

Corporate Office :

The First, A&B Wing, 9th Floor,
Behind Keshav Baug Party Plot,
Vastrapur, Ahmedabad - 380 015,
Gujarat, India
Phone : +91 79 2960 1200 / 1 / 2
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RMTL/SEC/REG.30-INTIMATION/2022-23

October 5, 2022

BSE Ltd. Corporate Relationship Department 1 st Floor, New Trading Ring, Rotunda Building, P. J. Tower, Dalal Street, Fort, Mumbai – 400 001 Company Code : 520111	National Stock Exchange of India Ltd. “Exchange Plaza”, 5th Floor, Bandra – Kurla Complex, Bandra (E), Mumbai - 400 051 Company Code : RATNAMANI
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Sub: Disclosure / Intimation of Acquisition of Majority Stake**Ref.: Disclosure under Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)-Acquisition**

Dear Sir/Madam,

We wish to inform that, Ratnamani Metals & Tubes Limited (“the Company”), today (i.e. 5th October 2022), has entered into the Definitive Agreements for the Subscription of Equity Shares and acquisition of the Equity Shares in Ravi Technoforge Private Limited (“RTL”) from its existing shareholders in three tranches over the period based on the performance metrics and other terms & conditions. It may kindly be noted that subject to the satisfaction of the stipulated Conditions Precedents (‘CPs’), the Company shall hold ~53.00% stake on fully diluted basis in RTL on the first closing. The 1st Tranche of ~53.00% stake acquisition shall consist of 26% of the issued, subscribed and paid-up share capital through share subscription in RTL under the preferential allotment and ~27% of the issued, subscribed and paid-up share capital in RTL (post dilution) through purchase from the existing shareholders.

RTL is one of the leading manufacturers of high precision forged and turned bearing rings, gear blanks and other similar bearing components having ultimate end use across widespread industrial and automotive applications. RTL caters mostly to all the large bearing manufacturers not only in India but across the globe.

RTL is a consecutively profit making company, based out of Rajkot, Gujarat and has been into this business since year 1990. The disclosures pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September, 2015 is attached as per "Annexure-A".

Please take the above on your record.

Thanking you,

Yours faithfully,

For, RATNAMANI METALS & TUBES LIMITED**ANIL MALOO**
COMPANY SECRETARY & COMPLIANCE OFFICERratnamani.cominfo@ratnamani.com
CIN : L70109GJ1983PLC006460**Registered Office**17, Rajmugat Society, Naranpura Cross Roads,
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Phone: +91 79 2741 5504/2747 8700 | Fax: +91 79 2960 1210 | eMail: info@ratnamani.com

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**Annexure -A**

Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September, 2015.

<p>a) Name of the target entity, details in brief such as size, turnover etc.</p>	<p>i.) Name of the Target : Ravi Technoforge Private Limited</p> <p>ii.) Business of the Target: RTL is one of the leading manufacturers of high precision forged and turned bearing rings, gear blanks and other similar bearing components having ultimate end use across widespread industrial and mobility applications.</p> <p>RTL is based out of Rajkot, Gujarat and has capability of manufacturing rings in the range from 40mm-400 mm with unit weight upto 25 kgs.</p> <p>iii) Financial details as per the audited financial statements for the Financial Year 2021-22:</p> <p style="text-align: right;">(Rs. In Crores)</p> <table border="1" data-bbox="667 1035 1468 1247"> <tr> <td>Revenue from Operations and other Income</td> <td>Rs. 281.27</td> </tr> <tr> <td>EBIDTA</td> <td>Rs. 35.95</td> </tr> <tr> <td>PBT</td> <td>Rs. 14.34</td> </tr> <tr> <td>PAT</td> <td>Rs. 10.17</td> </tr> <tr> <td>Net-worth as at 31.03.22</td> <td>Rs.70.32</td> </tr> </table>	Revenue from Operations and other Income	Rs. 281.27	EBIDTA	Rs. 35.95	PBT	Rs. 14.34	PAT	Rs. 10.17	Net-worth as at 31.03.22	Rs.70.32
Revenue from Operations and other Income	Rs. 281.27										
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Net-worth as at 31.03.22	Rs.70.32										
<p>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 "arm's-length";</p>	<p>The acquisition does not fall in related party transaction. The promoters / promoter group / group companies do not have any interest in the entity being acquired.</p>										
<p>c) Industry to which the entity being acquired belongs;</p>	<p>"Manufacturing of Bearings rings and other ancillary components"</p>										
<p>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);</p>	<p>The Company, in order to add a new growth driver both domestically and globally, have decided to acquire the majority stake in the target (RTL) that is the part of the ecosystem of one of the most matured and a stable growth industry over the decades. RTL enjoys long standing business relationship with most of the global bearings giants. RTL has large basket of product approval from its customers and enjoys status of green-flow/on-line/direct supplier. The Company feels it can supplement and</p>										

