



RESILIENT TO GROW



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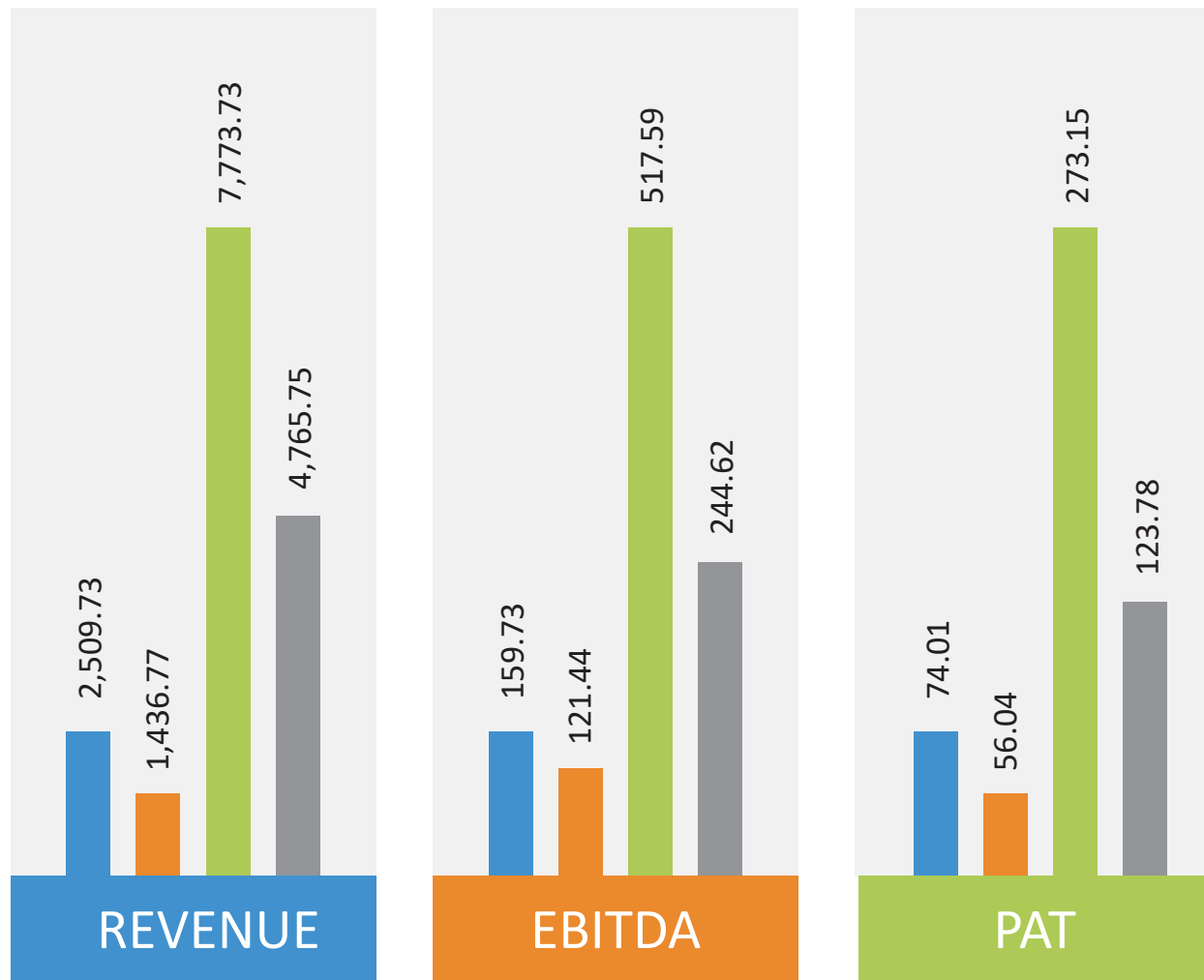
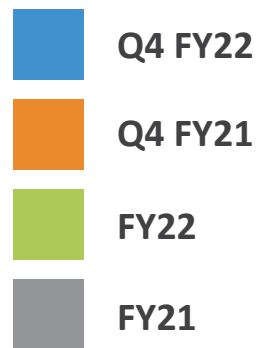
Q4 FY22 Earnings

