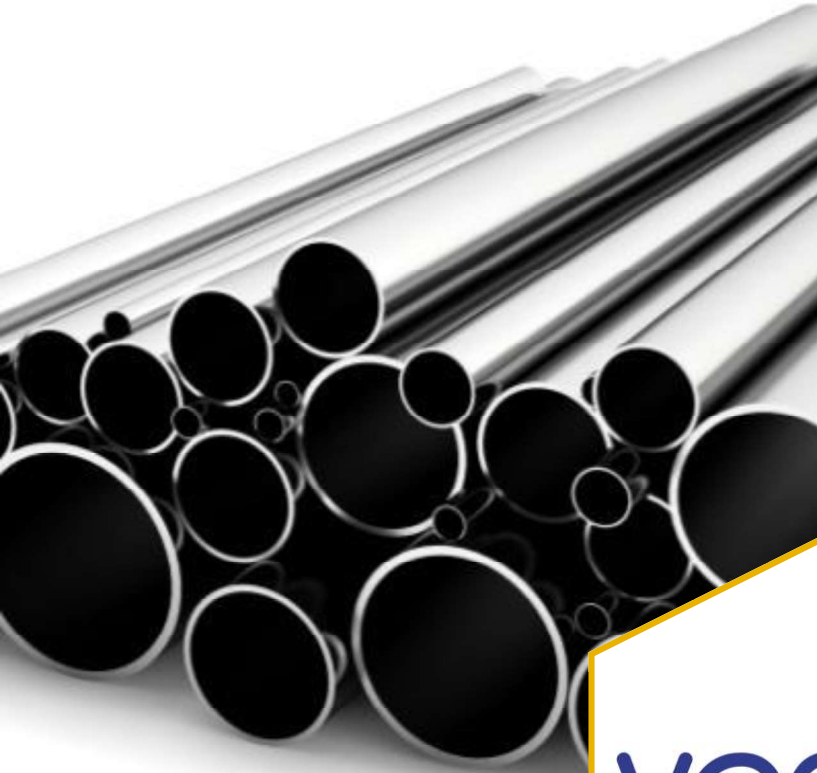


VENUS PIPES & TUBES LIMITED



VENUS[®]
PIPES AND TUBES

Investor Presentation
November 2022





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Q2 & H1 FY23 FINANCIAL & OPERATIONAL HIGHLIGHTS





Highlights

- Placed order for procuring bigger diameter **Tube Mill** to manufacture **stainless steel welded pipes**
- The new welded pipe production line will increase the existing welded pipes range to **maximum 20" (508mm) diameter** and **thickness up to SCH80s** with a **capacity of 700 mt per month**
- **Venus will be among the very few manufacturers in India and the world to have tube mill capacity of manufacturing this size**
- The company proposed to start the commercial production **by end of Q1FY24**

Capacity post expansion

- Welded pipe current capacity of the company is **700 MT** currently (upto 8 inch)
- In addition to above
 - **600 MT** capacity increase from IPO proceeds (upto 48 inch)
 - **700 MT** capacity expansion from the proposed Tube Mill (upto 20 inch)
- Taking the **Total Capacity** for welded pipes to **~2,000 MT**.
- Apart from this, the additional 500 MT (on existing capacity of 300 MT) for seamless pipes is on track.
- So, Total Welded (2000 MT/month) and Seamless (800 MT/month) capacity post planned capex will be 2800 MT/month.

Capex: Cost & Source of funding

- **Proposed capex of Rs. 50 Crores** which will include tube mill along with entire finishing infrastructure i.e. Annealing furnace, Pickling and Passivation setup, high end testing etc. to support the tube mill process
- Mentioned Capex will be funded through a **mix of Debt (Term loan) & internal accruals**

Demand Scenario & Rationale

- Keeping the current demand for our products in the market and being **the only manufacturer in India** to manufacture Welded pipe from tube mill up to 20 inch will **give an edge** and will help to capture more market in this segment
- **Robust demand** envisaged going forward for our products **across End User Industries**
- On the back of, **Revival of capex cycle in India**, higher demand for our products is anticipated

Financial Highlights

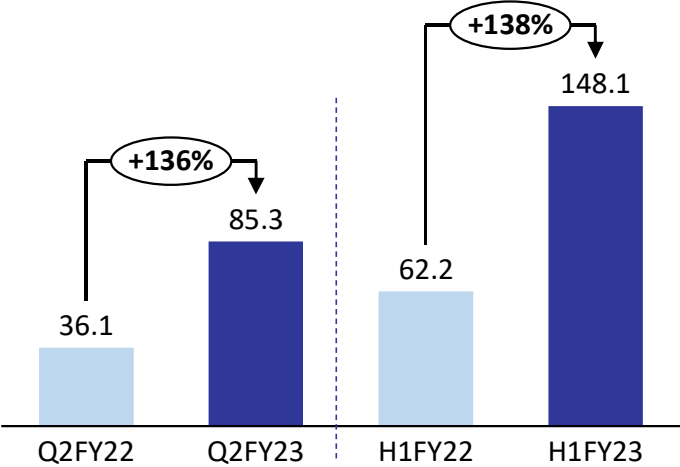
- Company level **Gross Margin & EBIDTA** expected

During the quarter, we became the first Indian company to receive Bureau of Indian Standards (BIS) approval for stainless steel seamless and welded pipes and tubes.

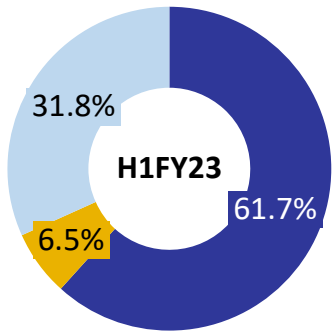
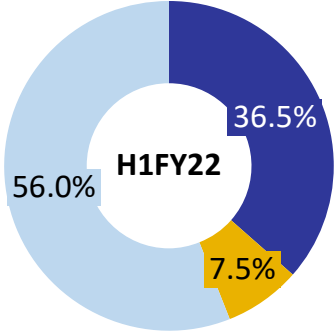
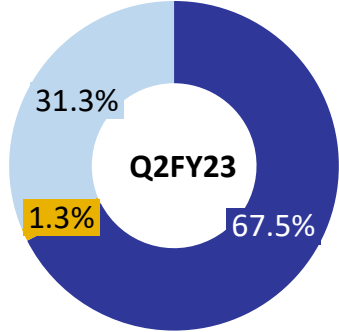
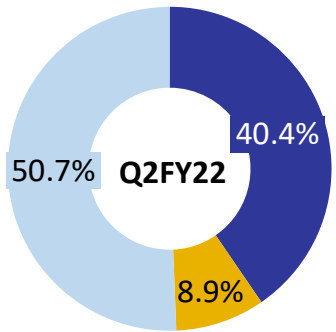
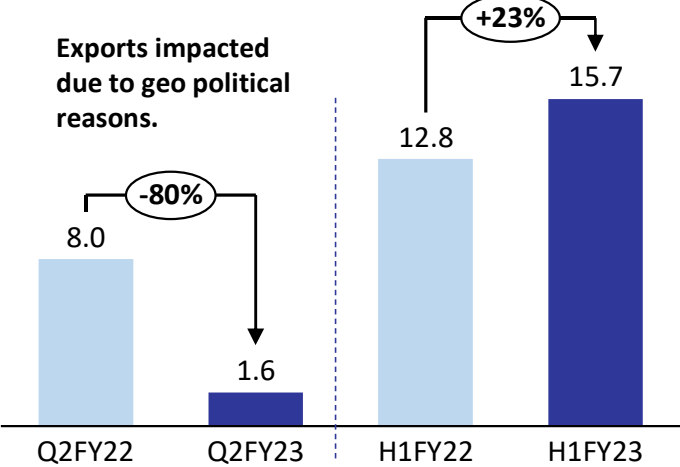
Geographical Revenue Split – Q2 & H1FY23



Direct Domestic Sales (in Rs cr)



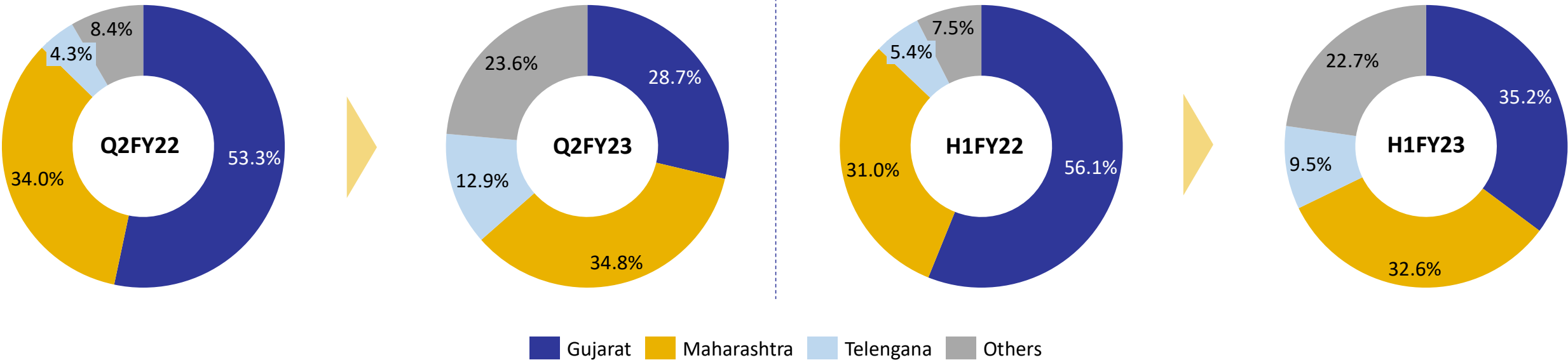
Export Sales (in Rs cr)



■ Direct Domestic
 ■ Export
 ■ Stockist/Traders

- ✓ Direct Domestic sales (to brands) have shown 136% growth YoY in Q2FY23.
- ✓ A slowdown in exports in the quarter due to impact by international inflationary environment and Europe’s energy crisis.
- ✓ The share of stockist sales have reduced by 20% on half yearly basis.
- ✓ This aligns with our strategy of reducing the share of this low margin sales channel.
- ✓ When comparing H1FY23 with H1FY22, export share minimally reduced – from 7.5% in H1FY22 to 6.5% in H1FY23.
- ✓ Hence impact is due to external factors and is not long-term.

