



RATNAMANI
METALS & TUBES LTD.

COMPANY PRESENTATION - AUGUST 2019

CIN: L70109GJ1983PLC006460

Background of Ratnamani

Started in 1985, Ratnamani today is:

- The largest manufacturer of Nickel Alloy / Stainless Steel Seamless and Welded Tubes/Pipes and Titanium Welded Tubes in India, and
- One of the leading manufacturers of Carbon Steel Welded Pipes (ERW, L-SAW and H-SAW), Stainless Steel / Carbon Steel Pipes with 3 Layer PE / PP Coating in India
- It is having state of the art and among the most modern manufacturing and testing facilities both in Stainless Steel and Carbon Steel at Kutch and Indrad/Chhatral, Gujarat, India

Products

- Nickel Alloy / Stainless Steel Seamless Tubes
- Stainless Steel Welded Tubes
- Stainless Steel Seamless Pipes
- Stainless Steel Welded Pipes
- Titanium Welded Tubes
- Carbon Steel Welded Pipes (ERW, L-SAW and H-SAW)
- Stainless Steel / Carbon Steel Pipes with 3 Layer PE / PP Coating



Carbon Steel Pipes



Stainless Steel Tubes & Pipes



Stainless Steel Hot Extrusion

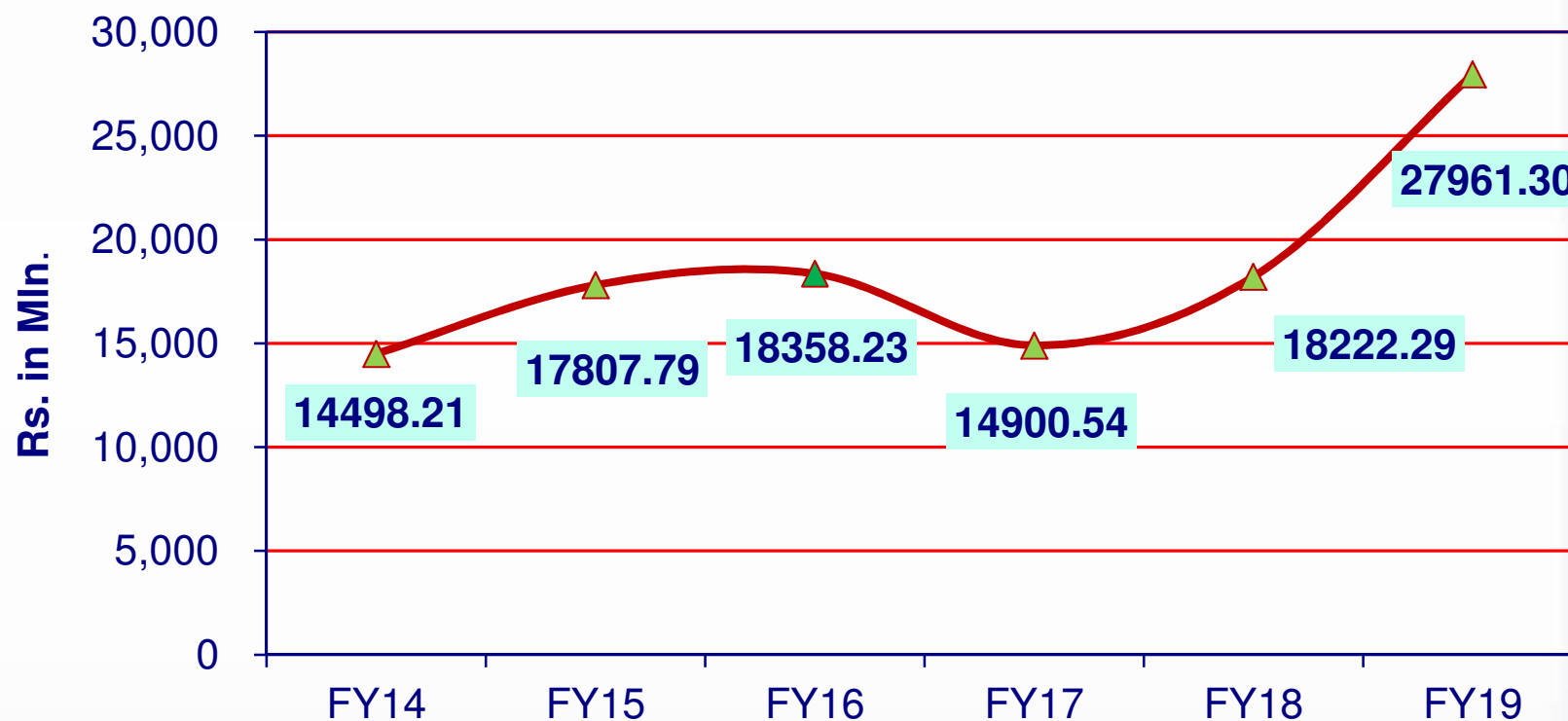


Green Energy

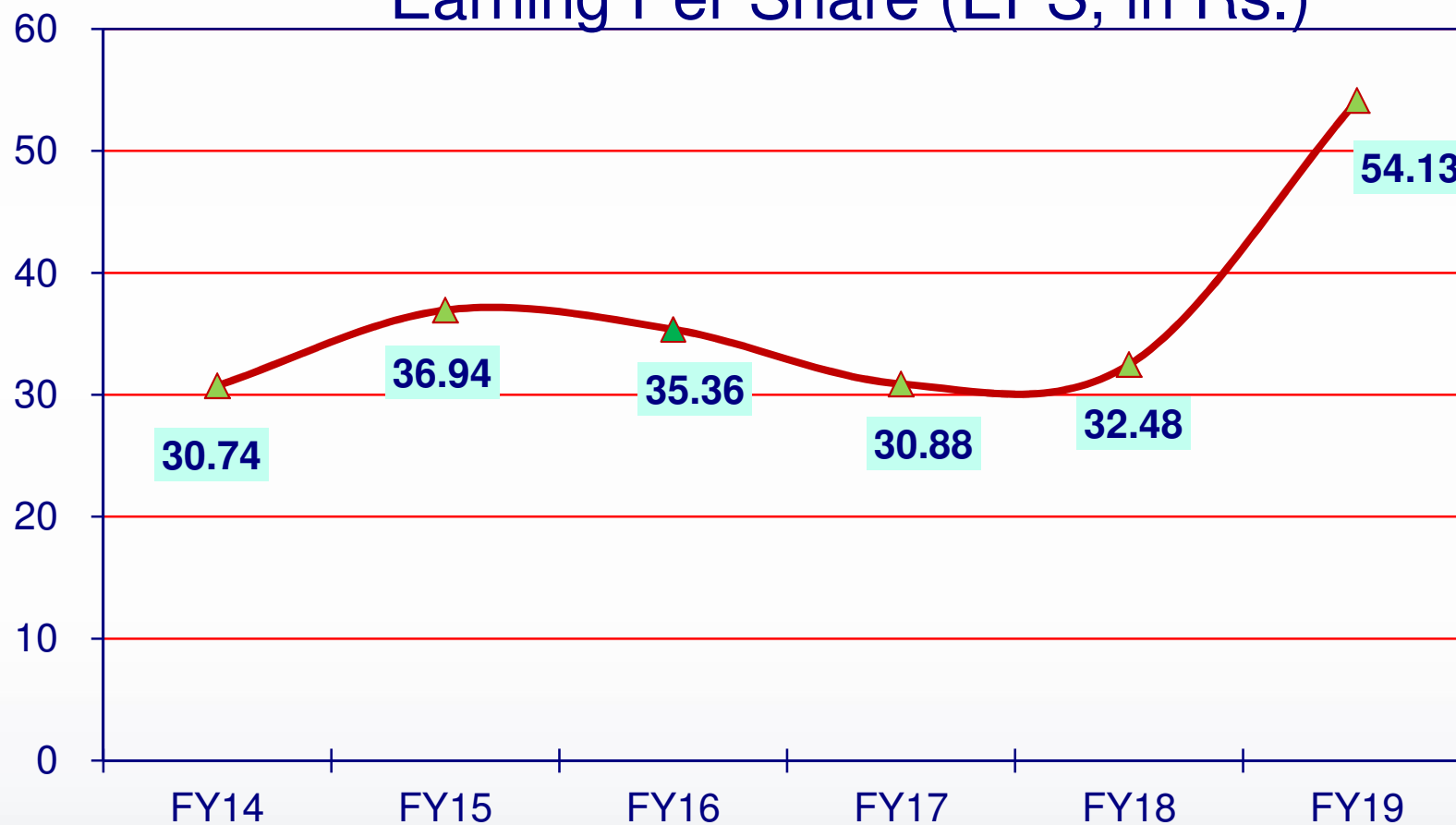
Financial Highlights (Rs. in Mln.)

