

Date: December 18,2023

To,  
Listing Department  
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 Services  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001  
**Scrip Code: 543528**

**Sub: Investor Presentation**

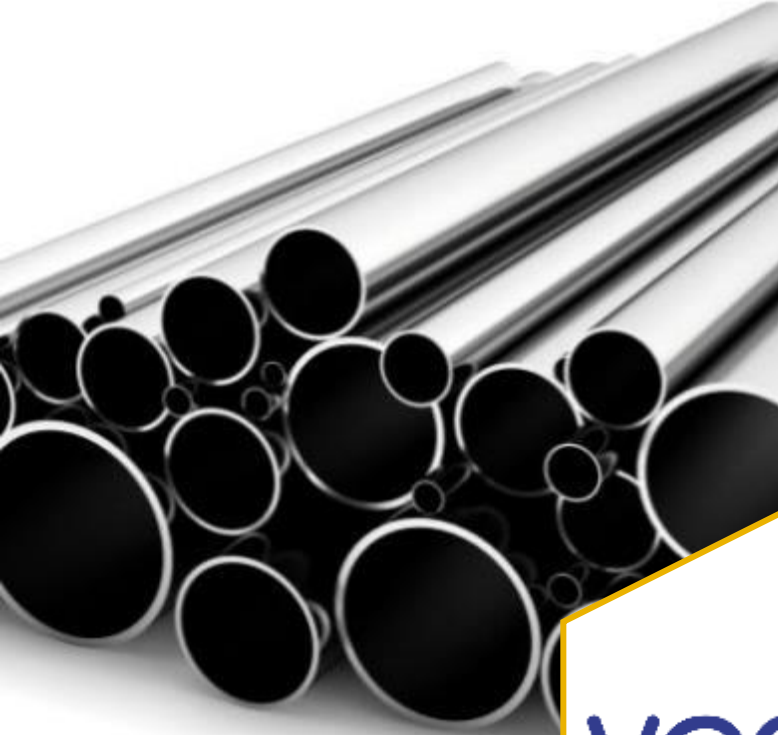
With reference to above captioned subject, please find attached Investor Presentation. The Presentation will be uploaded on the company's website at [www.venuspipes.com](http://www.venuspipes.com)

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 LIMITED



**venus**<sup>®</sup>  
PIPES AND TUBES

Presentation  
December 2023





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## Our Vision

Making ourselves as *first reference* and *preference* in stainless steel pipes and tubes manufacturer