State wise Revenue Split – Q2 & H1FY23

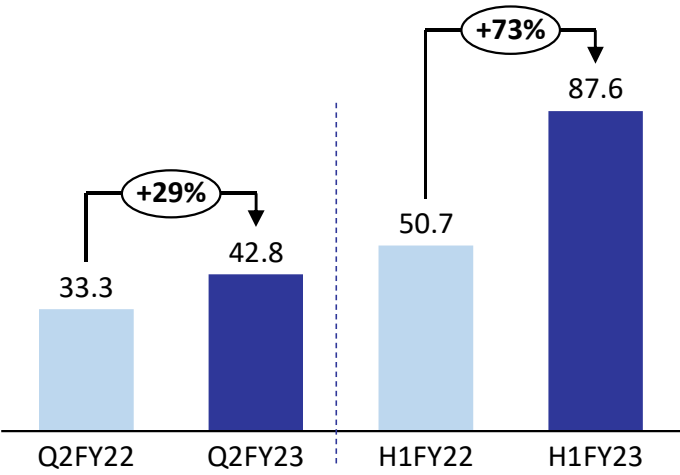


- ✓ Following the strategy to diversify across states, our share from top revenue generating state of Maharashtra and Telangana has increased significantly with the latter's share being doubled.
- ✓ While until last year, we were selling majority in Gujarat, now our focus is shifting to other states as well. This is with the motive to create Venus a known brand and setting up relations with different companies across the country.
- ✓ At the same time, the share of other states is up by 3x from last year, giving us bigger market to play and hence less risk.

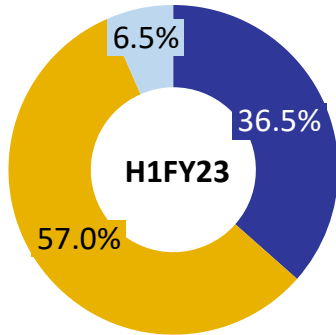
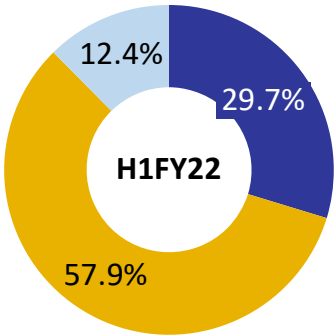
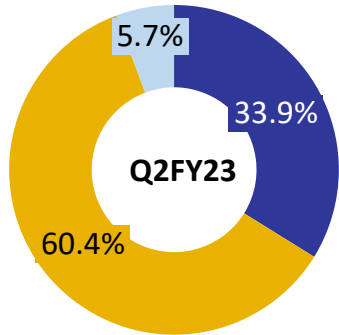
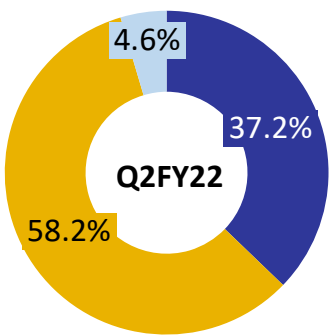
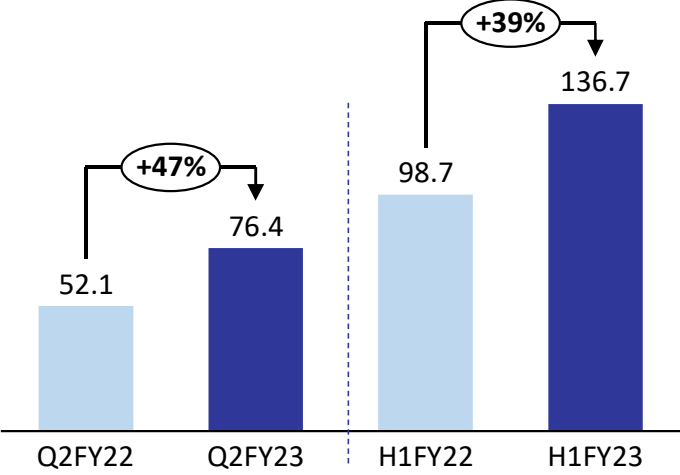
Product Revenue Split – Q2 & H1FY23



Seamless Sales (in Rs cr)



Welded Sales (in Rs cr)



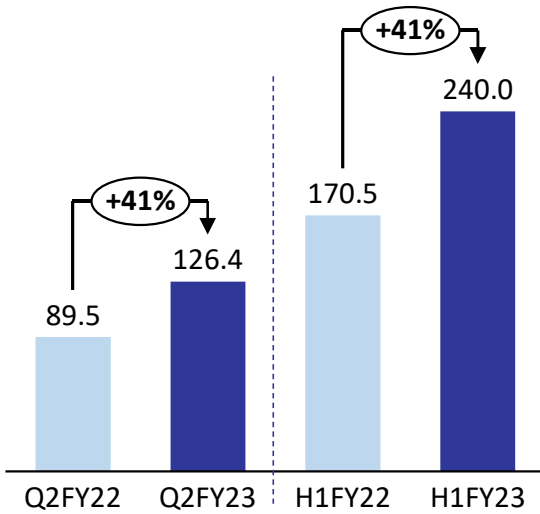
Seamless Welded Others

- ✓ Sales for seamless pipes **up by 73%** in H1FY23 from H1 last year.
- ✓ This segment has 2-3% more margins than other categories and we aim for it to contribute the most to our revenue.
- ✓ Welded Pipes sale also showed growth in one year by **39%** on half-yearly basis and **47%** from Q2FY22 to Q2FY23.
- ✓ Share of seamless in total revenue increased and welded which forms majority share, remained at elevated levels.

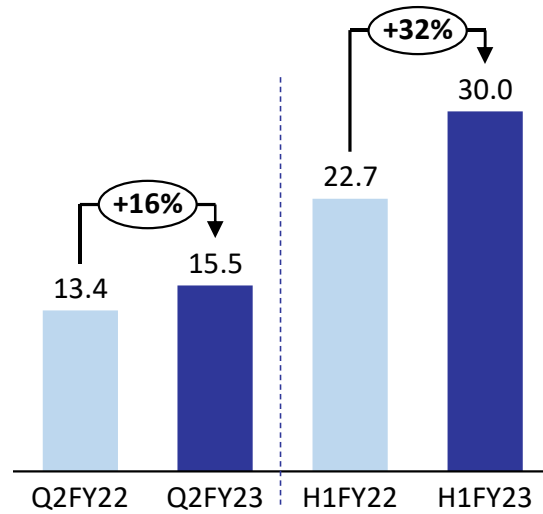
Key Financials – Q2FY23



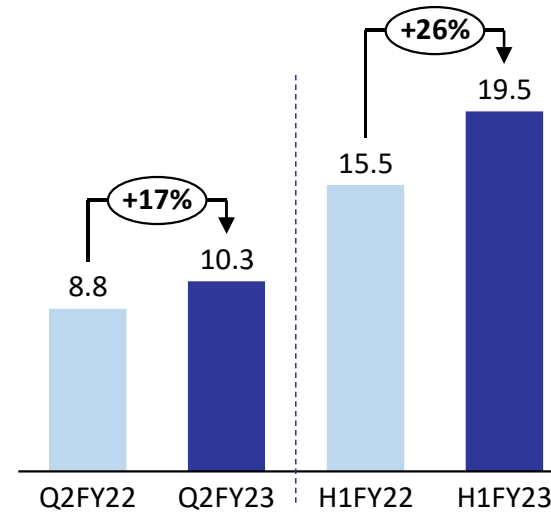
Revenue (in ₹ Cr)



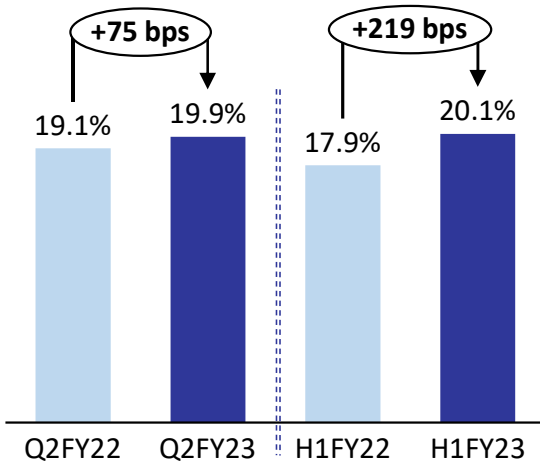
EBITDA (in ₹ Cr)



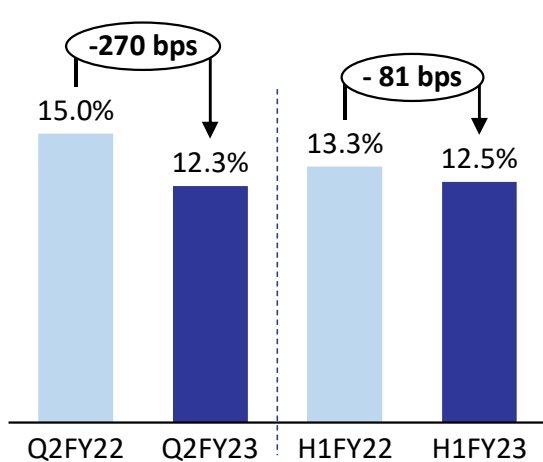
PAT (in ₹ Cr)



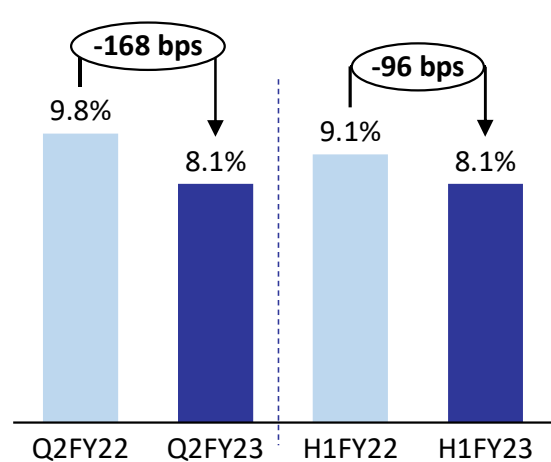
Gross Profit Margin



EBITDA Margin



PAT Margin



- ✓ Revenue for Q2FY23 stood at Rs. 126 crs as compared to Rs. 89.5 crs in Q2FY22, a **growth of 41%**
- ✓ Revenue for H1FY23 stood at Rs. 240 crs as compared to Rs. 170.5 crs in H1FY22, a **growth of 41%**
- ✓ EBITDA for Q2FY23 stood at Rs. 15.5 crs, an **increase of 16%** on Y-o-Y basis. The same for H1 grew by **32%**.
- ✓ PAT for the quarter was up by **17% YoY** and grew **26%** on half-yearly basis.