Particulars (Rs. Mn)	FY15	FY16	FY17	FY18	FY19	Q1 FY20
Total Income	17,123.51	17,351.50	14,256.62	17,991.78	27,961.30	5,987.38
- % Growth	25.27%	1.33%	-17.84%	26.20%	55.41%	
Operating Expenses	13,878.96	14,329.52	11,544.40	15,008.24	23,483.80	4,846.73
EBDITA	3,244.55	3,021.98	2,712.23	2,983.53	4,477.50	1,140.65
EBDITA - %	18.95%	17.42%	19.02%	16.58%	16.01%	19.05%
- % Growth	19.98%	-6.86%	-10.25%	10.00%	50.07%	38.02
Finance Costs	93.68	59.90	60.68	98.61	147.67	38.02
Depreciation	543.57	567.72	596.99	606.12	624.24	143.18
PBT	2,607.30	2,394.36	2,054.56	2,278.81	3,705.58	959.45
Taxes	882.22	750.76	611.57	760.93	1,176.26	332.16
PAT	1,725.08	1,643.60	1,442.99	1,517.88	2,529.32	627.29

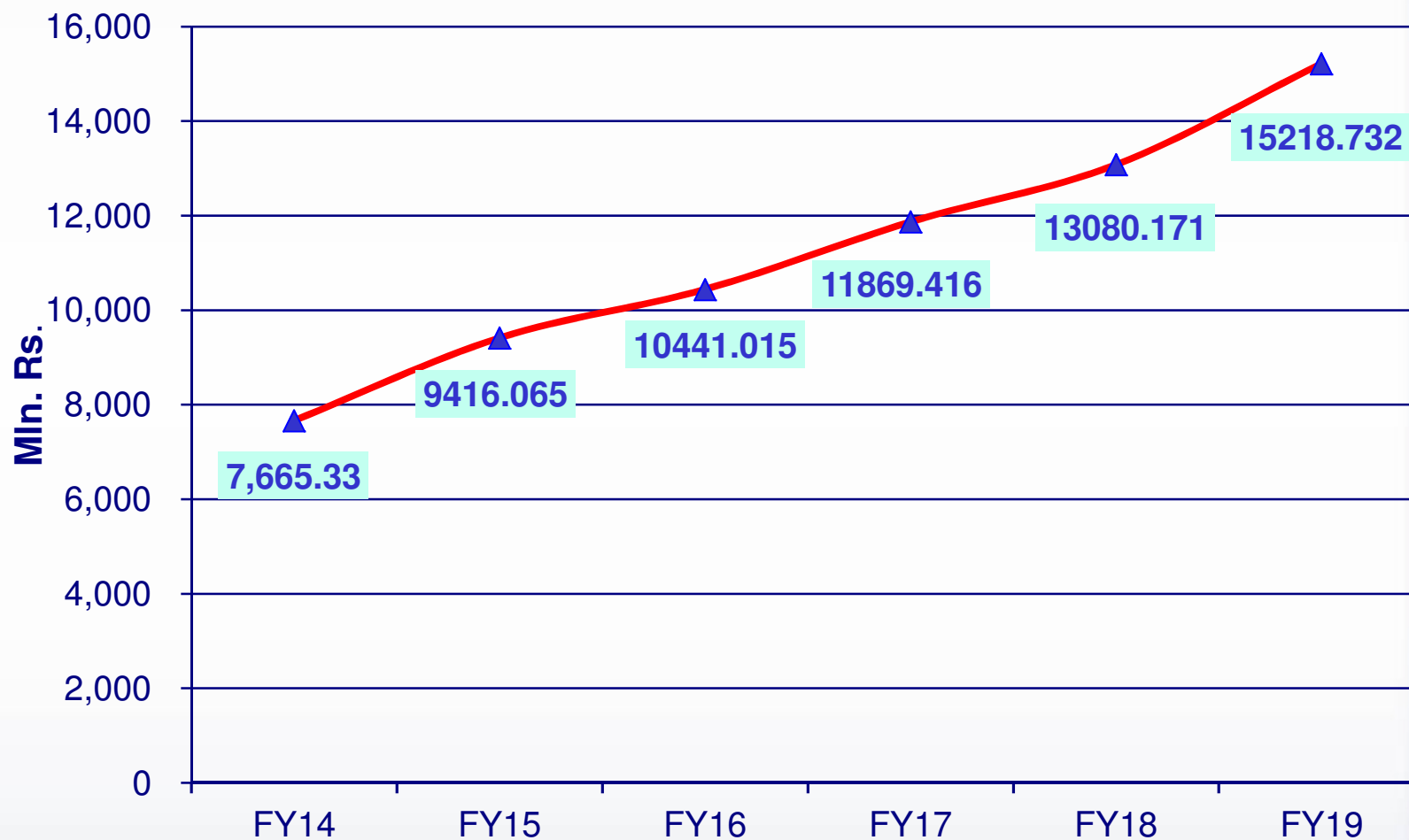
Gross Income



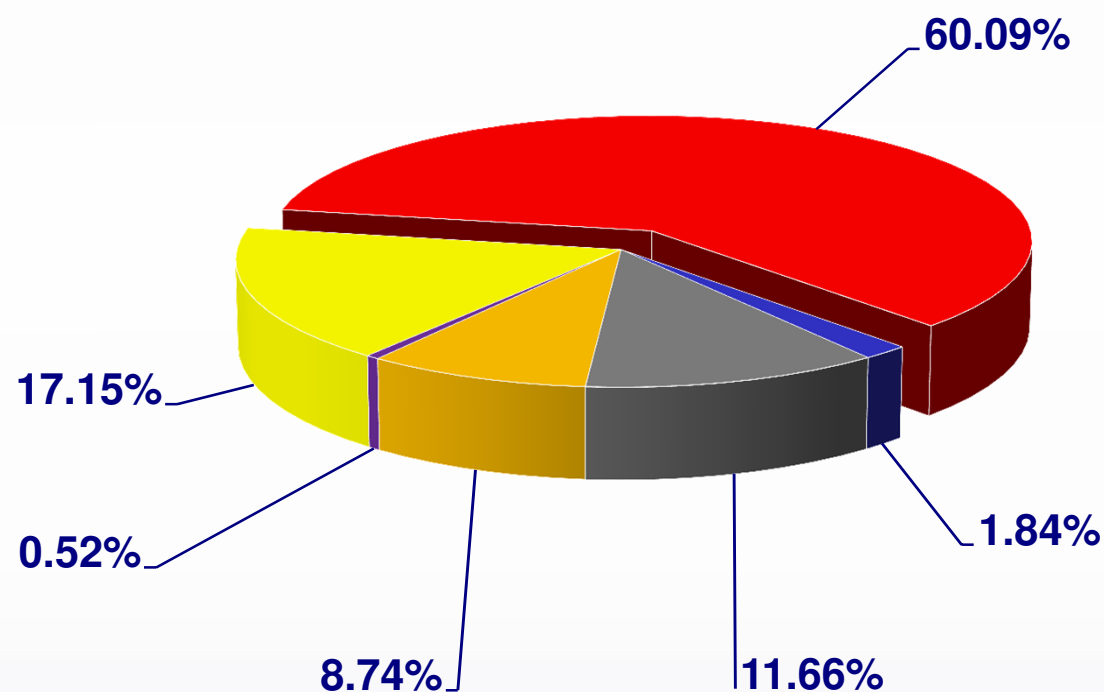
Earning Per Share (EPS, in Rs.)