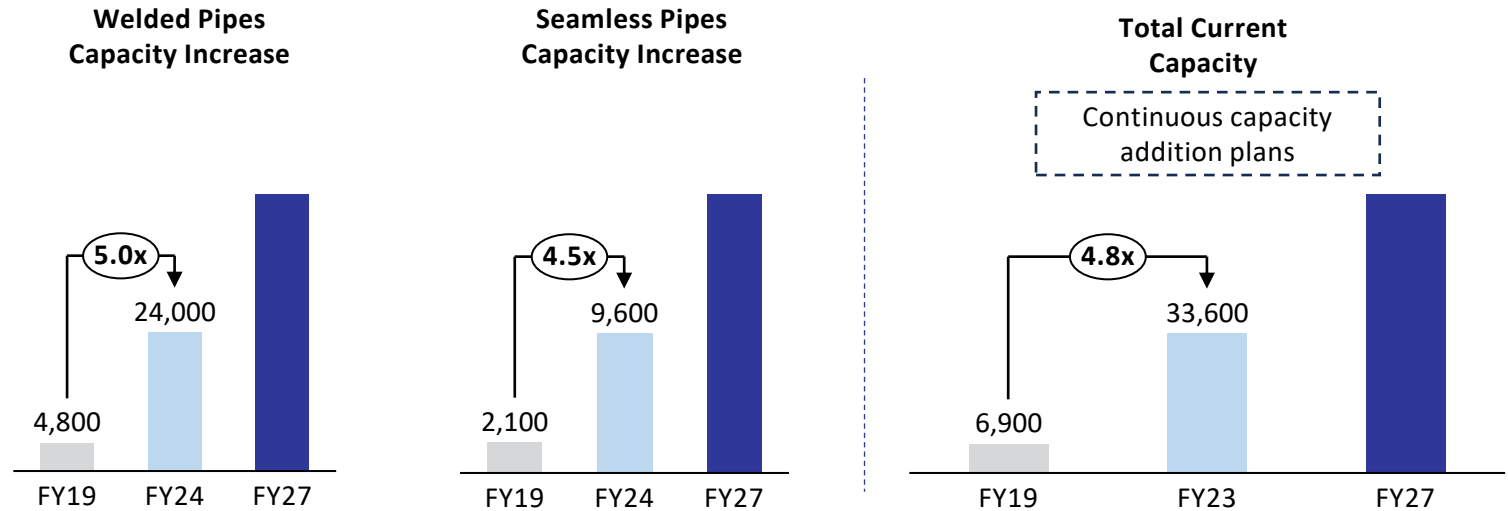
&

To be a *leading manufacturer* and *provider* for demanding and challenging applications for stainless steel pipes and tubes

## Our Focus

- ❖ To develop high grade of Pipes and Tubes for catering to industries with stringent regulations such as Food processing and Pharma
- ❖ Focus on value added products which will drive margin expansion
- ❖ Expanding our presence across India and bolstering our export capabilities to penetrate international markets
- ❖ Anticipating demand outlook and simultaneously increasing our capacities to cater to market needs

## Multi-fold Growth in Capacities



## Capacity Expansion

- Looking at the robust demand, the company in August announced to add further 4,800 MTPA capacity for seamless pipes out of which 2,400 MTPA capacity is operational
- With this, the total capacity for Seamless Pipes will increase to 14,400 MTPA
- In 2023, company increased capacities for Welded Pipes from 8,400 MTPA to 24,000 MTPA and Seamless Pipes from 3,600 MTPA to 9,600 MTPA
- Additionally, the company did backward integration of Seamless Pipes by installing capacities to manufacture 9,600 MTPA of Mother Hollow Pipes on May 2023

# Vision, Strategies and the Opportunities (2/2)



## Increasing Geographical Presence

- Participating in fairs and conferences for Brand Building
- Exceeding the quality expectations with timely delivery

## Expansion of Market Share

- Increasing Product SKUs
- Providing quality products to customers with all necessary quality certifications

## Diversifying clients across sectors

- Increasing our outreach by adding clients in sectors such as Oil and Gas, Pharma, Food processing, Power Effluent Lines & Railways

## Increasing Capacities

- Increasing capacities for Stainless Steel Pipes and Tubes based on demand outlook
- Achieving economies of scale with margin expansion

## Technological Advancement

- Acid Regeneration Plant to slash acid usage, boosting margins
- In-house tech strength ensures efficient operations, optimal resource utilization for enhanced efficiency

## Digitalization

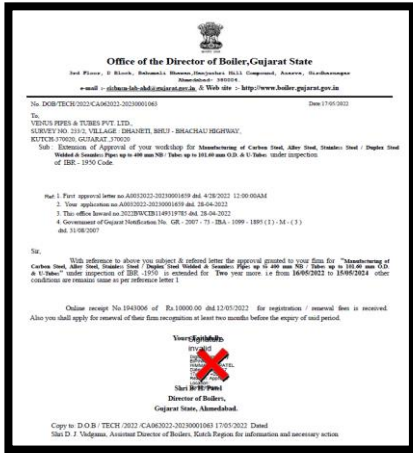
- We prioritize the enhancement of IT infrastructure and automation capabilities throughout value chain
- Establish digital ecosystem that caters to the needs of all its stakeholders

*We at **Venus** anticipate a meteoric rise, harnessing the boundless opportunities before us through a symphony of strategic maneuvers. With the perfect blend of tactics, we're set to embark on a journey of unprecedented growth*