Revenue from
Operations reported at
2,518.98 MN for
Q4 FY22 &
7,681.68 MN
for FY 2022

EBITDA
stands at
159.73 MN in
Q4 FY22 &
517.59 MN
for FY 2022

PAT at
74.22 MN
in **Q4** and
275.53 MN
for FY22

Key Performance Indicators

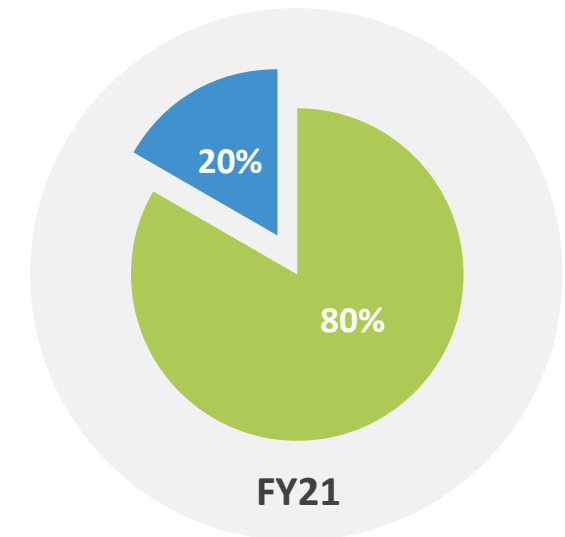
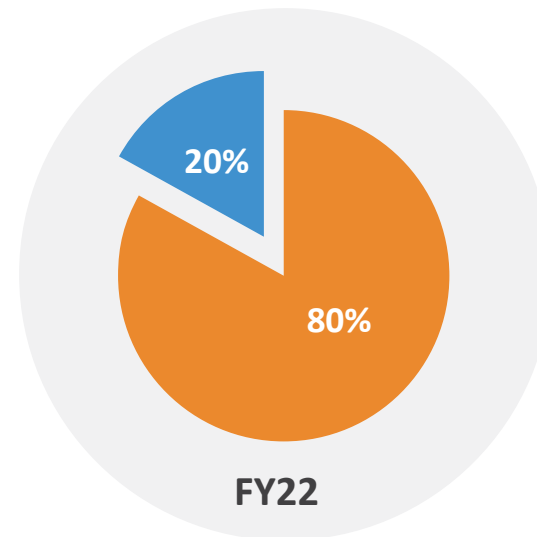
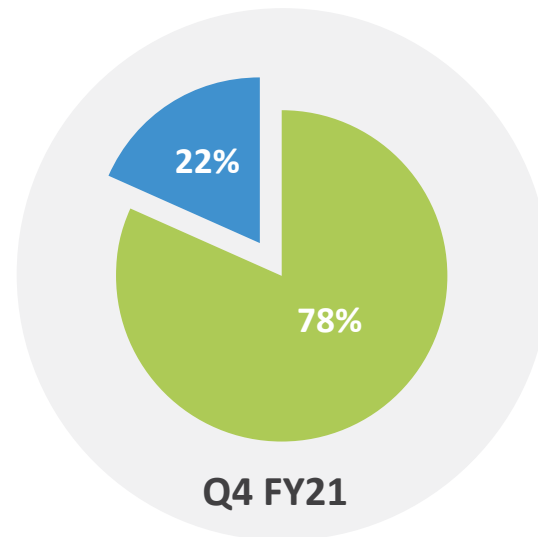
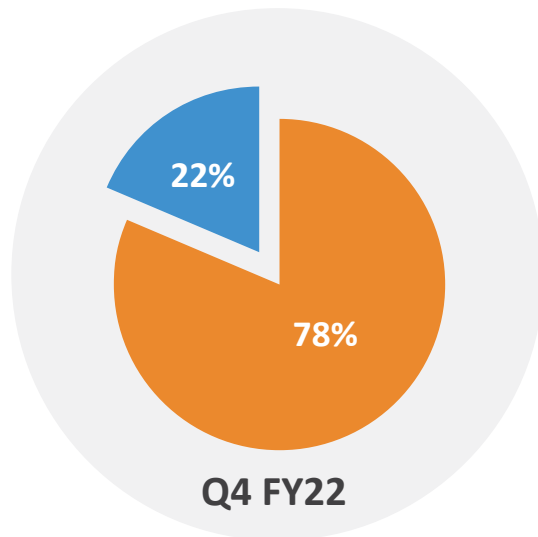