Net Worth

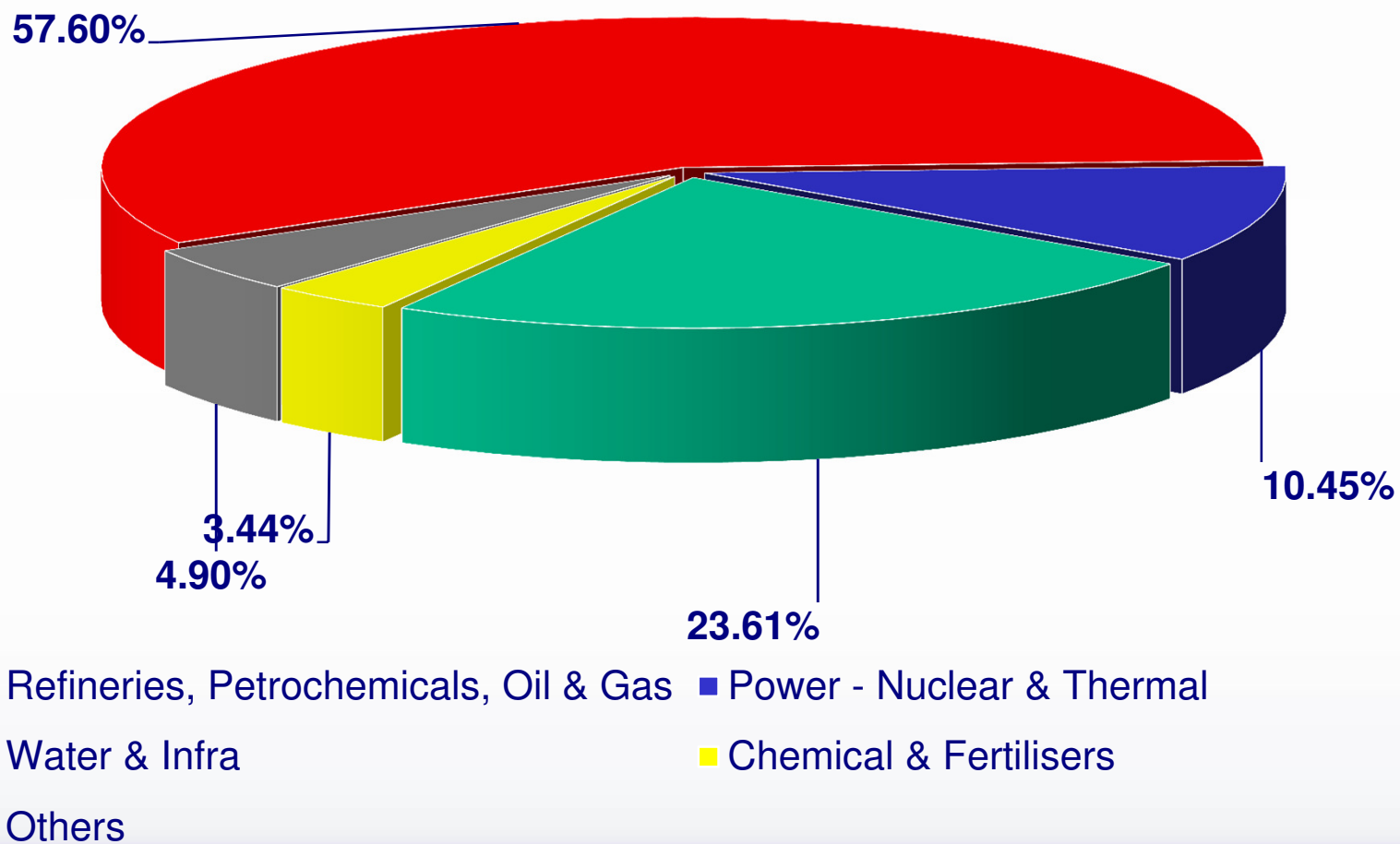


Share Holding Pattern (as on 31 March 2019)



■ Promoters
 ■ Corporate Bodies
 ■ FIs
 ■ MFs
 ■ NRIs
 ■ Indian Public

Industries Profile (FY 2018-19)



Capacities – At a Glance (in MT)

	Chhatral	Kutchh	Total
Carbon Steel Pipes			
L-SAW	30,000	10,000	40,000
H-SAW / Spiral	-	1,80,000	1,80,000
ERW	-	70,000	70,000
Circ. Seam	60,000	-	60,000
Sub Total	90,000	2,60,000	3,50,000
3 Layer PE and FBE Coating		2.5 mln sq. mtrs	
Stainless Steel Tubes / Pipes			
Seamless	8,000	-	8,000
Welded	-	20,000	20,000
Hot Extruded Seamless (for captive usage)	-	6,500	6,500
Sub Total	8,000	20,000	28,000

Landmarks

1985:

- Commenced production of Stainless Steel Tubes & Pipes

1993:

- Listed on Stock Exchange

1995:

- Carbon Steel SAW Pipes Division commenced commercial production

1999:

- Welded stainless steel tubes for Automobile Exhaust Systems developed

2000:

- Mobile plant, for Large dia Water Pipes

2003:

- Approval from Nuclear Power Corporation of India Limited for the Supply of Critical Instrumentation Seamless Tubes for Primary Piping of Nuclear Reactors

2004:

- Delivered Duplex Steel Seamless Tubes as per SA 789 / UNS 31803 and UNS 32205
- Officially Implemented Safety, Health & Environment Policy [SHE]
- Enhancement of Current Capacity by establishing new manufacturing facilities at Kutchh, Gujarat

2005:

- Supplied Welded Cold Drawn Duplex Steel Tubes as per SA 789 / UNS 31803 and UNS 32205
- Started Commercial Production at Kutchh Division

Landmarks

2006:

- Executed an order of 1.4 Million mtrs of 16mm OD x 0.7mm THK tubes in Grade 439L for Desalination plants in Bahrain and Sharjah
- Awarded a contract by Indian Fabricator for supply of Stainless Steel Duplex Seamless Tubes – Approx. 400 MT for IOCL
- Completed trial production of Stainless Steel Welded Tubes in Super Ferritic Grade
- Completed trial production of Stainless Steel Welded Pipes in Super Austenitic Grade
- Supplied Dredging Pipes to an European company
- Executed a single order of Rs. 60 crores for an ADB funded water supply pipes project

2007:

- Enlisted by NTPC for L.P., H.P. and Condenser Tubes up to 500 MW and above rating Power plants in India

2007 (contd.)

- Enlisted by EIL, India for Stainless Steel Seamless Duplex Tubes
- Executed a single order for supply of 12,000 MT of ERW pipes
- Executed single highest value order worth Rs. 90 crores for supply of Carbon Steel Pipes for a Grass Root Refinery in India

2008:

- Facility for Hot Extruded Mother Pipes fully stabilised.
- Approved by Saudi Aramco for SS Seamless Tubes

2009

- 3 LPE Coating Plant; High Speed Welded Tube Mill and Offline Welding in HSAW started
- Manufacture of Titanium Tubes started
- Work started on increasing the capacity of SS HP Heater Tubes

Landmarks

2009 (contd.)

- Supplied 36 mtr long SS Seamless Tubes

2010

- Large volume orders for supply of Line pipes executed for GAIL and BCPL
- Received order for Moderator Heater Tubes for NPCIL KAPP 3 & 4 and RAPP 7 & 8

2012:

- ERW forming capacity increased from 16 NPS to 18 NPS max.
- Received order from MHI for SS Tubes for 3 X 800 MW Power Project

2013

- HSAW forming capacity increased from 100 NPS to 142 NPS max.
- Coating capacity increased from 64 NPS to 100 NPS max.
- New SS Seamless tube facility of 4200 MT p.a. for Heat Exchanger Tubes started commercial production.
- Enhanced capacity of Hot Extrusion
- Received order for supply of Duplex Seamless & Welded Pipes with 3 LPE Coating

2014/15

- Coating capacity increased from 100 NPS to 122 NPS max.
- Signed PLA (Programme Leverage Agreement) with Dow Chemical through Fluor
- Received order for supply of SS Seamless Tubes for Brahmos Aerospace
- Received order for supply of Nickel Alloy Tubes in UNS N08800 grade from NPCIL
- Received approval from Saudi Aramco for SS Welded Pipes and Titanium Welded Tubes
- Received order for supply of SS Seamless and Welded Pipes for ITER (International Thermonuclear Experimental Reactor) Project
- Set-up a Wholly Owned subsidiary in USA to tap the northern and Latin American markets
- Exported CS Pipes to USA – approx. 10 mln USD
- Started production of Higher Nickel grade pipes & tubes in **2015-16**