# Quality, Efficiencies & ESG Goals (1/2)



Calendar Years	Certifications & Accreditations
2016	Our manufacturing facilities at Dhaneti have been accredited with management system standards certificate for compliance with <b>ISO 9001: 2015 &amp; ISO 14001:2015 requirements</b>
2017	Our Company has been verified and recognized as material manufacturer according to <b>AD 2000 - Merkblatt W0 by The TÜV NORD Systems GmbH &amp; Co. KG.</b>
2017	Our Company has been certified as quality-assurance system related to the material by <b>The TÜV NORD Systems GmbH &amp; Co. KG.</b>
2018	Our Company has received approval for manufacturing of Carbon Steel, Alloy Steel, Stainless Steel Welded & Seamless Pipes up to 400 mm NB / Tubes up to 101.60 mm O.D. & U-Tubes under inspection of <b>Indian Boiler Regulations – 1950 from the Office of the Director of Boiler, Gujarat.</b>
2018	Our manufacturing facilities at Dhaneti have been accredited with management system standards certificate for compliance with <b>ISO 45001: 2018</b>
2022	Our company received approval of Bureau of Indian Standard (BIS) for Stainless steel Seamless and Welded Pipes and Tubes



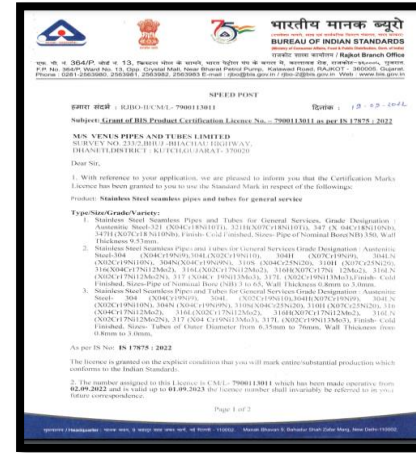
IBR Certificate



TUV – AD 2000 Merkblatt W0



ISO Certificate



BIS Certification for Seamless Pipes



BIS Certification for Welded Pipes

*Venus has received an array of quality certifications, affirming our unwavering commitment to delivering products of the highest standards. This recognition underscores our dedication to quality and customer satisfaction*



## Acid Regeneration Plant

- In line with our commitment to technological advancement, our proposition involves the implementation of an Acid Regeneration Plant (ARP)
- Aims to significantly decrease the usage of acid within our manufacturing process
- This will ultimately be leading to enhanced operating margins
- By reducing the usage of raw acids and chemicals in the neutralization plant, we can minimize the environmental impact associated with their production and disposal



## Solar Panels Installation

- We plan to install 1.3 MW of Solar Power at our facility
- We are committed to sustainable practices, reducing the carbon footprint and embracing eco-friendly energy solutions
- It not only positions Venus as a responsible corporate entity but also promises long-term cost savings through reduced dependence on conventional power sources



## LED Lighting Installation

- We have installed more than 700 LED lights at our manufacturing plant
- This enhances visibility and creating an energy-efficient work environment



**Venus Pipes & Tubes  
Presence across Europe**

- Venus Pipes & Tubes started exporting to European Union in the year 2017
- The company has witnessed multi-fold growth on account of strong brand building
- Export Sales has grown at 49% CAGR from Rs 4.0 Cr in FY17 to Rs 29.8 Cr in FY23 and for H1FY24, exports sales stood at Rs 36.2 Cr – 131% higher than H1FY23
- The demand for Seamless Pipes and Tubes is higher in the European region
- With our expansion and capability to produce larger Dia Seamless pipes, the doors are open for higher penetration in Europe across sectors
- Backward Integration with piercing line for Seamless Pipes & Tubes will increase the acceptance of our products

***Despite our relatively short operating history, we have successfully built a solid reputation in the European Market***

*We continue to look forward to build dynamic partnerships with dealers to elevate the **Venus** brand to unprecedented heights, amplifying our footprint across the European landscape*





1

## Crisis in Europe

- ❖ Geopolitical Tensions
- ❖ High Energy Prices
- ❖ High-Cost Labor
- ❖ Significant Challenges for local manufacturers

2

## Brand Building

- ❖ Participation in Fairs
- ❖ Quality at par with European standards
- ❖ Increasing collaboration with distributors, retailers

3

## Robust Demand

- ❖ Robust demand for Heat Exchanger tubes on back of energy crises
- ❖ Strong order book on the back of capex revival

4

## Quality Offerings

- ❖ All necessary certifications in place
- ❖ Focus on a high value products by catering to specialized needs and delivering exceptional customer service

5

## Strong Dealership Network

- ❖ Broad European dealership network ensures availability
- ❖ Further deepen the network and forge stronger relationships

