



## 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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Date: February 14, 2024

To

The Manager – Listing National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 <b>Symbol: RAMASTEEL</b>	The Secretary BSE Limited, Corporate Relationship Dept., P. J. Towers, Dalal Street, Mumbai - 400001. <b>Scrip Code: 539309</b>
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Dear Sir/Madam,

**Sub.: Media Release dated February 14, 2024**

Please find enclosed a copy of the Media Release dated February 14, 2024, pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Schedule III to the SEBI (LODR), Regulation issued in relation to the Un-Audited Standalone and Consolidated Financial Results of the Company for the quarter and nine months ended on December 31, 2023

For Rama Steel Tubes Limited

**Arpit Suri**

**Company Secretary & Compliance Officer**

**Email id: [investors@ramasteel.com](mailto:investors@ramasteel.com)**

**Encl. As Above**

## PRESS RELEASE

### ANNOUNCEMENT OF CONSOLIDATED RESULTS Q3FY2024 AND 9MFY2024

*Rama Steel Tubes Limited (RSTL) has found a place in several sectors ranging from Water Distribution, Electricity Distribution & Street Lighting, Telecom Applications and Irrigation Projects etc.*

**New Delhi, 14<sup>th</sup> February, 2024-** RSTL is one of the most trusted Manufacturers of Steel Tubes and G.I. Pipes, MS Pipes, STP Poles etc. We have Japanese technology to cater to the growing demand in Domestic & Global Market.

RSTL has constantly tried to be the best and our investments in product innovation and R&D have yielded fruitful results. Our skilled technicians and stringent quality checks have produced steel tubes and G.I. Pipes, MS Pipes, STP Poles etc. to meet all the international quality standards. The Government of India has given an "Export House Status" to our company.

#### Consolidated Financial Highlights Q3FY24 AND 9MFY24

(In INR MN)

Parameters	Q3FY24	Q-o-Q	Y-o-Y	9MFY24	Y-o-Y
Total Revenue including other Income	2641.67	+29.20%	- 25.78%	7821.43	-17.64%
Total Sales Volume (MT)	46919.80	+31.11%	- 11.83%	1,31,138	-0.52%
EBIDTA	191.97	+42.26%	+25.69%	498.31	+39.34%
PAT Margin (including OCI)	86.61	+93.93%	+8.48%	200.07	+ 8.43%

#### Business Update

- The Board has decided to rescind the proposal for Scheme of Arrangement as proposed for amalgamation of M/s Lepakshi Tubes Private Limited with M/s Rama Steel Tubes Limited, which was considered and approved on February 14, 2022. The proposal was discussed in detail by the Board and it has been discussed that Post Covid pandemic, the market conditions have undergone drastically changes and due to these volatile market conditions and changes in the steel industry in this time period globally i.e. from application to current date the Applicant Companies are forced to reconsider the decision of merger. On re-evaluating their market positioning within the steel industry the management of both applicant companies has come to the conclusion that the two companies will now be at better competitive advantage working as two separate entities rather than amalgamating into one entity in the better interest of all stakeholders at large. Moreover, due to Transferor

Company operating in south India, it may have established relationships with local stakeholders including suppliers, customers and regulatory bodies. A merger that does not align with these existing relationships or involves unfamiliar regional dynamics in changed market dynamics is deemed less desirable by the management of Applicant companies.

➤ During the period under review the following transaction were held:

- The company has forfeited 16,55,760/- number of warrants out of 37,50,000/- issued to "The Great International Tuskar Fund", belonging to Non-Promoter warrant holder. Warrants were allotted on June 10, 2022 with the approval of the Board and Members of the Company in compliance with applicable provisions of Chapter V of SEBI (ICDR), regulations, 2018. The warrants should have been converted into equity shares of company within the period of 18 months from the date of allotment of the warrants. In view of the same, the due date for conversion of warrants was December 9, 2023 but due to non-receipt of balance 75% amount from "The Great International Tuskar Fund" one of the warrants holders of the Company, even after giving several reminder via electronic mail and phone call, the Board of Directors of the Company approved the forfeiture of the application money paid amounting to 25% of the total amount payable for the allotment of the warrants to the Company in accordance to the regulation 169(3) of SEBI (ICDR), Regulations, 2018. Therefore, a sum of ₹ 316.25 Lakhs earlier received and disclosed as money received against share warrants under Other Equity has been forfeited and shown as "Capital Reserve", under Other Equity.
- During the quarter, the company has allotted 36,00,000/- Equity Shares pursuant to conversion of warrants on October 11, 2023 along with the bonus shares reserved for the warrant holders in the ratio of 4:1