Profit & Loss – Q2 & H1FY23



Profit and Loss (in ₹ Cr)	Q2FY23	Q2FY22	YoY	Q1FY23	QoQ	H1FY23	H1FY22	YoY
Revenue from Operations	126.4	89.5	41.2%	113.6	11.3%	240.0	170.5	40.8%
Cost of Goods Sold	101.3	72.4		90.5		191.8	140.0	
Gross Profit	25.1	17.1	46.8%	23.1	8.7%	48.2	30.5	58.0%
Gross Profit Margins (%)	19.9%	19.1%		20.3%		20.1%	17.9%	
Employee Cost	2.3	1.40		2.3		4.6	2.5	
Other Expenses	7.3	2.30		6.4		13.6	5.3	
EBITDA	15.5	13.4	15.7%	14.4	7.6%	30.0	22.7	32.2%
EBITDA Margins (%)	12.3%	15.0%		12.7%		12.5%	13.3%	
Depreciation	0.5	0.4		0.4		0.8	0.7	
Other Income	1.0	0.1		0.6		1.5	1.3	
EBIT	16.0	13.1	22.1%	14.6	9.6%	30.7	23.3	31.8%
Finance Cost	2.1	1.4		2.5		4.6	2.6	
Profit before Tax	13.9	11.7	18.8%	12.1	14.9%	26.1	20.7	26.1%
Tax	3.6	2.9		3.0		6.6	5.2	
Profit After Tax	10.3	8.8	17.0%	9.1	13.2%	19.5	15.5	25.8%
PAT Margins (%)	8.1%	9.8%		8.0%		8.1%	9.1%	

Balance Sheet



Assets (in ₹ Cr)	Sep-22	March-22
Non - Current Assets	63.7	30.4
Property Plant & Equipments	31.8	21.3
CWIP	28.9	7.4
Intangible assets	0.2	0.1
Other Financial Assets		
Other Non - Current Assets (Net)	2.8	1.6
Current Assets	353.1	217.5
Inventories	137.9	93.5
Financial Assets		
(i) Investments	2.1	1.4
(ii) Trade receivables	68.3	73.5
(ii) Cash and cash equivalents	4.7	-
(iii) Bank balances other than cash and cash equivalents	64.9	7.3
Other Financial Assets	0.1	0.7
Other Current Assets	75.1	41.1
Total Assets	416.8	247.9

Equity & Liabilities (in ₹ Cr)	Sep-22	March-22
Total Equity	298.5	128.5
Share Capital	20.3	15.2
Reserves & Surplus	278.2	113.3
Non-Current Liabilities	6.7	15.5
Financial Liabilities		
(i) Borrowings	5.1	14.3
(ii) Lease Liabilities	0.2	0.2
Provisions	0.4	0.3
Deferred Tax Liabilities	1.0	0.7
Current Liabilities	111.6	103.9
Financial Liabilities		
(i) Borrowings	47.7	49.4
(ii) Trade Payables	50.7	38.5
(iii) Lease	0.1	0.1
(iii) Other Financial Liabilities	0.5	0.2
Other Current Liabilities	5.6	5.5
Current tax liabilities (net)	7.0	10.2
Provisions	0.0	0.0
Total Equity & Liabilities	416.8	247.9

Cashflow Statement



Particulars (in ₹ Cr)	H1 FY23	FY22
Net Profit Before Tax	26.1	42.9
Adjustments for: Non - Cash Items / Other Investment or Financial Items	3.2	5.6
Operating profit before working capital changes	29.3	48.5
Changes in working capital	(32.5)	(97.4)
Cash generated from Operations	(3.2)	(49.0)
Direct taxes paid (net of refund)	(9.6)	(11.0)
Net Cash from Operating Activities	(12.8)	(60.0)
Net Cash from Investing Activities	31.6	34.1
Net Cash from Financing Activities	(14.2)	25.8
Net Decrease in Cash and Cash equivalents	4.6	(0.1)
Add: Cash & Cash equivalents at the beginning of the period	0.0	0.1
Cash & Cash equivalents at the end of the period	4.6	0.0



Arun Kothari
Managing Director

Commenting on the Q2 & H1FY23 performance of the company Mr. Arun Kothari, Managing Director for Venus Pipes & Tubes Limited Said,

“Despite challenging external environment, we are proud to report robust growth in this quarter. Our revenues for Q2FY23 have grown by 41% on Y-o-Y basis.

Not only our product categories have shown robust growth w.r.t sales & volumes, but we have also taken significant step towards achieving our aim of diversifying geographically and across our sales channel. Our sales to direct domestic consumers have increased by 136% on a Y-o-Y basis and now contributes ~62% of total revenues for H1FY23.

Exports sales were impacted during the quarter on account of geo-political tensions and inflationary environment, especially in the European market. We believe that this is temporary in nature and exports sales should start picking up post FY23.

Even after such volatile environment we are progressing with high spirits towards our goal of reaching out to as many sectors as we can and maintaining diversity across our products, clients and geographies.

With revival of capex cycle in India leading to robust demand for our products across End User Industries, the planned capacity expansion will give us an edge and will help to capture more market share.”



58

Clientele base out of
Fortune 500 Companies
in India

Exports to more than
20+ Countries

105%

PAT CAGR
from FY19 to FY22

Diversified
End-user Industries

Total installed capacity of **12,000 MT** p.a. &
capacity expansion plans up to **33,600 MT** p.a.
along with **Backward Integration of 9,600 MT** p.a.



Vision

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



Mission

To provide quality and flawless service for dealing with customer / supplier and distributors.



Core Values

Working with the highest ethical standards in all aspects of our activities

Product Portfolio & Applications



Products manufactured are as per the *International Standards* to cater both Domestic & International markets



Stainless Steel High Precision and Heat Exchanger Tubes



Stainless Steel Hydraulic and Instrumentation Tubes



Stainless Steel Seamless Pipes

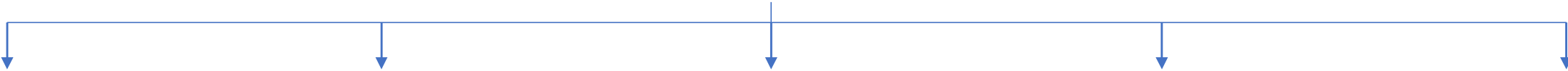


Stainless Steel Welded Pipes



Stainless Steel Box Pipes

Applications



- Heat Exchangers
- Pressure Vessels
- Chemical and Fertilizer
- Marine Equipment's
- Refinery and Petrochemical
- Process Industry
- Dairy/Pharmaceutical industry
- Nuclear Power Generation
- Automotive
- Aerospace

- Nuclear & Thermal Power generation
- Oil and Gas
- Process Industries
- Chemical and Fertilizer
- Nuclear Power
- Food & Beverage Processing
- Automotive
- Aerospace
- Medical and Pharmaceutical

- Onshore and Offshore Oil and Gas Production, Exploration and Transport
- (OCTG – Oil Country Tubular Goods)
- Chemical & Petrochemical
- Energy and Power
- Mechanical and Plant Engineering
- Marine Equipment's
- Pulp & Paper
- Pharmaceutical Industry

- Chemical & Petrochemical
- Gas Industry
- Power Generation
- Mechanical and Plant Engineering
- Marine Equipment's
- Pulp & Paper
- Pharmaceutical Industry

- Multiple industries especially for industries having structural fittings like
 - Factories
 - Warehouses
 - Temporary structures



Diversified End Use



Chemical



Engineering



Fertilisers



Pharmaceutical



Power



Food Processing



Paper



Oil & Gas



Aerospace

State of the Art Infrastructure...



Strategically located Manufacturing facility at Dhaneti (Kutch) within **proximity of Kandla & Mudra ports for enabling imports and exports**



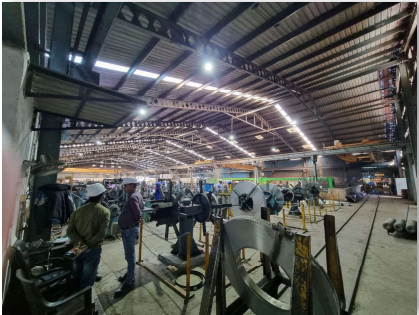
Facility on a land admeasuring **82,962 Sq. Mt.**



Surplus land of 60,562 Sq. Mt. available for proposed capacity expansion/integration



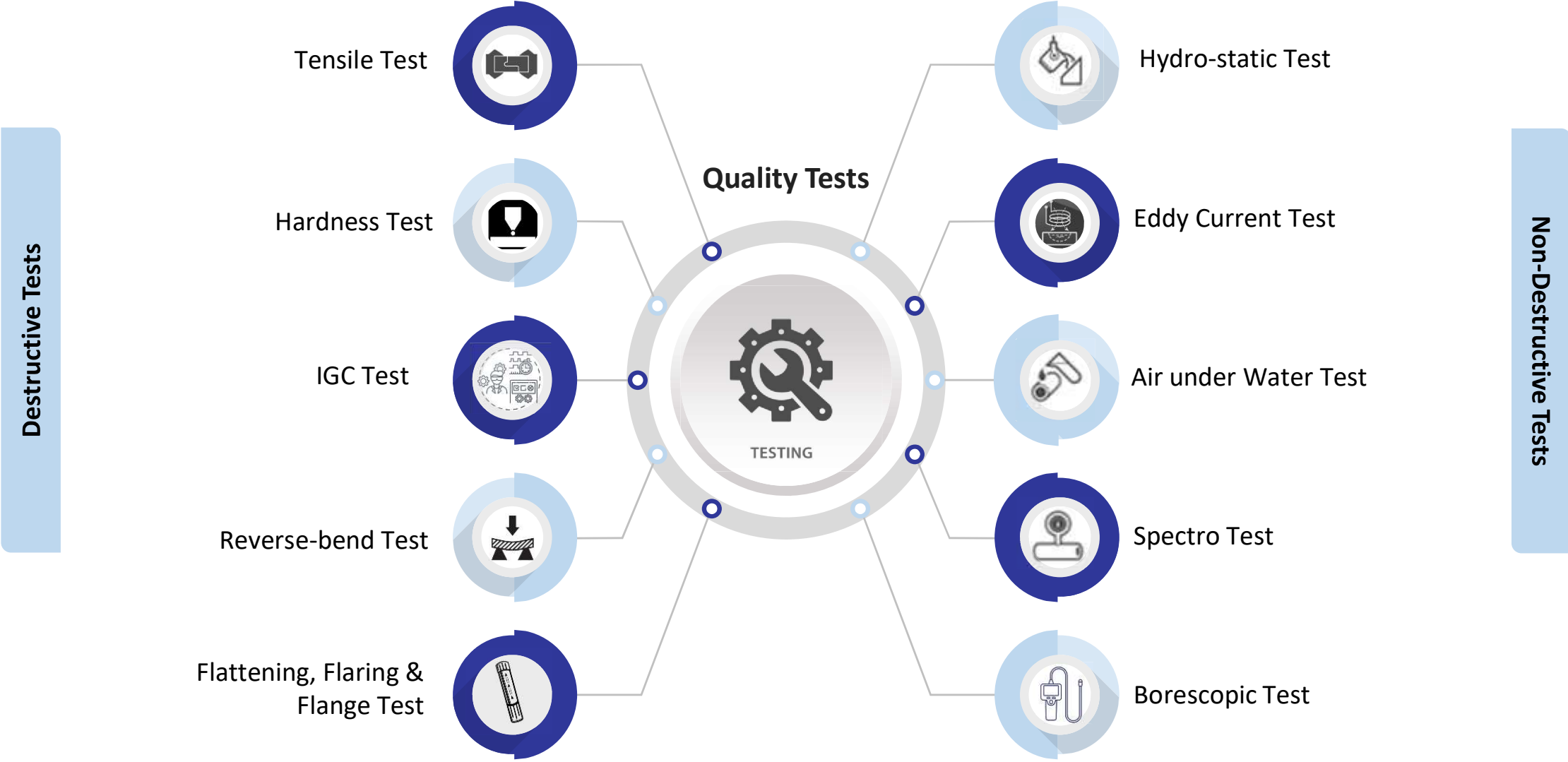
Total installed capacity of **12,000 MT** per annum with **approximate utilization of 91 %+**