Sales Volume Analysis



VOLUMES IN TONNS	Q4 FY22	Q4 FY21
TOTAL	35,872	23,962
VALUE-ADDED PRODUCTS	8,097	5,327

VOLUMES IN TONNS	FY 22	FY 21
TOTAL	1,06,943	92,334
VALUE-ADDED PRODUCTS	21,389	18,466



Consolidated Profit & Loss

Particulars (INR MN)	Q4 FY22	Q4 FY21	% +/-	Q3 FY22
Revenue from Operations	2,518.98	1,391.59		1849.81
Other Income	(-)9.25	45.18		28.76
Total Revenue	2,509.73	1,436.77	74.68% +	1878.57
Total Expenses	2,350.00	1,315.33		1758.52
EBITDA	159.73	121.44	31.53% +	120.05
EBITDA Margin (%)	6.36	8.45		6.39
Depreciation	10.83	5.76		11.30
Finance Cost	32.49	17.71		28.92
Share of profits from Associates and JVs	(-)12.59	0.361		0.09
PBT with Exceptional Item	-	-		-
Exceptional Items	-	-		-
PBT	103.83	98.34	5.58% +	80.76
Current Tax	28.00	21.43		19.36
Earlier Years	3.86	-		-
Deferred Tax	(-)2.03	(-)1.41		5.36
Tax	29.83	20.02		24.72
PAT	74.00	78.32	5.52% -	56.04
Other comprehensive profit / loss	0.21	(-)0.19		4.06
Net PAT	74.21	78.13	5.02% -	60.10
PAT Margin %	2.96	5.44		3.20
Diluted EPS	4.42	4.65	4.95% -	3.58

FINANCIAL PERFORMANCE COMPARISON - Q4 FY22 V/S Q4 FY21

- Revenue from operations increased by 81.01% from ₹1,391.59 MN in Q4 FY21 to ₹ 2,518.98 MN in Q4FY22, mainly due to heavy demand in the market.

- EBITDA increased by 31.53 % from ₹121.44 MN in Q4 FY21 to ₹ 159.73 MN in Q4 FY22 driven by better product mix, increased cost efficiencies, better price realization etc.

- EBITDA margins have reported at 6.36 % in Q4 FY22 via-a-vis 8.45 % in Q4 FY21.

- Net Profit stood at ₹ 74.21 MN in Q4 FY22, compared to ₹ 78.13 MN in Q4 FY21. Consolidate Diluted EPS for Q4 FY22 is Rs.4.42 per share (of the face value of Rs. 5 Each) as compared to Rs. 4.65 per share in Q4 FY21

