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**Phone :** 079-29700574, 40026268, M: 9427320474, **Email :** info@euro7000.com, **CIN:** L24229GJ1993PLC020879

Date :- 16.11.2021

The Manager,  
BSE Limited,  
Department of Corporate Services,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400 001

**Script Code: 514448**

**Sub :- Q2 F.Y. 21 - 22 Investor Presentation.**

Dear Sir,

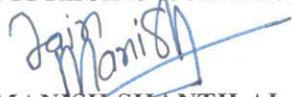
With reference to above subject, please find attached herewith our  
Q2 F.Y. 21 - 22 Investor Presentation.

You are requested to kindly update the same on your website.

Thanking you,

Yours faithfully,

**For, JYOTI RESINS & ADHESIVES LTD.**

  
**MANISH SHANTILAL JAIN**

**Compliance Officer & Company Secretary**  
**(M.No. ACS – 53423 )**





# Jyoti Resins and Adhesives Ltd

Q2FY22  
Investor Presentation

Refer to Disclaimer

# DISCLAIMER

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*You acknowledge that you will be solely responsible for your own assessment of the market and the market position of the Company and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the business of the Company.*



## 01 Company background

About Us | Our Journey | Our Network | Manufacturing  
Our strengths & commitment | Management Team

## 02 Business Model

Business Model | Our competitive edge

## 03 Performance highlights

Quarter Performance snapshot | Financial highlights  
Annual Performance snapshot | Financial highlights

## 04 Way forward

Way forward

## 05 Product Portfolio, New Products, Events

Diversified product portfolio | New Products | Events

## 06 Shareholding & Price performance

Shareholding pattern | Relative Price Performance

# Company background

# About Us



The company launched its brand “Euro 7000” in 2006, and is now the second largest (No 2) selling wood adhesive (white glue) brand in India in the retail segment.

## VISION & MISSION

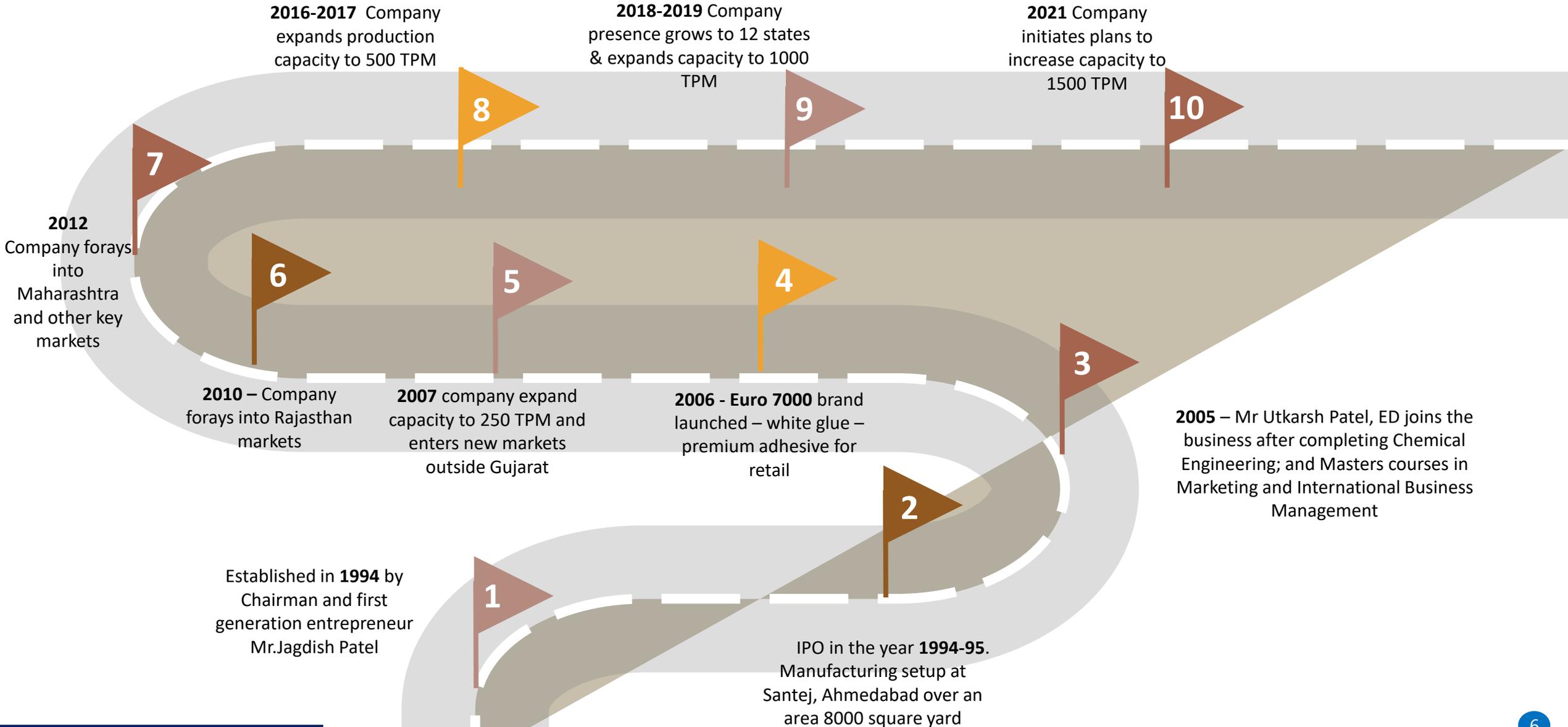
To Acquire National Leadership Position in Wood Adhesives Field In Retail Segment.