...with Stringent Quality Inspection & Testing

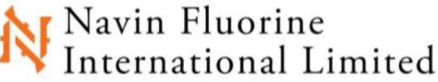


Rigorous testing system for our products to **Ensure Finest Quality** is delivered for our products



Marquee Clientele

VENUS[®]
PIPES AND TUBES





We got the privilege to add more feathers in our cap in FY22 by acquiring clients from varied sectors

- **Toyo Engineering India Private Ltd** - Toyo Engineering India P Ltd, one of the leading EPC consultants for Oil & gas worldwide, has enlisted us as an approved vendor which will further help us to get orders from giants like BPCL, HPCL, IOCL & also in their other major EPC works
- **Tecnimont Pvt Ltd** - We also got approval from Tecnimont, a leader in large scale EPC contract
- **Technip India Ltd** – Enlisted by Technip India Ltd which is a leading engineering & technology company.
- **Osmetal Steel Solutions (German)** - On the basis of previous trial order delivered in June-21, we got **our largest ever heat exchanger U-tube order** from German Client Osmetal in FY22, one of largest traders in Europe for heat exchanger tube segment.

- **Chemical:** Asian Paint, Hikal Ltd, Navin fluorine, Gujarat Alkalies & Chemical Ltd (GACL)
- **Paper Industry:** Tamil Nadu Paper Ltd, JK Paper Ltd,
- **Sugar Industry & Distillery:** Rana Group, Dalmia Bharat Sugar
- **Engineering:** ISGEC heavy engineering Ltd, Tata projects (ISRO project)
- **Oil & Gas:** Mangalore Refinery & Petrochemical Ltd, (subsidiary of ONGC)
- **Pharma :** Ami Lifesciences Pvt Ltd, Nectar Lifesciences Ltd.
- **Dairy :** Kaira District Co-operative (Amul)
- **Export Client :** ABG Intermediates (Thailand), Scope Metal (Israel), Matinox (Spain), Voss (Spain & Germany).

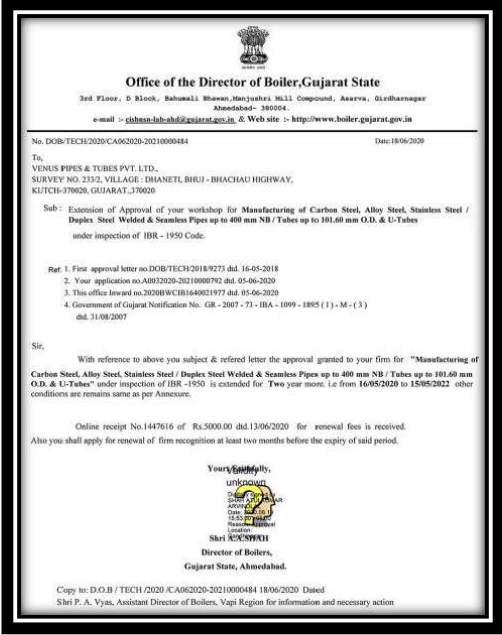
Awards & Certifications



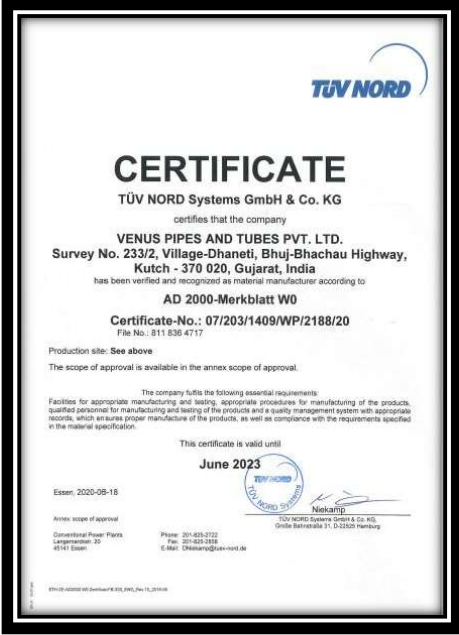
Calendar Years	Certifications & Accreditations
2016	Our manufacturing facilities at Dhaneti have been accredited with management system standards certificate for compliance with ISO 9001: 2015, ISO 14001:2015 requirements
2017	Our Company has been verified and recognized as material manufacturer according to AD 2000 - Merkblatt W0 by The TÜV NORD Systems GmbH & Co. KG.
2017	Our Company has been certified as quality-assurance system related to the material by The TÜV NORD Systems GmbH & Co. KG.
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 Indian Boiler Regulations – 1950 from the Office of the Director of Boiler, Gujarat.
2018	Our manufacturing facilities at Dhaneti have been accredited with management system standards certificate for compliance with ISO 45001: 2018



ISO Certificate



IBR Certificate



TUV – AD 200 Merkblatt W0

Experienced Board of Directors



Jayantiram M Choudhary

Chairman and Non-Ex Director

Associated with the Company since its incorporation. Over ten years of experience in the steel industry and four years as director of Accuracy Shipping Limited



Arun Kothari

Managing Director

Associated with the Company since 2021 as a Director. A qualified Chartered Accountant and holds a bachelor's degree in commerce from Rajasthan University



Megharam S Choudhary

Whole Time Director

Associated with our Company since its incorporation. Over 15 years of experience in the stainless steel welded pipes and tubes industry.



Dhruv M Patel

Whole Time Director

Associated with the Company since 2015. Holds a bachelor's degree in engineering from University of Pune and a master's degree in technology from CEPT University.



Kailash Nath Bhandari

Independent Director

Bachelor's degree in law from Jodhpur University and has over 18 years of experience in the insurance sector. On the Board of Hindalco Industries Limited as an independent director



Pranay Ashok Surana

Independent Director

Master's in engineering from the Indian Institute of Technology, Bombay. Founder of Flyrobe and has been featured on the coveted Forbes 30 under 30 in the Asia list (2017) and in the India list (2019).



Komal Lokesh Khadaria

Independent Director

Member of Institute of Companies Secretaries of India ("ICSI") and holds a bachelor's degree in commerce. Holding nine years of experience and has held the position of Chairperson of Surat Chapter of ICSI



Shyam Agarwal

Independent Director

Doctorate in law from University of Rajasthan and has over fifteen years of experience. A member of the quality review board of the ICAI, New Delhi; and Chairman and independent director of ICMAI Registered Valuers Organization, New Delhi.

Strong Management Team



Jayantiram M Choudhary

Chairman and Non-Ex Director

Associated with the Company since its incorporation. Over ten years of experience in the steel industry and four years as director of Accuracy Shipping Limited

Arun Kothari

Managing Director

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Dhruv M Patel

Whole Time Director

Associated with the Company since 2015. Holds a bachelor's degree in engineering from University of Pune and a master's degree in technology from CEPT University.

Pavan Kumar Jain

Company Secretary and Compliance Officer

Associated with us as manager (finance and accounts) since August 2020. A qualified company secretary holding three (3) years of experience in finance, accounting and secretarial work

Kumar Shishir C Sinha

President (Marketing)

With our Company since March 01, 2021. Holds a degree of bachelors in arts from Magadh University and has over 30 years of experience in the stainless-steel pipes and tubes.

Kunal Bubna

President (Finance & Accounts)

Associated with the Company since July 2021. Is a fellow member of the Institute of Chartered Accountants of India and the ICSI with fourteen (14) years of experience.

Bharat Kumar Prajapati

Production Head

With our Company since September 2020. Has a diploma in mechanical engineering from the Technical Examination Board, Gujarat and twenty (20) years of experience in pipe industry.

Om Prakash Mishra

Vice President (Operations)

With our Company since December 2021. He holds a degree of bachelors in engineering from University of North Bengal and 23 years of experience in manufacturing industry.



May 2022

- ✓ Listing of Venus Pipes & Tubes Limited
- ✓ Listing done on BSE & NSE
- ✓ Fresh Issue of Equity shares aggregating to ₹ 165.4 Cr.
- ✓ Objects of the Issue :
 1. Financing the project cost towards
 - Capacity expansion
 - Technological upgradation
 - Cost optimization of our operations & support to the manufacturing facility and
 - Backward integration for manufacturing of hollow pipes
 2. Long-term working capital requirements
- ✓ On 21st October 2021, we had made private placement of ₹ 59.443 Cr.



