July 16, 2026

Rama Steel Tubes Limited: Ratings withdrawn

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action	Financial sector regulator#
Long-term Fund-based – Cash credit	80.00	80.00	[ICRA]BB+; Rating Watch with Developing Implications; Withdrawn	RBI
Short -term – Non-Fund based - ILC/FLC and BG	30.00	30.00	[ICRA]A4+; Rating Watch with Developing Implications; Withdrawn	RBI
Total	**110.00**	**110.00**		

**Instrument details are provided in Annexure I*

#SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of Rama Steel Tubes Limited at the company's request and based on the no objections certificate (NOC) received from the bankers, and in accordance with ICRA's policy on withdrawal. ICRA does not have information to suggest that the company's credit risk has changed since the time the ratings were last reviewed.

The key rating drivers, liquidity position, rating sensitivities have not been captured as the ratings are being withdrawn. The previous detailed rating rationale is available at the following link: Click here

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Iron & Steel Policy on Withdrawal of Credit Ratings
Parent/Group Support	Not applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of RSTL, details of which have been enlisted in Annexure II.

About the company

Incorporated in 1974 by Mr. Harbans Lal Bansal and currently managed by his son, Mr. Naresh Kumar Bansal and grandson Mr. Richi Bansal, RSTL manufactures and trades steel tubes and pipes and galvanised iron pipes. RSTL's product range includes MS ERW black pipes of 15 mm-200 mm diameter and galvanised iron pipes of 15 mm-150 mm NB in light, medium and heavy sizes. RSTL has a subsidiary in the UAE and a step-down subsidiary in Nigeria.

In July 2022, the company further had acquired a stake in M/s Ashoka Infrasteel and Hagar Mega Mart Pvt. Ltd. However, the company sold 32.4% stake in Hagar Mega Mart Private Limited in March 2024 and further 17.6% stake on May 31, 2024, after completion of above disinvestment, M/s Hagar Mega Mart Private Limited ceased to be Associate of the Company w.e.f. March 06, 2024. RSTL has four manufacturing facilities located at Sahibabad (Uttar Pradesh), Khopoli (Maharashtra) and Anantpur (Andhra Pradesh) with a total production capacity of 2,94,000 MTPA as on March 31, 2025.

Key financial indicators (audited)

	FY2024	FY2025	FY2026*
Operating income	1,046.5	1,048.1	1,124.1
PAT	29.3	22.1	10.5
OPBDITA/OI	5.7%	2.8%	1.5%
PAT/OI	2.8%	2.1%	0.9%
Total outside liabilities/Tangible net worth (times)	1.1	1.0	0.8
Total debt/OPBDITA (times)	2.4	3.1	7.6
Interest coverage (times)	2.8	2.5	1.4

*Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. Crore; *Results*
PAT: Profit after tax; OPBDITA: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current rating (FY2027)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	July 16, 2026	FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating
Fund-based-cash credit	Long Term	80.00	**[ICRA]BB+; Rating Watch with Developing Implications; Withdrawn**	Dec 22, 2025	[ICRA]BB+; Rating Watch with Developing Implications	Mar 21, 2025	[ICRA]BBB- (Stable)	Jan 12, 2024	[ICRA]BBB (Stable)
				Nov 25, 2025	[ICRA]BB+ (Stable)				
Non-fund based-Others	Short Term	30.00	**[ICRA]A4+; Rating Watch with Developing Implications; Withdrawn**	Dec 22, 2025	[ICRA]A4+; Rating Watch with Developing Implications	Mar 21, 2025	[ICRA]A3	Jan 12, 2024	[ICRA]A3+
				Nov 25, 2025	[ICRA]A4+				

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term fund-based – Cash credit	Simple
Short -term – Non-fund based - ILC/FLC and BG	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: Click here

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook	Financial sector regulator#
NA	**Long-term Fund-based – Cash credit**	-	-	-	80.00	[ICRA]BB+; Rating Watch with Developing Implications; Withdrawn	RBI
NA	**Short -term – Non-Fund based - ILC/FLC and BG**	-	-	-	30.00	[ICRA]A4+; Rating Watch with Developing Implications; Withdrawn	RBI

Source: Company

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Please click here to view details of lender-wise facilities rated by ICRA

Annexure II: List of entities considered for consolidated analysis

Company name	Ownership	Consolidation Approach
Rama Steel Tubes Limited	100% (rated entity)	Full Consolidation
Lepakshi Tubes Private Limited	100%	Full Consolidation
Rama Defence Private Limited	100%	Full Consolidation
RST International Trading FZE	100%	Full Consolidation
RST Industries Limited	51%	Full Consolidation
Bigwin Buildsys Coated Pvt. Ltd.^	24.81%	Equity Method
Oram Green Energy Limited	40%	Equity Method
M/s Ashoka Infrasteel, Partnership Firm	51%	Full Consolidation

Source: Company

^24.81% share hold by Rama Steel Tubes Limited (w.e.f. 29.04.2025 till 27.03.2026) w.e.f.28.03.2026, share reduced to 9.32% due to dilution of shares, no longer qualifies as an Associate of the company

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ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

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