or number of shares acquired;	50%
ii)	
j) Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);	<p>Line of business: Manufacturer of Sanitary ware, bathroom accessories, faucets, vanities, sinks, drains indifferent finishes and varieties etc.</p> <p>Date of incorporation: 16th December, 2021</p> <p>Turnover of last 3 years: FY 2019-20: Rs. 1.13 crore FY 2020-21: Rs. 3.66 crore FY 2021-22: Rs. 1.26 crore</p> <p>Country in which the acquired entity has presence: India</p>



Annexure - C

Issuance of Securities

S. No.	Particulars	Details
1	Type of securities proposed to be issued (viz. equity shares, convertibles etc.)	Equity Shares
2	Type of Issuance	Preferential Issue
3	Total number of securities proposed to be issued or total amount for which the securities will be issued (approximately)	Issuance of such number of equity shares aggregating to maximum amount of Rs. 32 Crore by way of consideration other than cash at a price as may be determined in accordance with SEBI (ICDR) Regulations, 2018.
4	In case of preferential issue the listed entity shall disclose the following additional details to the Stock Exchange(s):	
	i. Names of Investor(s)	M/s Hagar Mega Mart (P) Limited Mr. Ashokkumar Ramlal Bansal Mrs. Shashi Bansal
	ii. Post allotment of securities - outcome of the subscription, issue price/ allotted price (in case of convertibles), number of investors	The Issue Price of the Equity Shares shall be determined as per the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
	iii. In case of convertibles - intimation on conversion of securities or on lapse of the tenure of the instrument	Not Applicable