Consolidated Profit & Loss

Particulars (INR MN)	FY22	FY21	% +/-
Revenue from Operations	7,681.68	4,704.35	
Other Income	92.05	61.41	
Total Revenue	7,773.73	4,765.76	63% +
Total Expenses	7,256.14	4,521.14	
EBITDA	517.59	244.62	111.59% +
EBITDA Margin (%)	6.66	5.13	
Depreciation	42.74	34.62	
Finance Cost	108.92	76.98	
Share of profits from Associates and JVs	(-)6.47	14.04	
PBT with Exceptional Item	-	-	
Exceptional Items	-	-	
PBT	359.46	147.06	144.43% +
Current Tax	81.22	28.79	
Earlier Years	3.86	-	
Deferred Tax	1.23	(-)5.51	
Tax	86.31	2328	
PAT	273.15	123.78	120.67% +
Other comprehensive profit / loss	2.38	(-)2.62	
Net PAT	275.53	121.16	127.41% +
PAT Margin %	3.54	2.54	
Diluted EPS	16.41	7.21	127.60 %+

FINANCIAL PERFORMANCE COMPARISON - FY22 v/s FY21

- Revenue from operations increased by 63.29 % from Rs.4,704.35 MN in FY21 to Rs.7,681.68 MN in FY22.

- The EBITDA increase by 111.59 % from Rs. 244.62 MN in FY21 to Rs. 517.59 MN in FY22 and a gain in the EBITDA margins from 5.13 % in FY21 to 6.66 % in FY22 mainly driven by better product mix, increased cost efficiencies, better price realization etc.

- Net profit stood at Rs.275.53 MN in FY22, compared to Rs.121.160 MN in FY21 recoded a growth of 127.41%

- Finance Cost increased by 41.49 % from Rs. 76.98 MN in FY21 to Rs. 108.92 MN in FY22 on account of increase in the long term & short-term borrowing

Key Financial Metrics for FY22 v/s FY21

Particulars (INR MN)	FY 22	FY 21
Non-Current Assets	855.69	760.10
Current Assets	2728.30	1715.49
Total Assets	3583.99	2475.59
Total Equity	1266.58	999.45
Long-Term Borrowings	317.76	299.77
Short-Term Borrowings	1062.47	554.66
PAT	275.53	121.16
Debt Equity Ratio	1.09	0.85
Return on Capital Employed	16.09%	9.33%
Return on Equity	21.75%	12.12%
Return on Assets	7.69%	4.89%

- Total Fixed Asset grew by 12.53 % from Rs.556.30 MN in FY21 to Rs. 626.01 MN in FY22.

- Current Asset stood at Rs. 2,728.30 MN in FY22, compared to Rs. 1,715.49 MN in FY21

- Long term borrowing stood at Rs. 317.76 MN in FY22, compared to Rs. 299.77 MN in FY21 and Short-term borrowing at Rs.1,062.47 MN in FY22, compared to Rs. 554.66 MN in FY21.

Capex Update

The first phase of modernization at the plant located at Sahibabad, U.P. will be completed by first quarter 2023. we expect substantial cost savings from it in the first half of FY23. The Company has commenced setting up of the Cold Rolling Mill Strip Galvanizing Plant with an estimated capacity of 2,00,000 MTPA at Lepakshi Plant, Anantpur, Andhra Pradesh. The budgeted capex of this INR 250 MN and will be carried out in FY 23 & FY24.

RSTL has also initiated an additional capacity expansion of 30,000 MT at its Khopoli Plant at Maharashtra. This expansion is for production of new SKU's like Special Grade Structural Steel and High thickness Tubes to cater to the Infra, Automobile and Solar Sectors. The Capex for this expansion is ~100 MN and is estimated to be completed by first half of FY23.

RST Industries Ltd. (RSTIL), a step-down subsidiary of Rama Steel Tubes Ltd. located in Nigeria, West Africa has initiated a capacity expansion of ~20,000 MTPA, majorly dedicated to the production of roofing sheets. The planned Capex for this expansion is ~200 MN to be funded through the internal accruals. The New facility is expected to be fully functional in the first half of FY23.

Business Update

RSTIL (subsidiary of RSTL) has signed an exclusive arrangement with Huihai Group Ltd, Hong Kong for supply of specialty steel SKUs of - 15,000 MT per annum in Nigeria. The company foresees the market size of Specialty Steel to be atleast ~ 50,000 MTPA and plans to scale up its operations accordingly to take advantage of the attractive profit margins in this segment.