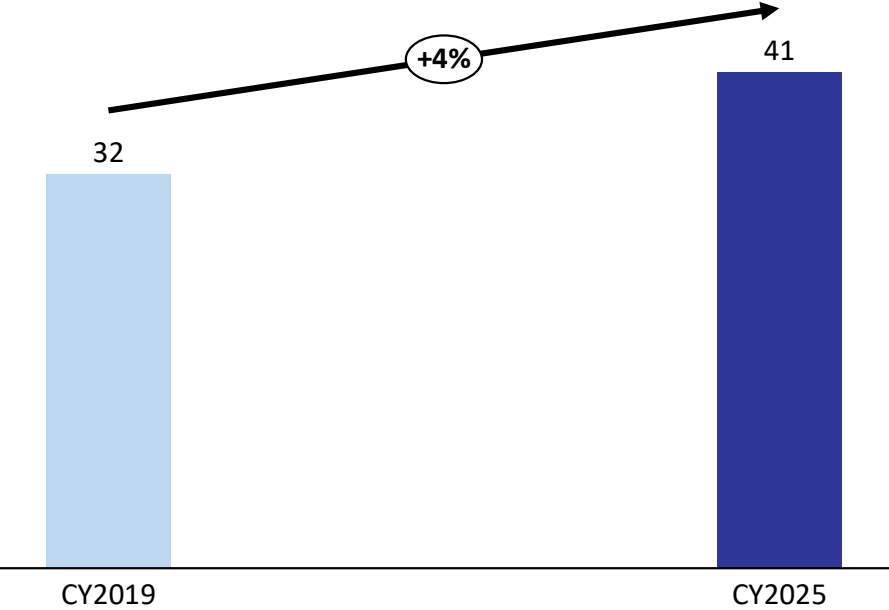
INDUSTRY OUTLOOK



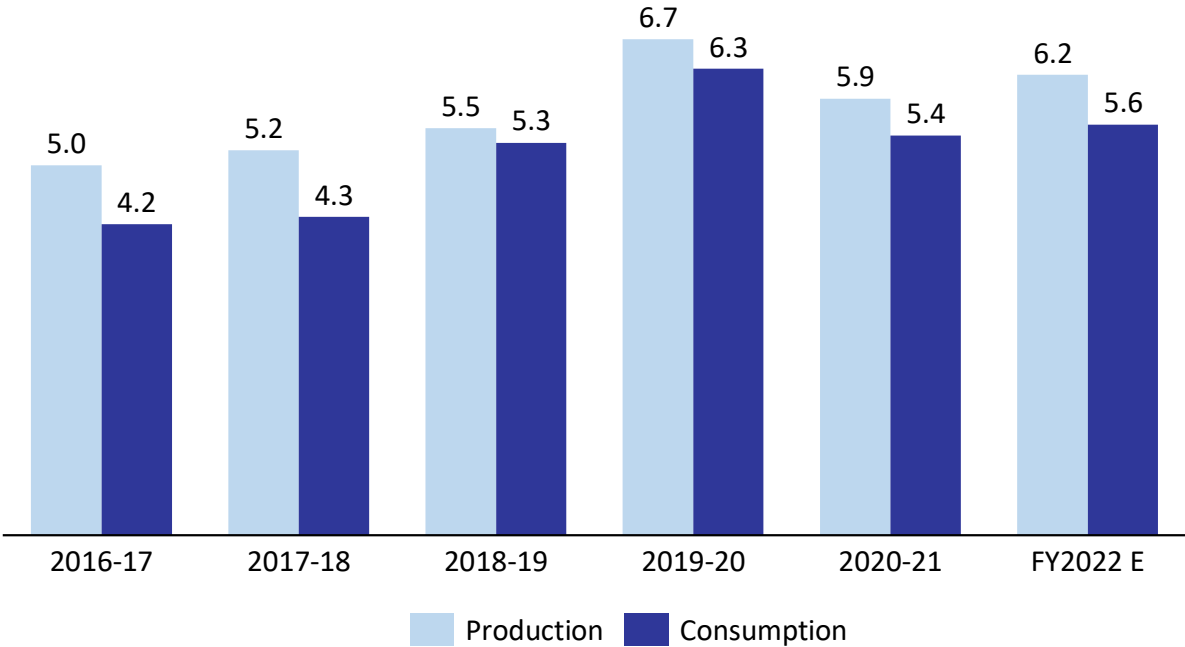


- ✓ The Indian stainless-steel sector is the **2nd largest producer** (till 2020) and consumer in the world and has a total manufacturing capacity of more than **5 Mn** tons of stainless steel annually
- ✓ India's per capital stainless steel consumption has **increased from 1.2 Kg in 2010 to 2.5 Kg in 2019**, however its **consumption is comparatively lower** compared to world average of **6 Kg per capita**

Global Stainless Steel & Pipes Industry (USD bn)



Steel Pipe & Tube Consumption in India (Mn Tons)



Industry Growth Drivers



Industry Growth Drivers

- ✓ Significant demand for Pipes & Tubes specifically from industry like chemical , pharma, engineering etc.
- ✓ In value terms, the size of Chemical industry is currently estimated at USD 178 Bn which is slate to grow to USD 300 Bn by 2025, growing annually by 9% per annum
- ✓ During FY 2021-30, the annual turnover in Indian Pharmaceutical Industry is expected to grow by a CAGR of 10%, to reach INR 7,840 Bn

Sector specific schemes by Government as below shall act as an aid in generating demand for steel pipes & tubes in India

- ✓ **Chemicals**
 - Chemicals Promotion and Development Scheme (CPDS):
 - Petroleum, Chemicals, and Petrochemical Investment Regions (PCPIR)
- ✓ **Oil & Gas**
 - Hydrocarbons Exploration Licensing Policy (HELP)
- ✓ **Pharmaceutical**
 - Scheme for Development of Pharmaceutical Industry
 - Schemes to improve bulk drug production in India

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)

STRATEGIES TO SUPPORT GROWTH

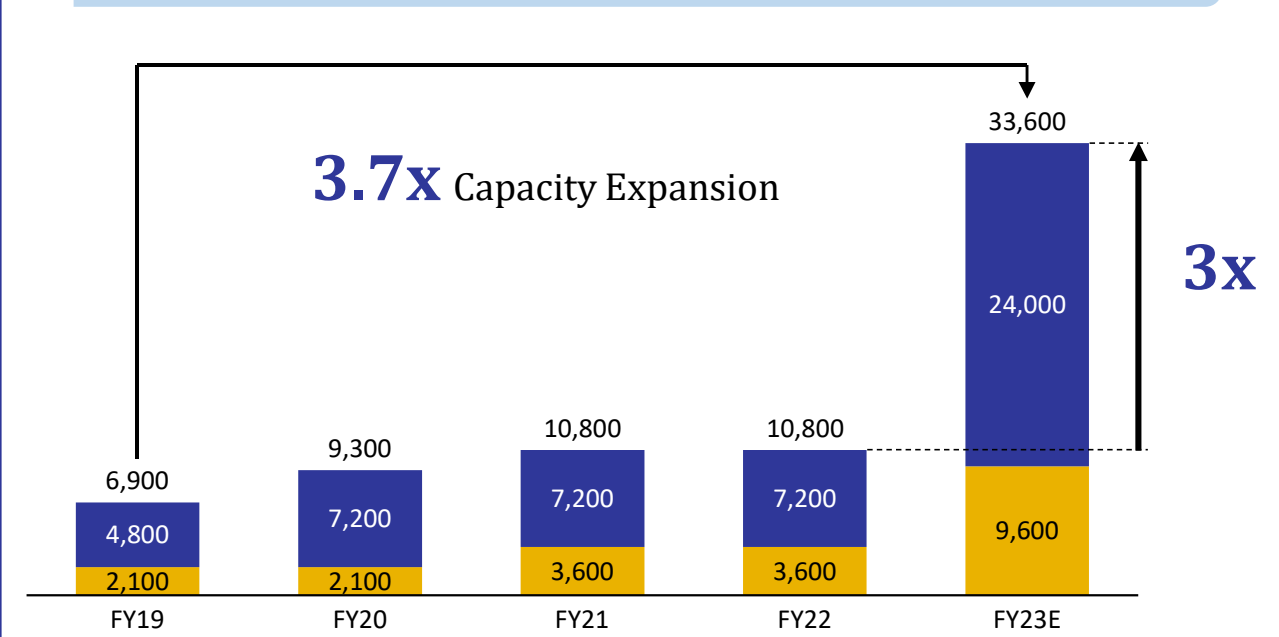


THE ARTERIES OF INDUSTRIAL FLOW

Capacity Expansion & Backward Integration



Capacity Expansion for Finished Products (MTPA)



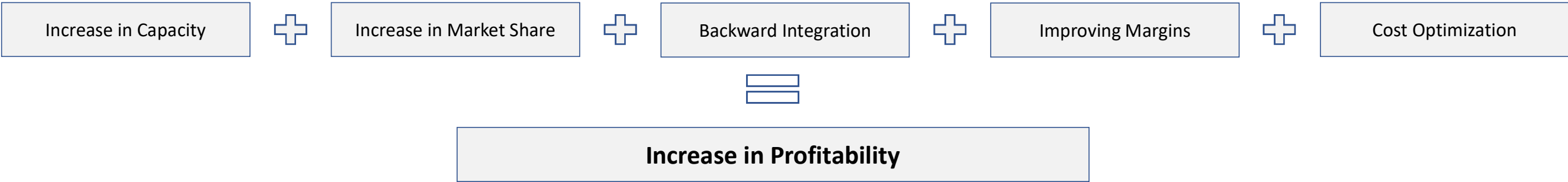
Pursuing Capacity Expansion....

Particulars	Current		Post Expansion	
	Size (mm)	Capacity	Size (mm)	Capacity
Seamless	6 – 114.3	3,600 MTPA	6 – 168.3	9,600 MTPA
Welded	6 – 219.3	8,400 MTPA	6 – 1,219.2	24,000 MTPA
Mother Hollow	NA	0	NA	9,600 MTPA

....alongside Backward Integration

- **Backward integration strategy** of setting up a piercing line for manufacturing of hollow pipes
- With the piercing plant, **will be able to produce hollow pipes** from SS round bar