### Management Comments

Mr. Richi Bansal- Executive Director said that RSTL has delivered steady growth in India volumes despite the volatile operating environment. In 9MFY24, Sales volumes is almost unchanged as compared to 9MFY23. In Q3FY24, Sales volumes and revenue increased respectively by 31.11% and 29.20% as compared to Q2FY24 however in Q3FY24, sales volume declined Y-o-Y due to de-stocking of material in the expectation of correction in prices. In the first two months of Q3FY24, the global steel prices had suddenly fallen down by 12-13% from the peak levels.

Due to wide raw material price fluctuations, Revenues in value terms declined by 17.64% during the 9MFY24 as compared to 9MFY23.

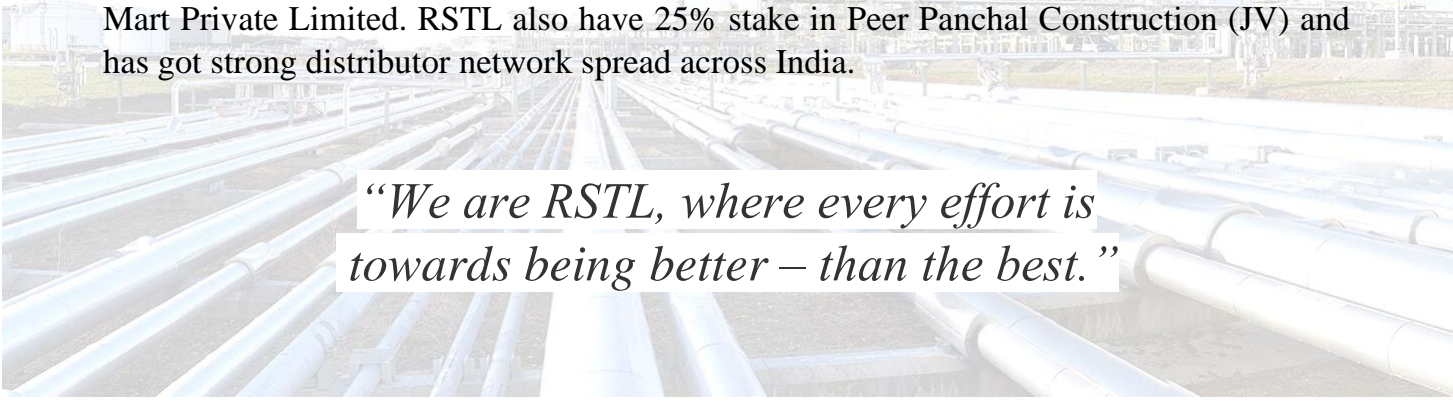
EBIDTA has increased by 25.69% and 39.34% respectively during Q3FY24 and 9MFY24 on Y-o-Y basis.

Net profit including OCI has increased by 8.48% and 8.43% respectively during Q3FY24 and 9MFY24 on Y-o-Y basis.

### About Rama Steel Tubes Limited

**RSTL** is a one of the Pioneer and Leading Manufacturer in the Steel Tube and Pipes industry established in 1974. RSTL has a proven track record of operational excellence, cost efficiency, sustainable practices, high quality Manufacturer in Steel Tubes and Pipes Industry. RSTL has 20% exports rate, with a global presence in more than 16 Countries.

It currently has an aggregate capacity of 2.94 Lac MTPA. RSTL has a subsidiary in UAE and a stepdown subsidiary in Nigeria which has strengthened the company's presence in global markets. RSTL has 4 state-of-art manufacturing capabilities located at Sahibabad (U.P.), Khopoli (Maharashtra) and Anantpur (Andhra Pradesh). RSTL has recently acquired 51% stake in Ashoka Infrasteel (Partnership firm) and 50% stake in Hagar Mega Mart Private Limited. RSTL also have 25% stake in Peer Panchal Construction (JV) and has got strong distributor network spread across India.



*“We are RSTL, where every effort is towards being better – than the best.”*

**DISCLAIMER:** *Certain statements in this document that are not historical facts are 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 actual results to differ materially from those contemplated by the relevant forward-looking statements. RSTL Shall 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.*

For further information on the Company, please visit [www.ramasteel.com](http://www.ramasteel.com)

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