



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: December 20, 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 Scrip Code: 539309
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Dear Sir/Madam,

Sub: Intimation regarded Credit Rating accorded to the Company

Pursuant to Regulations 30 and other relevant regulations, if any, of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform that the Company has been assigned following credit ratings by Brickwork Ratings India Private Limited:

Facilities	Amount (Rs. crore) Previous	Amount (Rs. crore) Present	Tenure	Rating	Rating Action	Upgraded/ Reaffirmed/ Downgraded
Fund Based	70.00	81.70	Long term	BWR BBB Stable	Revised from BWR BBB-Stable	Upgraded
Non-fund Based	50.00	50.00	Short term	BWR A3+	Revised from BWR A3	Upgraded
Total	120.00	131.75				

Brickwork Ratings (BWR) has upgraded the long-term rating to BWR BBB with a Stable outlook and short-term rating to BWR A3+ for the bank loan facilities of Rama Steel Tubes Ltd (RSTL or the company).

The rating upgrade factors in significant improvement in the business and financial risk profile of RSTL in FY21 and H1FY22. Business profile has improved via an increase in overall capacity from 1,68,000 metric tonne per annum (MTPA) in FY20 to 2,28,000 MTPA in FY21 which has led to an increase in revenue and EBITDA. Financial risk profile has improved due to retention of profits and infusion of interest free unsecured loan by the promoters which has improved the capital structure and credit ratios (net debt to EBITDA in FY21 2.85x, FY20: 8.16x).

The rating continues to derive comfort from the company's experienced promoters, established long track record of over four decades with a demonstrated execution capability, diversified

product portfolio and geographical presence. However, these strengths are partially offset by the working capital intensive operations, susceptibility to cyclical and fluctuation in raw material prices and intense competition in industry.

The Outlook is Stable on account of improvement in credit profile and improved demand outlook for various end-user sectors such as infrastructure, irrigation, telecom etc. RSTL has rolling orders from its customers through a distribution and dealership network, which provides revenue visibility in the medium term.

BWR has principally relied on the consolidated audited financial results of RSTL upto 31 March 2021, H1FY22 results and projected financials for FY22 and FY23, and publicly available information/ clarifications provided by the company's management.

The intimation may also be accessed at www.ramasteel.com.

This is for your kind information and record.

Thanking You,

FOR RAMA STEEL TUBES LIMITED



(KAPIL DATTA)
COMPANY SECRETARY &
COMPLIANCE OFFICER