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	<p>complement the business of RTL and can bring significant value not only to both the entities, but also to its customers, employees and stakeholders.</p> <p>The business prospects of the Target resembles the economic growth cycle mainly manufacturing by significantly contributing the revenue from segments of industrial and mobility applications which will help the Company to enlarge its canvass of products and sector.</p> <p>The Company aims to leverage its managerial, technical and financial capabilities to scale its operations making it more sustainable and create further long term value for its stakeholders.</p>
e) Brief details of any government or regulatory approvals required for the acquisition;	Nil
f) Indicative time of completion of the acquisition	Subject to the satisfaction of Conditions precedents, the subscription and acquisition of shares under the 1 st Tranche i.e. ~53% of the issued, subscribed and paid-up Equity Share Capital in RTL is expected to be completed within 30 days and balance ~47% stake in RTL to be acquired in two tranches over the period of which 2 nd Tranche of 27.02% is expected to be completed on or before July 31, 2024 and 3 rd Tranche of 19.98% to be completed not later than July 31, 2027, however, the acquisition of the 3 rd Tranche shall be subject to certain options as may be availed by the existing shareholders of the RTL during that time.
g) Nature of consideration - whether cash consideration or share swap and details of the same;	Cash Consideration
h) Cost of acquisition or the price at which the shares are acquired;	Cost of acquisition for the first tranche of ~53% is Rs. 121.05 per share aggregating to Rs.97.88 Crores and also an additional consideration of Rs. 0.50 Crores towards Non-Compete fee to Obligators which shall be paid over the period of 4 years.
i) Percentage of shareholding / control acquired and / or number of shares acquired	The Company shall subscribe 39,66,750 Equity Shares of RTL through preferential allotment and shall acquire 41,19,300 Equity Shares from the existing shareholders of the RTL. So, the Company will have a holding of 80,86,050 Equity Shares representing ~53% of the issued, subscribed and paid-up share capital of the Company (post dilution) of RTL on the date of first closing, which shall be subject to CPs.

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<p>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>	<p>RTL is engaged into manufacturers of high precision forged and turned bearing rings, gear blanks and other similar bearing components having ultimate end use across diverse industrial and mobility applications. RTL was incorporated on February 22, 1990.</p> <p>RTL has 3 facilities and is based out of Rajkot, Gujarat. It has capabilities to manufacture rings ranging from 40mm-400 mm with unit weight upto 25 kgs.</p> <p>RTL has forging capacity of ~ 32,400 MTPA along-with sizable in-house annealing and machining capabilities.</p> <p>With more than 1600 part approvals, RTL is continuously building their portfolio across TRB, SRB, DRB, CRB and Gen 1 hubs.</p> <p>Audited Financials in brief (Rs. Crores)</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>FY'21-22</th> <th>FY'20-21</th> <th>FY'19-20</th> </tr> </thead> <tbody> <tr> <td>Turnover</td> <td>281.27</td> <td>166.6</td> <td>157.5</td> </tr> <tr> <td>EBIDTA</td> <td>35.95</td> <td>22.92</td> <td>22.91</td> </tr> <tr> <td>PAT</td> <td>10.17</td> <td>1.84</td> <td>3.16</td> </tr> </tbody> </table>	Particulars	FY'21-22	FY'20-21	FY'19-20	Turnover	281.27	166.6	157.5	EBIDTA	35.95	22.92	22.91	PAT	10.17	1.84	3.16
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On this occasion, Shri Prakash M. Sanghvi, Chairman & Managing Director of the Company, narrated as under:

“Joining hands with RTL marks the beginning of a new chapter for Ratnamani. As we strongly believe and we have always strived to create and build long term value for all our stakeholders including our customers and employees, we are sure this acquisition will also bring lots of value to Ratnamani and its stakeholders.

The partnership with RTL will not only provide good growth & business opportunities in diverse sectors but will further boost the consolidated position of Ratnamani in much more sustainable manner. There are lots of similarities between RMTL and RTL, to name few are cultural values, customer centric approach, unmatched quality standards and fulfilling commitments apart from largely similar processes, plant operations and wide pool of human resources can make this engagement more promising and value prospective”.

Speaking on the occasion, Shri Amrutlal Bharadia, Managing Director of RTL, described that, this event as historical moment for RTL, its shareholders and the employees. He further said, by joining hands along with equity, RMTL will also bring their expertise, experience and efficiency standards to RTL and it will help to scale us new heights and fuel our growth plans. RTL with new growth capital & support from RMTL will work on augmenting capacities, re-organizing business operations more efficiently and enlarge product/process offerings to match customers' expectations.