To be India’s most Preferable Adhesive Brand For The Carpenters , where Our End Users Can find The Best Solution For Gluing The Furniture.

We Believe To Continuously Create New Opportunities For Our Team Members To Do Growth In Our Strategic Business.

- **JYOTI RESINS AND ADHESIVES LTD** is a manufacturer of synthetic resin adhesives. The Company manufactures various types of wood adhesives (white glue) under the brand name of EURO 7000.
- The company launched its brand “**Euro 7000**” in 2006.
- The company has steadily increased its plant (at Santej, Ahmedabad) capacity to 1000 Tonnes per month, and is **currently expanding its capacity by 50% to 1500 TPM to meet growing demand for its product.**
- Euro 7000 has today grown exponentially and is now **the second largest (No 2) selling wood adhesive (white glue) brand in India in the retail segment.**
- The company’s success so far in this business is an outcome of its strategic vision focus on delivering world class products and services to its customers.
- Today it services 12 states in India through 22 branches and 50 distributors, catering to 10,000 retailers and 3 lac carpenters across India. A 300 strong sales force plays a key role in this process.

# Our Journey

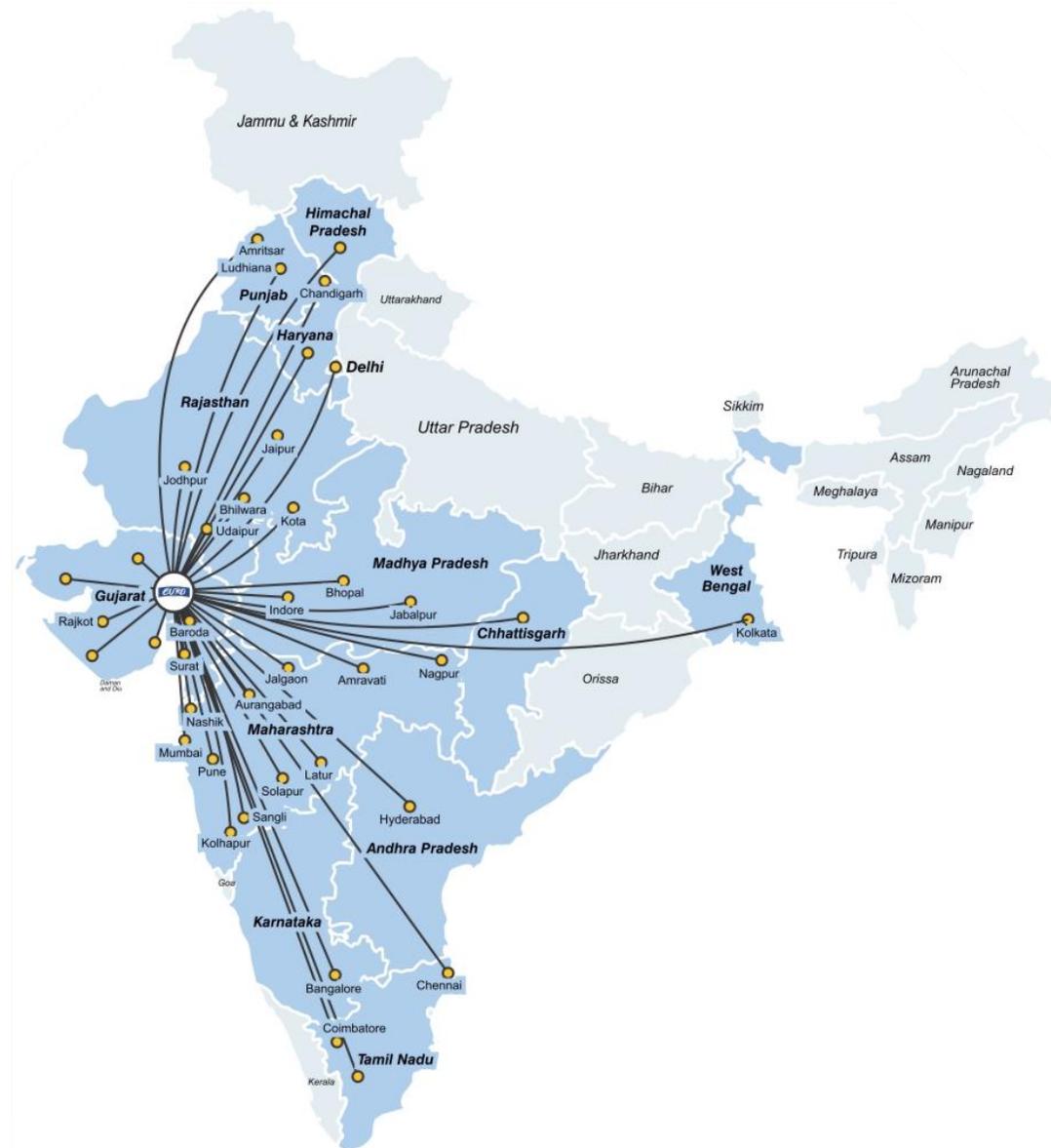


# Our Network today

12  
STATES

22  
BRANCHES

50  
DISTRIBUTORS



300  
SALES  
FORCE

10,000  
RETAILERS

300,000  
CARPENTERS

# Manufacturing & operations



## Manufacturing Plant

Our manufacturing plant at Santej, Ahmedabad, Gujarat is currently a 1000 TPM manufacturing facility and is being expanded to 1500 TPM during FY22.



## Administrative Offices

Our corporate office is at Ahmedabad, Gujarat. We also have a Head Office in Mumbai. Other than this we have 22 branch offices & warehouses across key cities & states.



# Our strength & commitment





## Jagdish N Patel

Chairman and Managing Director

Mr Jagdish N Patel is the first generation entrepreneur and started this company in 1994 eyeing the huge opportunity he saw in the market for organized players in adhesives.

With his financial prowess and effective team management capabilities, he built the strong foundation on which Euro7000 stand today.

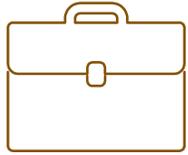


## Utkarsh J Patel

Executive Director

In 2005, Mr. Utkarsh Patel, Executive Director, joined the business, after completing his Chemical Engineering and Management courses in the field of Marketing and International Business Management.

He is currently driving the business on all fronts and has been instrumental in the operational turnaround of the business, with a vision to be the next big participant in the adhesives industry in India.



# Business Model & Our Edge

- ❑ The company imports raw materials from several countries. The raw materials are then processed and white glue is manufactured in their plant at Santej. The finished product is then packaged into different sizes starting from 500 gm upto 60 kgs. The products are then sold through a mix of Distributors and Consignee & Sales Agents into the retail market (sold to dealers).