To Cater to increasing demand in the Domestic & Export Markets

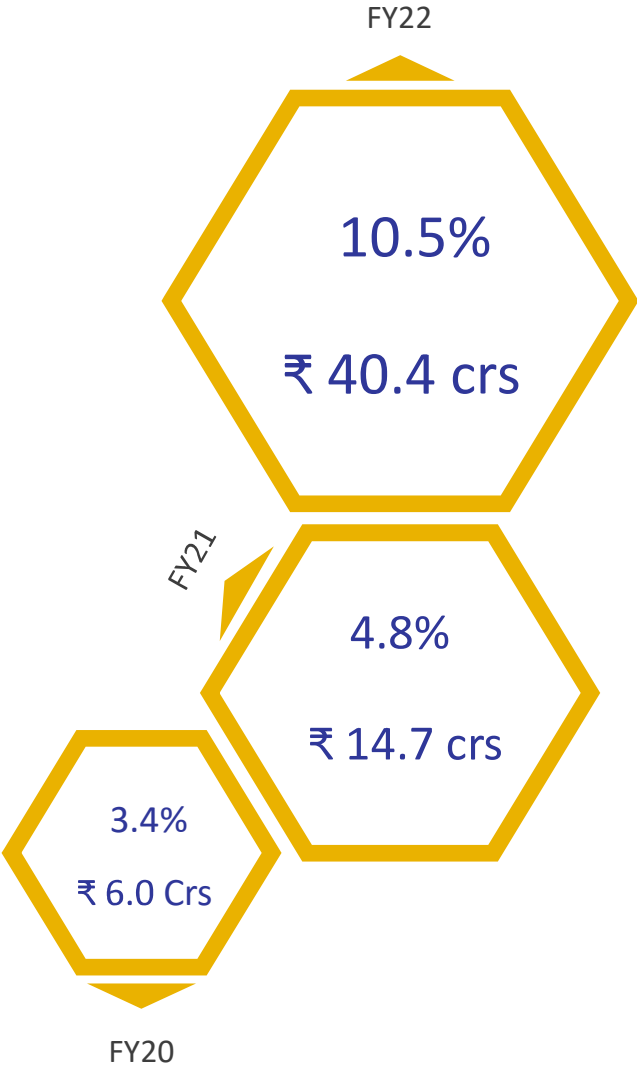


Geographical Expansion



Exports in More than 20+ Countries

- United Kingdom
- France
- South Africa
- UAE
- Italy
- Poland
- Oman
- Sri Lanka
- Austria
- Germany
- Iran
- Spain
- Brazil
- Romania
- BELGIUM
- Israel
- Ethiopia
- Slovenia
- Russia
- Thailand



Contribution from Export Revenue

Leverage our Existing Relationship to Deepen our Presence in Export Markets

Improving Efficiency & Brand Positioning



Productivity & Efficiency Enhancement



Install acid regeneration plant for lower consumption of acids to improve operating margins and better plant productivity



Significant Environmental and Economic advantages shall follow from reduced usage of raw acids



Enterprise Resource Planning ("ERP") to be introduced for efficient control over our manufacturing process & productivity

Creating Brand for "VENUS" thereby increasing the contribution from direct sales for higher realizations



International Standards

Trade Fares



Exhibitions

Digital Marketing

Customer Centric



Various Brand Building Activities

HISTORICAL FINANCIAL & OPERATIONAL HIGHLIGHTS

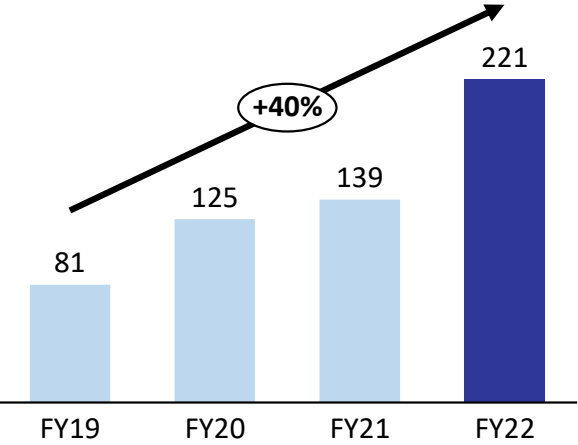


Product Category Split

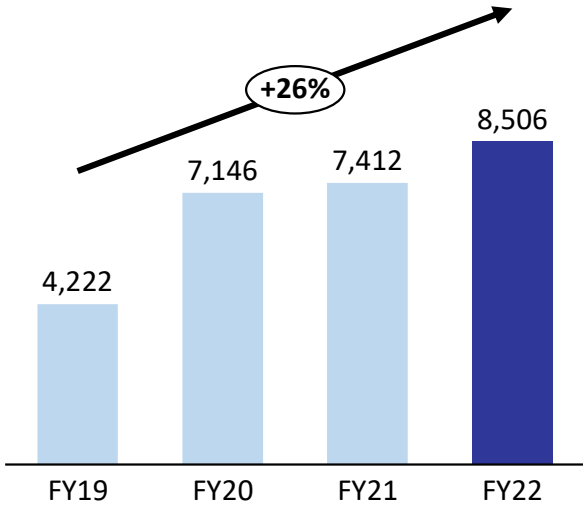


Welded

Revenue (in ₹ Cr)

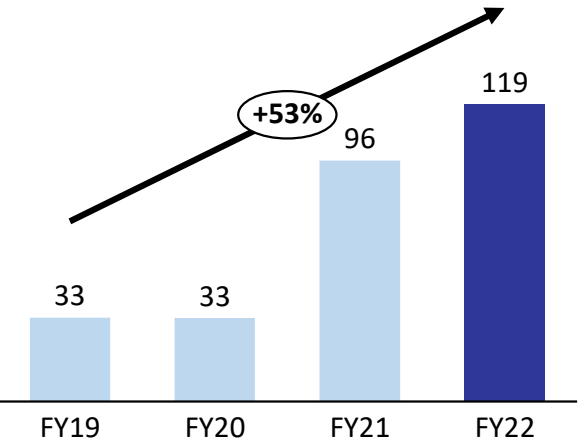


Volume (in MTS)

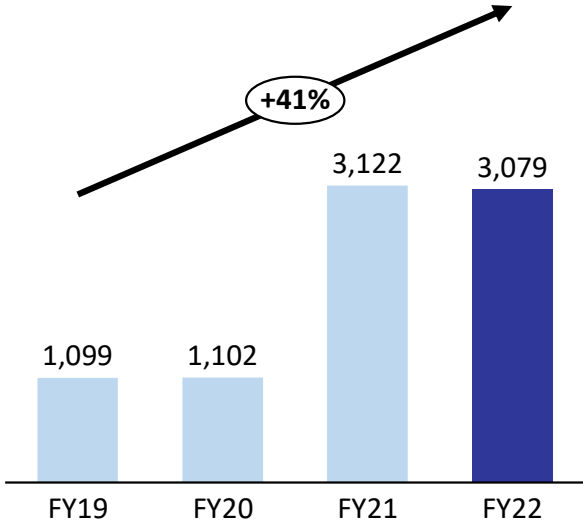


Seamless

+53%



+41%

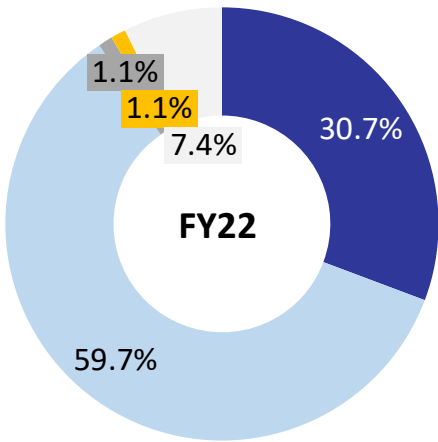
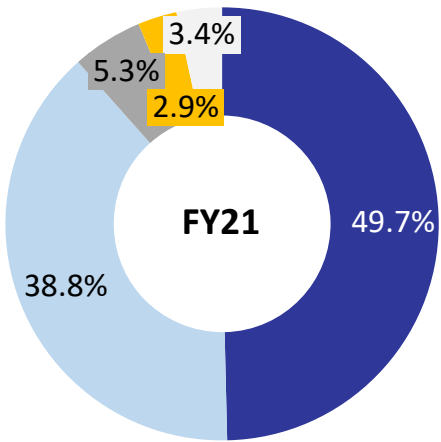
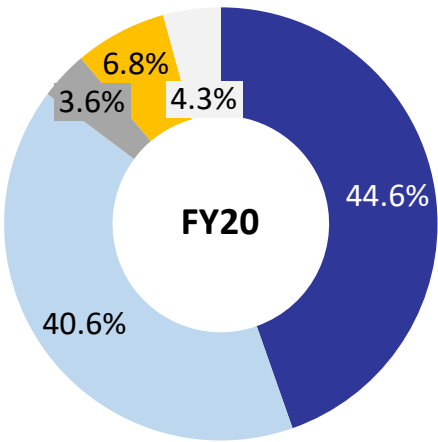


- ✓ Revenue and Volumes have grown tremendously across both our segments in a short span of just 4 years
- ✓ Volume growth for Welded has been at a CAGR of 26% and for Seamless the volume growth was 41% CAGR between FY19-FY22
- ✓ We attribute this uptick in our exports to our in-house **quality control team of 27 personnel**, who make sure we comply with international quality standards

Direct Sales Split



Direct Domestic Sales Spilt

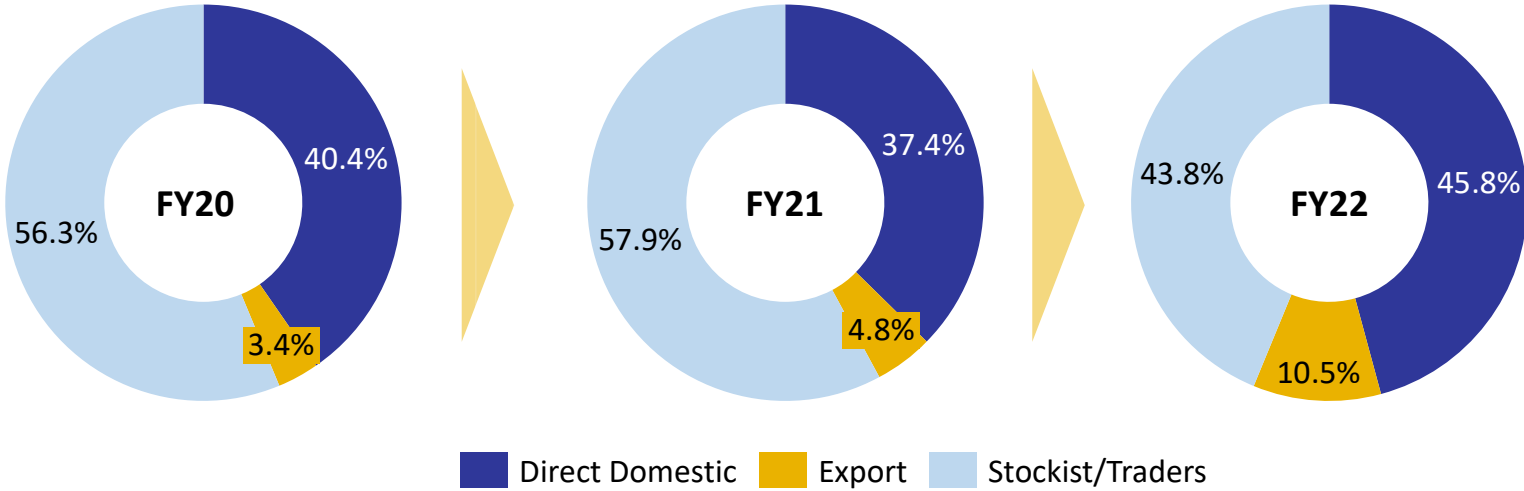


■ Chemicals
 ■ Engineering
 ■ Fertilizers
 ■ Pharma
 ■ Others

- ✓ Revenue contribution from Other industries has **increased from 4.3% in FY20 to 7.4% in FY22**
- ✓ Revenue **dependency** from chemical industry has **reduced from 44.6% in FY20 to 30.7% in FY22**
- ✓ Due to the capex cycle revival in India, the share of Engineering has **increased from 40.6% in FY20 to 59.7% in FY22**