On 14th February, 2022, The Board of directors have approved a scheme of Amalgamation of Lepakshi Tubes Private Ltd, a wholly owned subsidiary of RSTL with the latter company under sections 230-232 of The Companies Act,2013. This merger has been proposed to bring about operational synergies and cost savings to both the companies.

Management Comments

Commenting on the performance of Q4 FY22, Mr. Naresh Kumar Bansal, Chairman & Managing Director, Rama Steel Tubes Limited, said:

“RSTL is pleased to announce that we have done well in the last quarter of FY 22, driving a growth of 36 % in terms of revenue and 47 % in terms of volume vs Q3 FY21. On a yearly basis the revenue has grown by 63% and the EBITDA has grown by 111.59 % ; mainly driven by a strong order book, exports orders and addition of value added products to our product mix.

With an aim to strengthen our production capabilities and meet the growing demand of steel pipes & speciality steel products in the market, RSTL has undertaken major expansion initiatives across most of its plants. The first phase of modernization and de-bottle necking of operations at the plant located at Sahibabad, Uttar Pradesh is to be completed by 1st Quarter 23 and we expect substantial cost savings from it in the first half of FY 23. The capacity expansion of 30,000 MTPA at our Khopoli plant is expected to conclude by end of

September,2022 and will be used to produce e Special Grade Structural Steel and High thickness Tubes to cater to the Infra, Automobile and Solar Sectors. Additionally, the first phase of Capex at our plant in Anantpur District, Andhra Pradesh wherein we are in process of manufacturing Cold rolling and Galvanizing Steel Sheets to initiate backward integration of our operations; is expected to be complete by 2023 & 24.

In tune with our plan of diversifying our product portfolio, RSTL continues to add ~ 7-8 SKU's every month to its repertoire, having added a total of more than 500 SKU's in FY 22. In FY 23, We plan to continue to add Value added products like short length-high thickness tubes for the Automobile sector and Steel Galvanized pipes used in support structures of solar Panels to our product mix. This will lead strengthening of margins & de-commoditization of our product portfolio in upcoming fiscal. We continue to receive a strong demand from Government Infra projects and Public utility works, and plan to dedicate our capacities towards catering the demand of the sector.

One of the key challenges we faced during the second half of the fiscal year was the increasing prices of steel and rising fuel costs. The global coal crisis and the Russia- Ukraine tensions have led to a global shortage of fuel and power to steel and allied industries in India. While our input costs rose, we were able to off set them by increasing our revenue, managing overheads and adding higher realization SKU's to our product mix. In some cases, we passed on the price hikes to our customers also. We are hoping the situation to ease by end of H1 FY 23 and expect a sustained expansion in our bottom line thereon. Our main aim for FY 23 would be to maximize the utilization of our plant capacities and leverage our portfolio of value added products to yield stronger returns for all our business partners.

To conclude, I would like to extend heartiest congratulations to all our stakeholders for an excellent performance in FY 22 and assure you that me and entire team of RSTL remains committed to achieving all our goals & striving towards excellence thereby emerging as one of the market leaders in Steel Pipes Industry.

Management Guidance For FY23

Management expects the topline to grow in absolute terms by 25%-30% owing to better growth in volumes due to demand surge for their products, higher export contribution, addition of higher product margins and tapping greater market share..

Management expects to add 100 new SKUs in FY23 which will enable higher market share and penetration. The expect the major additions in respect of value added products.

The exports contribution will increase by ~15-20 % in FY23 due to penetration into newer geographies and higher demand from existing foreign customers.