*Increase in Capacity*



*Backward Integration*



*Strong Dealership Network*



*Growth in Europe*

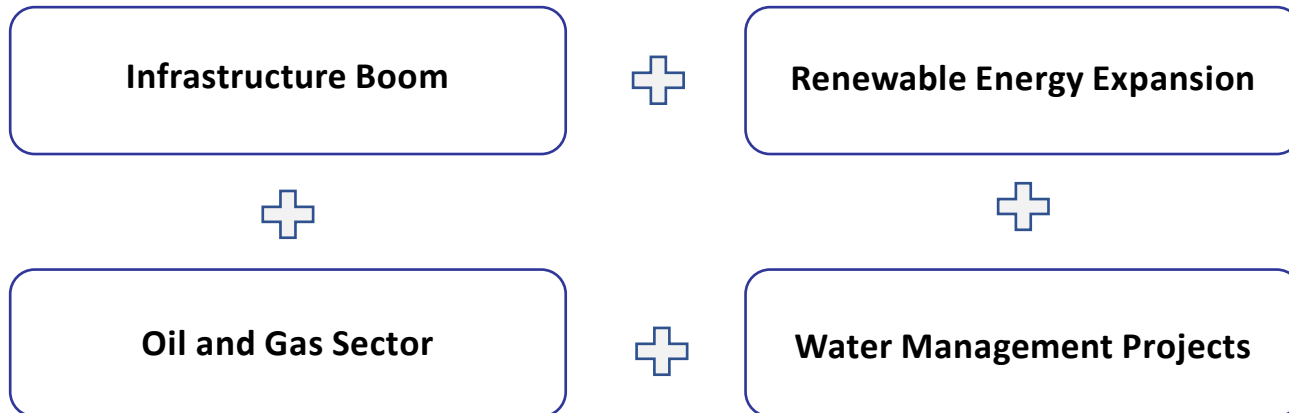
# Tapping the US Market



## Brief on US Markets

- US is among the largest steel importers in the world
- The demand for Welded pipes is higher in the US
- Steel pipes & tubes in US are predominantly utilized in the Oil & Gas, Chemicals and renewable energy industries
- US primarily imports Pipes and Tubes from South Korea, Mexico and Canada

## Opportunities for Venus Pipes & Tubes



## Strategies for Growth



*On our mission to make Venus a global brand, we plan take our offerings and mark our presence in the US across sectors*



**Venus Pipes & Tubes  
Dhaneti, Bhuj**

## Robust Demand Outlook

- Stainless steel pipes and tubes are witnessing an escalating demand as industries worldwide prioritize corrosion resistance, durability, and versatility in various applications such as Engineering, Chemicals, Oil & Gas, Food Processing
- Capacities to develop higher Dia pipes will help in increasing penetration across India
- On the back of, revival of capex cycle in India, higher demand for our products is anticipated
- Robust demand envisaged going forward for our products across End User Industries. As industries expand and modernize, there's a corresponding need for durable and high-performance materials, further fueling the demand for stainless steel
- Government schemes such as PLI will fuel the growth

## Policies Driving Growth

### Major Policies in Steel & Steel Pipes& Tubes Sector

- ✓ Strengthening the raw material supply chain
- ✓ Stainless steel pipes notified under Steel Quality Control Order
- ✓ Anti-Dumping Duty
- ✓ Domestically manufactured iron and steel products policy (DMISP)
- ✓ Duty Reduction Structure

### Demand Generation from Government Initiatives

- ✓ Production Linked Incentives (PLI) Scheme The government has announced INR 1.97 Tn to be spent in the next 5 years for PLI schemes in 13 Sectors
- ✓ Atmanirbhar Bharat Packages
- ✓ National Manufacturing Policy
- ✓ National Infrastructure Pipeline (NIP)

# Domestic Growth drivers and Brand Building (2/2)



## Government Support & Initiatives

- Compulsion of BIS certification benefitting organized players like Venus give clients added comfort on quality standards
- Imposition of Anti Dumping Duties on Stainless steel Seamless pipes & tubes from China for 5 years up to 3,801 USD/MT
- Exports incentive of 1% to drive further exports

## Brand Building

Effective brand building for Venus Pipes and Tubes involves a holistic approach that encompasses product quality, marketing, customer relationships, and a commitment to innovation and social responsibility. At Venus, we intend to focus on following key areas to build a strong brand pan India and the world –