USA for their Hydrocarbons Growth Program

Landmarks



2015-16

- Supply of ERW Pipes - 12"/ 8" X 490 Kms for Ethane pipeline from Dahej to Nagothane. First of its kind to be constructed in India with stringent technical parameters
- Completion of orders for SAUNI Project, Gujarat and TWAD, Tamilnadu
- Received the highest value order in the history of the company for supply of approx. 120,000 tons of HSAW pipes valued at approx. Rs. 520 crores for Nagaur Water Pipeline Project of PHED.
- Set-up a facility near Nagaur for execution of the above order and supplies commenced as per schedule.
- Successfully manufactured and supplied:
 - critical Seamless Pipes and Welded Pipes for Nuclear Recycle Board (NRB)
 - Nickel Alloy Tubes for Nuclear Power Corporation India
 - Incoloy (N08825) and Inconel (N06625)
 - Stainless Steel Welded Pipes with Coating for an USA Project.
 - smaller diameter Instrumentation tubes upto a length of 24 Meter for Heat Tracing Sector.
- Got export order for supply of Super Duplex Stainless Steel Seamless Pipes
- Supplied SS Welded Pipes with special coating to USA

2016-17

- Successfully started execution of order for supply of HSAW pipes for PHED
- Achieved highest ever production in Hot Extrusion facility

Landmarks



2018-19 and 2019-20

1. Healthy Orders In Hand Position : Over Rs. 1,900 crores as on 01 AUGUST 2019. Order book expected to improve further going forward.
2. Bagged largest ever single order of USD 22 million in LSAW from a greenfield refinery in Nigeria
3. Single largest order of over Rs. 70 crores from Nuclear Power sector in SS
4. Highest ever topline of ~ Rs, 2,796.13 crores in FY 2018-19
5. Highest ever PAT of Rs. 252.93 crores in FY 2018-19

Product Range

Stainless Steel Seamless Tubes & Pipes

- 3 MM OD to 219.1 MM OD
- 0.5 MM THK to 8.18 MM THK

Stainless Steel Seamless Pipes (Hot Finished)

- 1 NPS to 3 NPS
- Up to 8 MM THK.

Stainless Steel Welded Tubes & Pipes

- 10 MM OD to 1524 MM OD
- 0.5 MM THK to 50 MM THK

Titanium Welded Tubes

- 12 MM OD to 38.1 MM OD
- 0.3 MM THK to 2MM THK

Carbon Steel L-SAW Pipes

- 12 NPS to 48 NPS
- 5 MM THK. to 28 MM THK

Carbon Steel H-SAW Pipes

- 16 NPS to 142 NPS
- 5 MM THK. to 20 MM THK

Carbon Steel Circ. Seam SAW Pipes

- 32 NPS to 152 NPS
- 5 MM THK. to 65 MM THK

Carbon Steel ERW Pipes

- 6 NPS to 18 NPS
- 3.2 MM THK. to 12.7 MM THK

3 Layer PE and FBE Coating

- 4 NPS to 122 NPS (External)
- 8 NPS to 122 NPS (Internal)

Sources of Raw Material

Stainless Steel Coils & Plates

- Outokumpu, Arcelor group of companies, TISCO, ACRONI
- Acerinox group of companies, SEAH, DKC, Jindal Stainless

Titanium Skelp

- Allegheny, NSSMC, Gold Sky, SEAH Steel

Stainless Steel Seamless Mother Pipes

- Ratnamani make
- NSSMC, Sanyo, SEAH Steel, SMST

Stainless Steel Round Bars

- Mukand, Viraj Profiles, Sunflag
- Outokumpu, Italfond, DEW, Cogne, Sanyo, DSS

Certificates & Approvals

- ISO 9001 : 2008 under TUV
- ISO 14001 : 2004 under TUV
- OHSAS 18001 : 2007 under TUV
- License for API 5L, API 5LC and API 2B Monogram
- ADW2 Certification under TUV
- Pressure Equipment Directive [PED] under TUV
- “Well Known Pipe / Tube Maker” – Indian Boiler Regulations, 1950
- Approval by Engineers India Limited, PDIL and MECON
- Approval by Nuclear Power Corporation of India for supply of Critical Tubes / Pipes for Nuclear Power
- NABL approval for CS Kutch facility
- NORSOK approval for SS Seamless Mother hollow at Kutch
- Marine

Profile of User Industries

- Oil & Gas; Petrochemicals; Refineries
- Nuclear, Thermal and Solar Power plants
- Paper & Pulp
- Engineering and Process Industries
- Cross Country Pipe Lines
- On-shore and Off-Shore Platforms
- Fertilizers
- Aerospace
- Food, Beverages and Sugar Industries
- Automobile
- Floating and Shore Line Pipes
- Pipes for Dredging Vessels
- Pharmaceutical
- Chemical Industries
- LNG Terminals
- Defense
- Spur and City Gas distribution lines
- Desalination
- Water/Sewerages
- Structural
- Biotech and many others