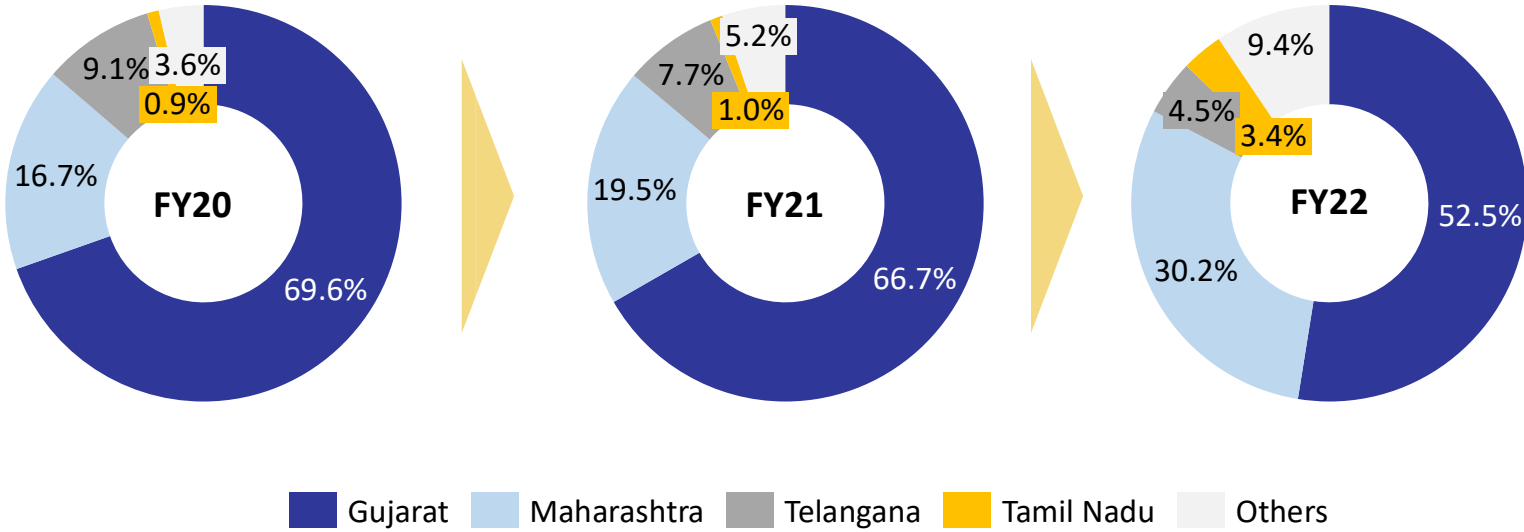
Sales Split across Geography

Geography



- ✓ Revenue contribution from exports have increased from **3.4% in FY20 to 10.5% in FY22**
- ✓ Direct domestic sales to end consumers have increased from **37.4% in FY21 to 45.8% in FY22**
- ✓ Revenue contribution from Stockist/Traders has **reduced from 56.3% in FY20 to 43.8% in FY22**

State wise revenue

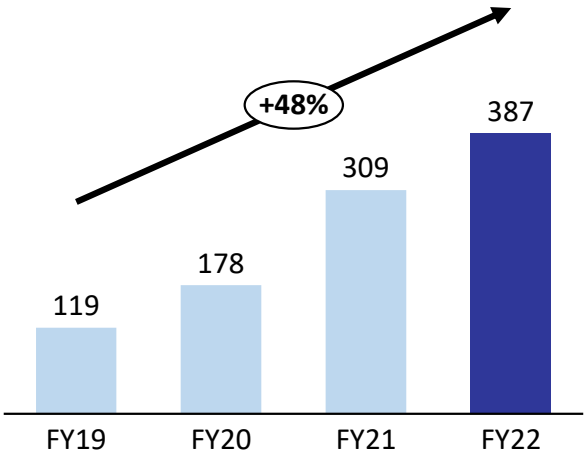


- ✓ Revenue contribution from Other States increased by **3x between FY20 to FY22** aligning with goal of expanding across domestic market
- ✓ Revenue from states like Maharashtra and Tamil Nadu went up significantly giving us better access across regions

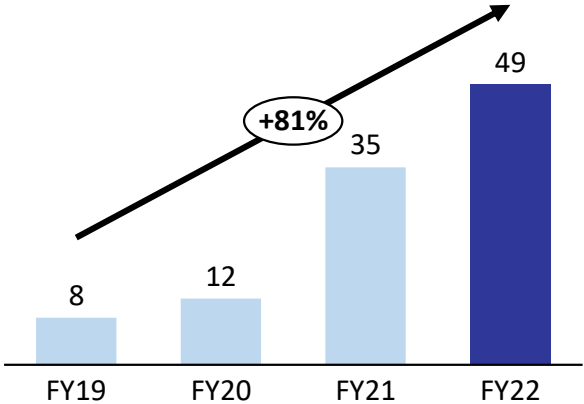
Key Historical Financials



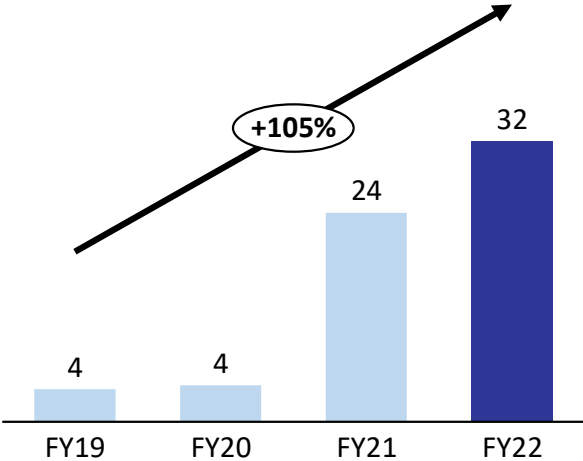
Revenue (in ₹ Cr)



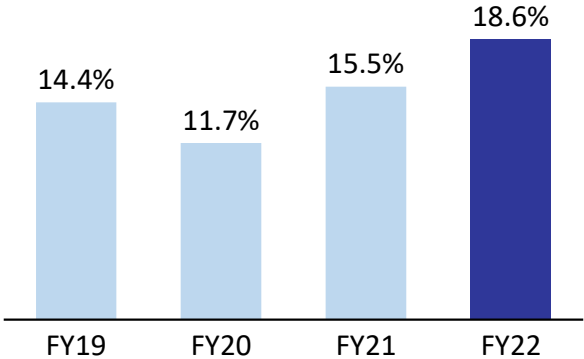
EBITDA (in ₹ Cr)



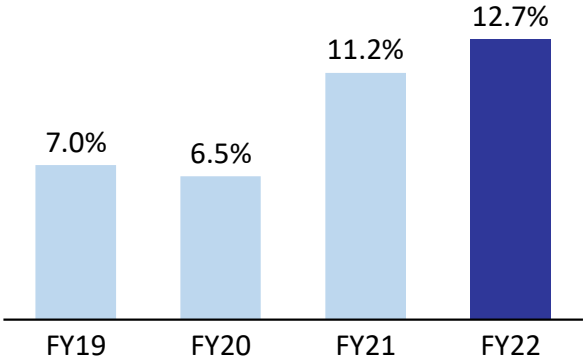
PAT (in ₹ Cr)



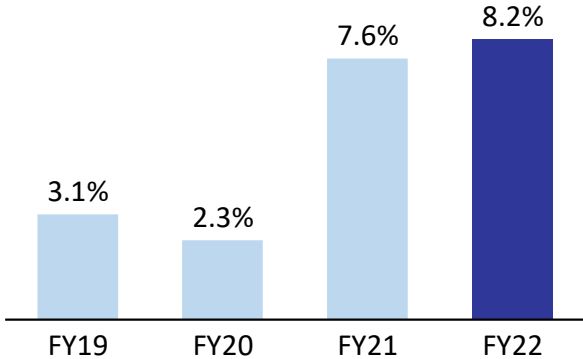
Gross Profit Margin



EBITDA Margin



PAT Margin



Profit & Loss



Profit and Loss (in ₹ Cr)	FY22	FY21	FY20	FY19	CAGR
Revenue from Operations	386.9	309.3	177.8	118.8	
Cost of Goods Sold	315.0	261.5	157.0	101.6	
Gross Profit	71.9	47.9	20.8	17.1	61%
Gross Profit Margins (%)	18.6%	15.5%	11.7%	14.4%	415 bps
Employee Cost	6.2	3.2	2.7	2.5	
Other Expenses	16.4	9.9	6.5	6.3	
EBITDA	49.3	34.8	11.6	8.3	81%
EBITDA Margins (%)	12.7%	11.2%	6.5%	7.0%	574 bps
Depreciation	1.4	1.0	2.1	2.0	
Other Income	2.1	2.7	1.5	1.8	
EBIT	49.9	36.5	11.0	8.1	84%
Finance Cost	7.1	5.6	4.6	3.1	
Share in Profit/(loss) in JV and Associates	0.0	0.0	0.0	0.0	
Profit before Tax	42.9	31.0	6.5	4.9	105%
Tax	11.2	7.32	2.4	1.3	
Profit After Tax	31.7	23.6	4.1	3.7	105%
PAT Margins (%)	8.2%	7.6%	2.3%	3.1%	510 bps

Balance Sheet



Assets (in ₹ Cr)	Mar-22	Mar-21	Mar-20	Mar-19
Non - Current Assets	30.4	20.9	17.5	10.0
Property Plant & Equipments	21.3	19.5	12.2	9.8
CWIP	7.4		3.2	
Intangible assets	0.1	0.1	0.1	
Other Financial Assets	1.7	1.3	2.0	0.3
Other Non - Current Assets (Net)				
Current Assets	217.5	116.6	89.7	69.1
Inventories	93.5	44.2	44.3	36.2
Financial Assets				
(i) Investments	1.4			
(i) Trade receivables	73.5	45.1	30.7	21.6
(ii) Cash and cash equivalents	0.0	0.1	0.4	0.3
(iii) Bank balances other than cash and cash equivalents	7.3	4.4	5.0	1.5
Other Financial Assets	0.7	2.6	0.0	1.1
Other Current Assets	41.1	20.4	9.3	8.4
Total Assets	247.9	137.5	107.2	79.1