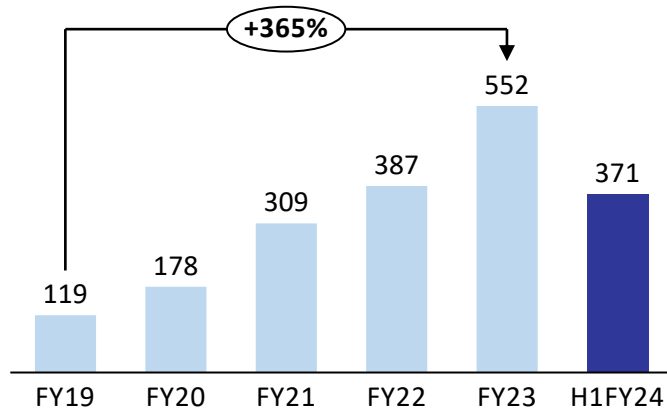
- **Focusing on Quality Assurance** : Consistently delivering high-quality products, establishing trust and reliability among consumers and industry stakeholders
- **Participation in Market Fairs** : Actively participating in industry events, conferences, and seeking certifications or awards to garner recognition and establish Venus as a leader in the pipes and tubes sector

## Key Growth Drivers

- 1 Geographical Expansion**  
 Increasing penetration in North and South India
- 2 Diversifying Presence across sectors**  
 Diversify client base across sectors such as **Oil and Gas, Pharma, Food processing, Power, Effluent Lines & Railways**
- 3 Backward Integration**  
 Backward Integration for Seamless Pipes will not only boost margins but also enhance quality of our offerings
- 4 Market share from unorganized players**  
 Gain market share from unorganized players by offering quality products
- 5 Approvals from Large Clients**  
 Continuous new approvals are being received from large clients, specially in the Oil & Gas sector which is a testimony of quality of our products