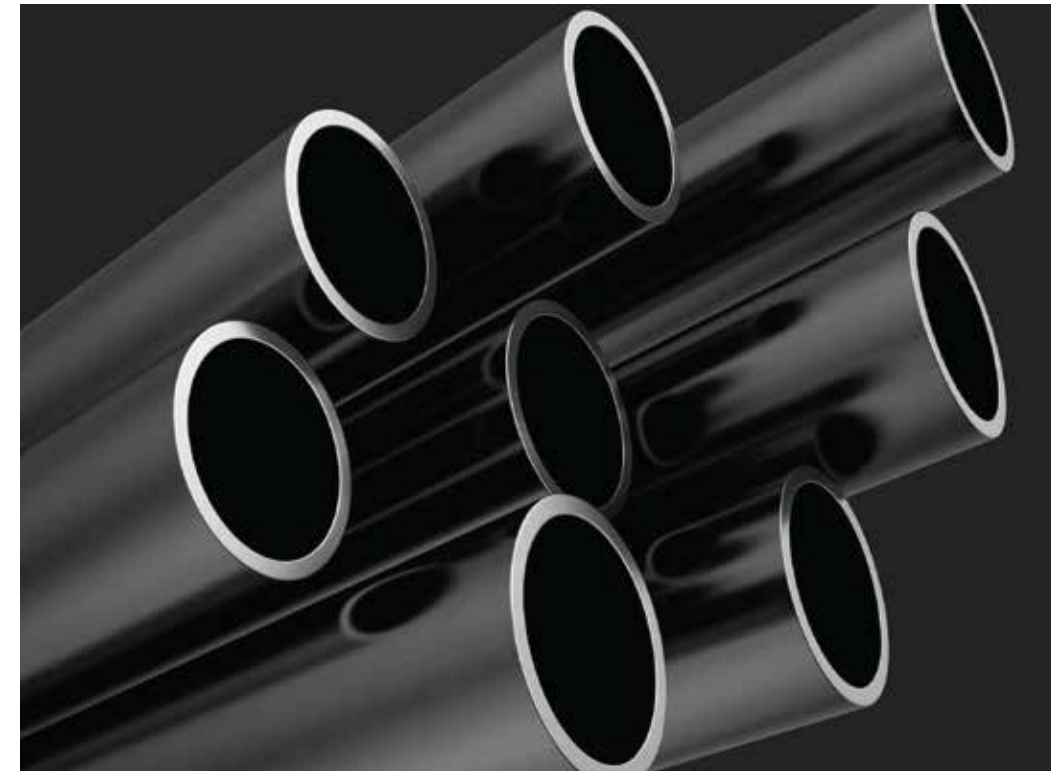
RSTL is witnessing a milestone change in their business processes and hope to reap benefits of it's major capex exercises for building additional capacities, modernization of capacities.

RSTL is making robust focus to increase share in government projects and expected to increase its share @ 20% to total revenue of the company.

About Rama Steel Tubes Limited

Rama Steel Tubes Limited (RSTL) is a pioneer and leading manufacturer in the steel tube industry. RSTL has been continuously striving to improve its performance by increasing sales, share of value-added products, innovating new products and aggressive cost optimization on a continual basis. **RSTL products range includes MS ERW black pipes** from 15mm to 200mm diameter pipes confirming to IS: 1239, IS:1161, IS:3589, IS:3601, & IS:4270 and G.I. Pipes from 15mm to 150mm NB in light, medium and heavy sizes. RSTL has 20% exports rate, with a global presence in more than 16 Countries. RSTL has a subsidiary in UAE and a step-down subsidiary in Nigeria which has strengthened the company's presence in global markets. RSTL has the world's latest technology, plant and machinery, which also includes sophisticated testing equipment. **RSTL has 4 state-of-art manufacturing capabilities located at Sahibabad (U.P.), Khopoli (Maharashtra) and Anantpur (Andhra Pradesh) and has got strong distributor network spread across India.**

For further information on the Company, **please visit** www.ramasteel.com



THANK YOU

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www.ramasteel.com

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