Customer Base (International) - A Who's Who of Leaders in Industry

-Petrochemicals & Refinery/Oil & Gas/Fabricators/EPC Contractors/Consultants -



Customer Base (Domestic) - A Who's Who of Leaders in Industry



PETROCHEMICAL & REFINERY

- Reliance Industries Limited
- Hindustan Petrochemicals Corporation Limited [HPCL]
- Bharat Petroleum Corporation Limited [BPCL]
- Mangalore Refineries & Petrochemicals Limited [MRPL]
- Indian Oil Corporation Limited [IOCL]
- ESSAR

OIL & GAS

- Oil & Natural Gas Commission [ONGC]
- Gas Authority of India Limited [GAIL]
- GSPL, EIL, Oil India, Cairns Energy, IOTL, HMEL, etc.

POWER

- Nuclear Power Corporation of India [All Units]
- Bharat Heavy Electricals Limited [BHEL] [All Units]
- National Thermal Power Corporation
- Siemens; Alstom Power, Coastal Gujarat, Reliance Energy, Adani Power, Lanco, MAHAGENCO, Bajaj Power,

FABRICATORS

- Larsen & Toubro Limited [L & T] [All Units]
- Godrej & Boyce Manufacturing Co. Ltd.
- ISGEC

FERTILISER

- National Fertilizers Limited [NFL]
- Indian Farmers Fertilizers Company Limited [IFFCO]
- GSFC, GNFC, KRIBHCO, RCF

SPACE APPLICATIONS

- Department of Space [DOS], ISRO, HEL, Godrej and Boyce

ATOMIC ENERGY

- Bhabha Atomic Research Center [BARC], EDF Areva, Toshiba Westinghouse

DEFENSE

- Brahmos Aerospace, DRDO, Ordnance Factory Board, Goa Shipyard, Hindustan Shipyard, Bharat Dynamics

Strengths

- Consistent profit record since incorporation
- Consistent Dividend record.
- Very low leverage
- Major portion of funding for CAPEX has come from internal accruals
- No equity dilution to fund expansions so far
- 100% on Green Energy - using power from Wind Mills
- Ability to produce tubes and pipes at very close diameter thickness ratio
- Approvals from all leading industry majors
- Strong customer base
- Close to 40% domestic market share of Stainless Steel Tubes/ Pipes for niche applications
- Proximity to Steel Source / Ports
 - Located close to Steel plants e.g. Essar Steel / Welspun
 - Proximity to Ports like Kandla / Mundra / Mumbai
- Only manufacturer in India having facility to produce Stainless Steel Pipes in size 100" NPS duly solution annealed
- Offering complete Pipe solutions
 - Stainless Steel – 1/4 NPS to 60 NPS OD Tubes / Pipes
 - Carbon Steel – 6 NPS to 150 NPS Pipes

Ongoing CAPEX

1. The company is setting up, country's first and the only one of its kind, high capacity Hot Extrusion facility for seamless SS Pipes and matching cold finishing capacities (civil work already started; part of Cold Finishing already operational and Hot Finishing is expected to be commissioned by 3rd/4th quarter of 2019-20). Total expected capex – approx. Rs. 320 crores. This will help the company further consolidate its leadership position in Stainless Steel Tubes & Pipes products.
2. Addition of capacities in project application LSAW pipes by setting-up a new facility at Kutch location. This is expected to be commissioned by 3rd Quarter of FY 2019-20. Total expected capex – approx. Rs. 170 crores resulting into incremental capacity of 80,000 MT p.a.

Ongoing trials and Future Plans

- Steam Generator Tubing, MSR and Critical Tubing for Nuclear Power Plants
- Spool fabrication facility to cater to project requirements.
- Manufacturing of Stainless Steel Seamless Tubes in Grade UNS S31050 for Carbamet Condenser for Fertilizer Plants
- Manufacturing of Seamless Boiler Tubing for various Ultra Super Critical Power Plants

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Plants:**Stainless Steel****Tubes & Pipes Div.:**

Village Indrad,
Near Ahmedabad

Saw Pipes Div.:

G.I.D.C., Chhatral,
Near Ahmedabad

Kutchh Div.:

Village Bhimasar, Kutchh

THANK YOU

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