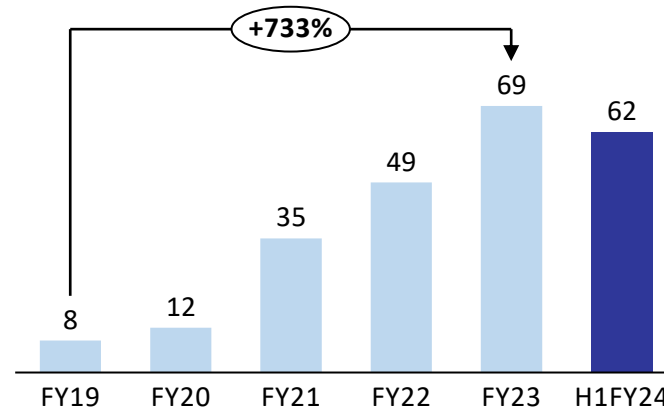


### Revenue (in ₹ Cr)



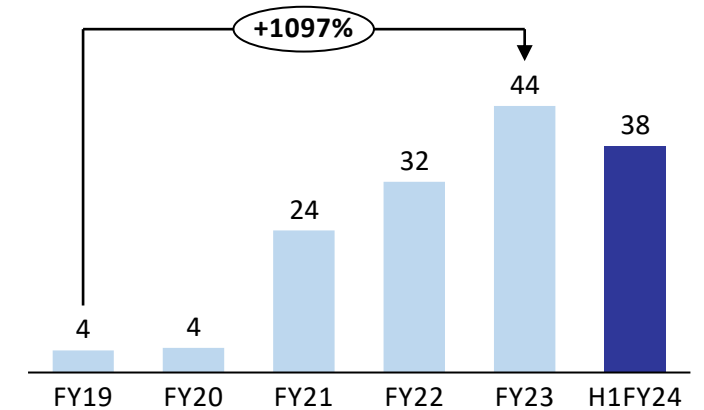
67% of FY23 Revenue achieved in H1FY24

### EBITDA (in ₹ Cr)



90% of FY23 EBITDA achieved in H1FY24

### PAT (in ₹ Cr)

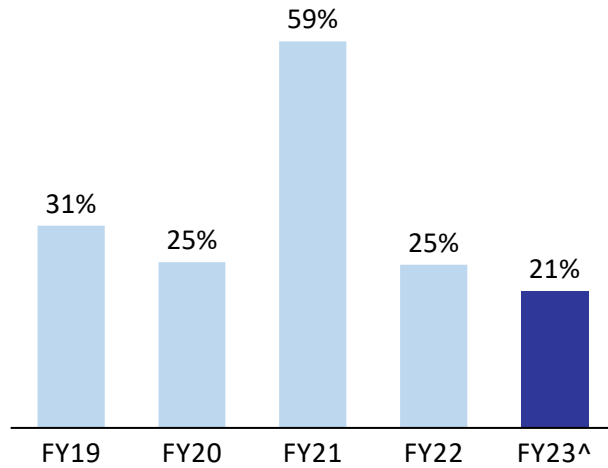


85% of FY23 PAT achieved in H1FY24

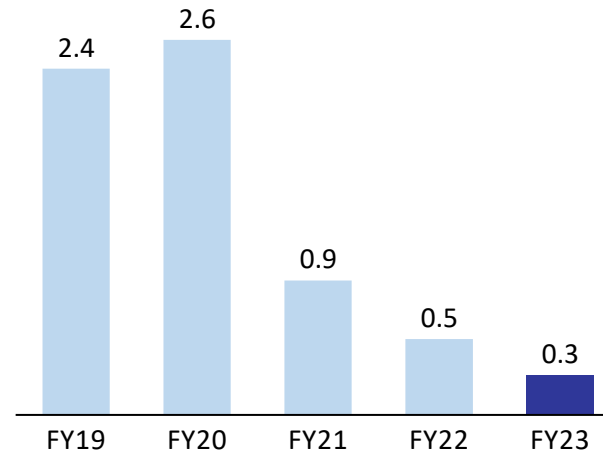
- ✓ Revenue witnessed a growth of 365% from Rs 119 Cr in FY19 to Rs 552 Cr in FY23 with gross margins touching 19.5%
- ✓ EBITDA Margins grew by 550 bps from 7.0% in FY19 to 12.5% in FY23
- ✓ Revenues for H1FY24 stood at Rs 371 Cr with EBITDA margins standing at 16.8%
- ✓ PAT stood at Rs 44 Cr in FY23 with PAT margins standing at 8%
- ✓ Improving demand environment and order visibility, we are optimistic of growth momentum to sustain going forward
- ✓ Increased capacities and increasing utilization will drive the revenues and margins going forward



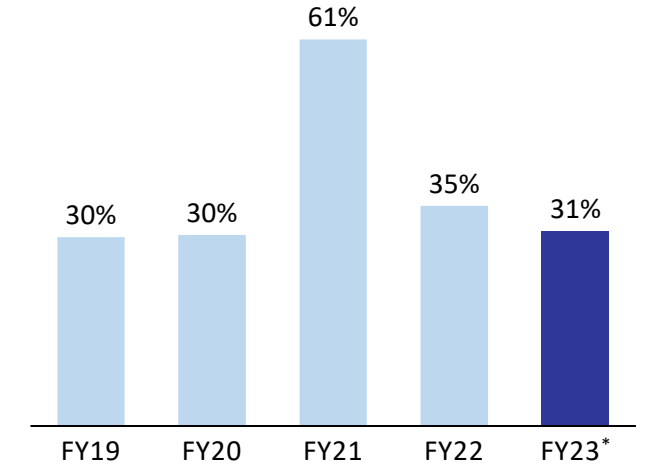
## ROE



## Debt / Equity Ratio



## ROCE



## Growth Journey

- Venus has a strong history of growth, reflecting effective strategies and a forward-looking vision that anticipates market demand and hence have an advantage over competition
- We have consistently outperformed the market and industry growth, showcasing our ability to excel and set the pace in a market dominated by unorganized players
- With strong financial capabilities, we are confident of gaining substantial market share demonstrating a strong position and paving the way for continued growth and influence

^ Excluding Rs. 107.9 crores raised via IPO for Capacity expansions

\* Excluding CWIP of 121.6 crores from Total Capital Employed



**Thank You**

**VENUS**<sup>®</sup>  
PIPES AND TUBES

**Venus Pipes & Tubes Limited**

CIN: L74140GJ2015PLC082306

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**Strategic Growth Advisors Private Limited**

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