

Date: 28/02/2024

To,
Listing Department Services
National Stock Exchange of India Limited
Exchange Plaza, C-1, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051
Symbol: VENUSPIPES

Department of Corporate
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Scrip Code: 543528

ISIN- INE0JA001018

Dear Sir/Madam,

Sub: Press /Media Release

Please find enclosed herewith a copy of the press/media release being issued by the Company for your information and record.

Request you to kindly take the same on record.

Thanking You,

For Venus Pipes & Tubes Limited

CS Pavan Kumar Jain
Company Secretary and Compliance Officer
Membership No. A66752



Venus Pipes & Tubes Ltd.

Announces capex worth Rs 175 Crores for next phase of Growth

Dhaneti, Gujarat: 28th February 2024: Venus Pipes & Tubes Ltd, one of the leading stainless steel pipes and tubes manufacturers and exporters in India announced its foray into Fittings business and announces capacity expansion for Seamless & Welded Pipes & Tubes.

❖ **Fittings Business:**

Leveraging near a decade of experience in delivering top-tier solutions for various piping needs across diverse industrial sectors, we are diversifying our product portfolio to encompass a wide selection of fittings, leveraging our expertise to provide complete PFF (Piping, Fittings & Flanges) solutions to our customers across industries. Fittings are essential components in piping systems, allowing for the connection, redirection, and control of fluids or gases within industrial environments. By venturing into the fitting business, we aim to further solidify our position as a trusted partner in the industrial landscape, providing high-quality fittings that meet the rigorous standards of reliability, durability, and performance that our clients have come to expect from us.

This strategic expansion represents our unwavering commitment to innovation, excellence, and customer satisfaction, as we continue to adapt and evolve to meet the evolving needs of the industries we serve.

Key Highlights on Fittings Business:

- **Product Range** – Offering includes wide range of fittings such as elbows, tees, reducers, joints, flanges etc designed to meet the specific requirements of different industries and applications
- **Material Expertise** - We will work with various metals to ensure compatibility with the substances being transported and environmental conditions
- **Customization** - We will provide customization services to tailor fittings according to clients' specifications, which may involve modifications in size, shape, material, or other parameters
- **Quality Assurance** – Adherence to strict quality control standards to ensure the reliability, durability, and safety of their products, while complying with industry regulations and certifications

Faster approvals expected, given our **strong relations** and **proven track record of delivering quality products**

❖ Capacity Expansion : Value added Welded Tubes:

The company is introducing a specialized product line of **stainless and titanium welded tubes** aimed at enhancing our competitive edge and profitability. These specialized tubes represent critical innovation in an industry where such products are manufactured by only a select few players. The manufacturing process involves high precision engineering which makes it difficult for other players to enter the market. These value-added tubes are crafted to meet the demanding industrial requirements, boasting exceptional strength, precision, and resistance to corrosion. The company will manufacture both – **Hygienic SS & Titanium grade of tubes** allowing us to diversify into sectors requiring critical application such as food processing, pharma along with nuclear and power sector as well.

By offering these cutting-edge solutions, we not only position ourselves as few pioneers in the field but also create new avenues for revenue growth and profitability.

❖ Phases of Expansion :

Phase 1 : Includes capacity expansion for setting up of value-added Fittings & Welded Tubes; to be completed by March 2025

Phase 2 : Includes capacity expansion for setting up of value-added Fittings, Welded / Seamless - Pipes / Tubes; to be completed by December 2025

Financial Contours:

Particulars	Phase 1	Phase 2
Project Details	Fittings & Welded Tubes	Fittings, Seamless & Welded Pipes & Tubes
Project Cost	Rs 115 Crores	Rs 60 Crores
Margins	High Teens	High Teens
Asset Turns	Similar to current asset turns	Similar to current asset turns
Return Ratios	Non Dilutive	Non Dilutive
Timelines	March 2025	December 2025

Funding Details:

- ✓ **40%** - In form of warrants to be issued to Promoters & others
- ✓ **60%** - In form of term loan from Banks & internal accruals

Commenting on the expansion, Mr Arun Kothari, MD, Venus Pipes & Tubes Ltd. said,

"I am pleased to share the next phase of growth for Venus Pipes & Tubes, by foraying into value added product lines such as fittings and capacity expansion for Welded & Seamless Pipes and Tubes.

Fittings complement our existing pipes business and enable us to offer complete PFF (Piping, Fittings & Flanges) solutions to customers across various industries. This expansion diversifies our product portfolio and reinforces our commitment to provide comprehensive piping solutions to our customers.

We are also enhancing our capacity of pipes by introducing specialized product line of stainless and titanium welded tubes aimed at enhancing our competitive edge and profitability. With this, doors are open for us to diversify into sectors requiring critical application such as food processing, pharma along with nuclear and power sector

These strategic initiatives are poised to improve ROCE, enhance profitability, and drive sustainable growth. We are confident that these decisions will yield positive outcomes, cementing our position as an industry leader."

About Venus Pipes & Tubes Ltd (www.venuspipes.com ; BSE: 543528; NSE: VENUSPIPES)

Venus Pipes & Tubes Limited is a manufacturer and exporter of stainless-steel pipes and tubes. The company is manufacturing stainless steel tube products in two broad categories - seamless tubes/pipes and welded tubes/pipes under which five categories of products are manufactured namely, stainless steel high precision & heat exchanger tubes, stainless steel hydraulic & instrumentation tubes, stainless steel seamless pipes, stainless steel welded pipes and stainless-steel box pipes. The company sells products in both domestic and international markets. Venus Pipes & Tubes exports its products to more than 20 countries including Brazil, the UK, Israel and countries in the European Union, etc.

For more information, contact:

Company: Venus Pipes & Tubes Ltd. Investor Relations: Strategic Growth Advisors

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DISCLAIMER:

Certain statements that are made in the Press Release may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like significant changes in economic environment in India and overseas, tax laws, inflation, litigation, etc. Actual results might differ substantially from those expressed or implied. Venus Pipes & Tubes Ltd. will not be in any way responsible for any action taken based on such statements and discussions; undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.