Equity & Liabilities (in ₹ Cr)	Mar-22	Mar-21	Mar-20	Mar-19
Total Equity	128.5	39.9	16.3	12.2
Share Capital	15.2	8.7	8.7	8.7
Reserves & Surplus	113.3	31.2	7.5	3.4
Non-Current Liabilities	15.6	19.5	20.1	14.6
Financial Liabilities				
(i) Borrowings	14.3	18.5	18.6	14.4
(ii) Lease Liabilities	0.2	0.3	0.4	
Provisions	0.3	0.2	0.2	0.1
Deferred Tax Liabilities	0.7	0.4	0.9	0.2
Current Liabilities	103.7	78.2	70.9	52.3
Financial Liabilities				
(i) Borrowings	54.4	19.0	24.0	15.0
(ii) Trade Payables	33.5	42.4	41.3	32.5
(iii) Lease	0.0	0.1	0.1	
(iii) Other Financial Liabilities	0.2	0.1	0.0	0.1
Other Current Liabilities	5.5	6.2	3.1	2.9
Current tax liabilities (net)	10.2	10.3	2.4	1.9
Provisions	0.0	0.0	0.0	0.0
Total Equity & Liabilities	247.8	137.5	107.2	79.1

Cashflow Statement

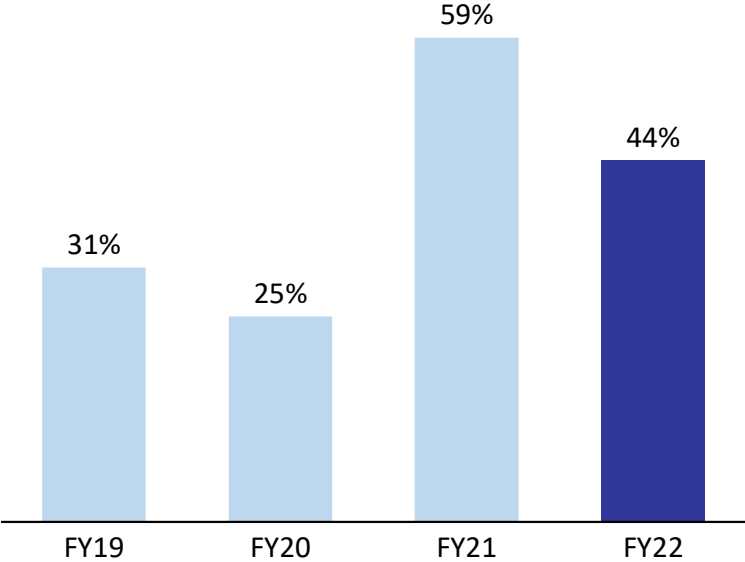


Particulars (in ₹ Cr)	FY22	FY21	FY20	FY19
Net Profit Before Tax	42.9	31.0	6.5	4.9
Adjustments for: Non -Cash Items / Other Investment or Financial Items	5.6	5.1	4.1	2.6
Operating profit before working capital changes	48.5	36.1	10.6	7.6
Changes in working capital	-97.4	-24.0	-7.1	-12.9
Cash generated from Operations	-49.0	12.1	3.5	-5.4
Direct taxes paid (net of refund)	11.0	0.7	1.1	1.3
Net Cash from Operating Activities	-60.0	11.3	2.4	-6.7
Net Cash from Investing Activities	34.1	-2.4	-12.4	-1.4
Net Cash from Financing Activities	25.8	-9.2	10.0	7.7
Net Decrease in Cash and Cash equivalents	0.0	-0.3	0.1	-0.3
Add: Cash & Cash equivalents at the beginning of the period	0.1	0.4	0.3	0.6
Cash & Cash equivalents at the end of the period	0.0	0.1	0.4	0.3

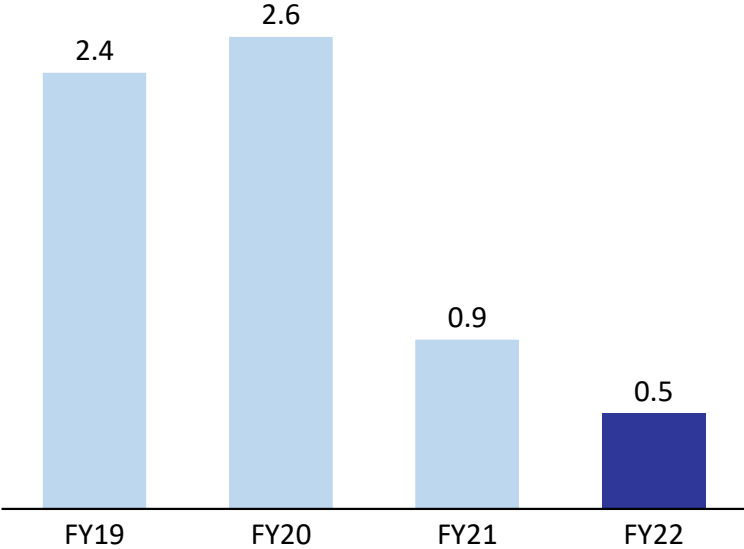
Key Ratios



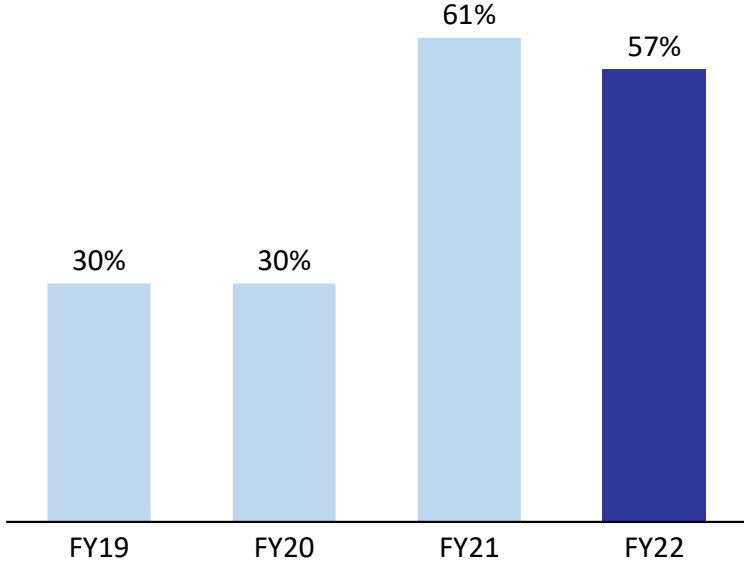
ROE*



Debt / Equity Ratio



ROCE*



*The company had made Private Placement on 21st October 2021 of ₹ 59.443 cr



Capacity Expansion

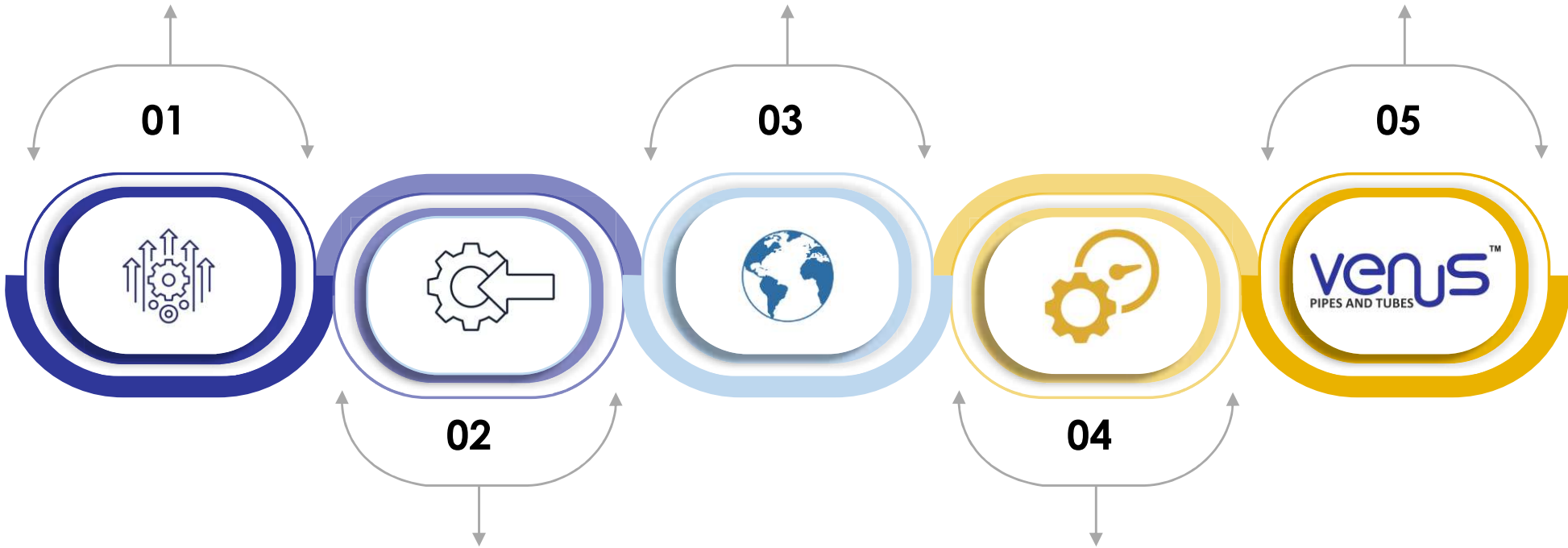
Proposing to expand our existing manufacturing capacity for welded pipes/tubes and seamless pipes/tubes for manufacturing higher diameter pipes/tubes.

Geographical Expansion

We intend to leverage our existing relationships to further deepen our presence in the international market, particularly in the European Union.

Brand Value

We intend to make consistent efforts to strengthen our brand “Venus” and enhance our brand visibility for attaining parity with our industry peers.



Backward Integration

We plan to set up a piercing line for manufacturing of hollow pipes with the capacity of 800 MT per month, as our backward integration strategy. With the piercing plant, we will be able to produce hollow pipes from SS round bar.

Better Efficiency

We are proposing to install an acid regeneration plant (“ARP”) where the consumption of acid in our manufacturing process shall be reduced substantially, and we believe that the same shall help us in improving our operating margins.



Thank You



Venus Pipes & Tubes Limited

CIN: L74140GJ2015PLC082306

Mr. Kunal Bubna (President – Accounts & Finance)

cs@venuspipes.com



Strategic Growth Advisors Private Limited

CIN: U74140MH2010PTC204285

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