- ❑ At a team level, the company has zonal managers, area managers, sales executives and business development executives. The whole chain works cohesively towards the visibility, promotions, training of carpenters, use and applications, resolving customer issues, sales orders and processing, and other related activities.
- ❑ The company also has an efficient carpenter reward model system which is a royalty program for carpenters. On every bucket / drums purchased by carpenters, they receive certain amount of points, which are then recorded by downloading and logging into the app designed by the company. Post a certain threshold, the carpenters can then redeem these points in return for gifts in several forms / modes of awards.
- ❑ The company has a well established and customised ERP software, which integrates its sales, purchases, distributor and consignee agent ordering, billing inventory, receivables as well as the carpenter royalty programme.

# Our competitive edge

## 01 Low cost manufacturing; Asset light

- Overall manpower costs is limited to 15-16% of revenues
- Selling and Distribution expenses maintained under 12%
- Asset turnover is at 8x
- Amongst the highest EBITDA per tonne vis-à-vis peers
- Working capital efficient hence No Debt and OCF & FCF positive

## 03 Diversified product portfolio

The company offers a wide range of products with several features and catering to different substrates such as :

- Anti Termite
- Water proof
- Fast drying
- Wider coverage
- Fungal resistance
- Heat resistance
- Weather proof
- High fixing strength
- Cold and hot press applications
- Multi purpose uses for Wood, PVC and Acrylic,

## 02 Our network

- Presence in 12 states
- Operating through 50 distributors for smaller cities
- Operating through 22 branches for bigger cities (metros)
- Selling to 10,000 retailers & working with 3 lac carpenters
- 300 sales executives & business development executives

## 04 Our carpenter reward model

- We have one of the best and highest rewarding carpenter rewarding model in the industry
- Reward & loyalty programs are devised state wise
- Company app provided to carpenters for claiming and redeeming points. Slab systems created on usage basis
- 3 lac carpenters currently registered under this programme



# Q1FY22 Performance Highlights

# Performance Snapshot

**98.3%**  
Growth in  
Revenue

**11.6%**  
EBITDA  
Margin

**25.5%**  
Growth in  
EBITDA

**32.5%**  
Growth in  
Net Profit



Revenue growth was up 98.3% YoY led by significant revival in demand post Wave 2 of Covid.



Hardening of raw material prices due to supply disruptions and sharp increase in freight rates led to compression in Gross Margins, thereby impacting EBITDA Margins. Price increases in Q3 will help reduce impact of raw material price increase.



PBT & PAT growth (excluding exceptional items) of 29% & 32.5% Y-o-Y.



Company continues to be debt free.

# Quarterly Financial highlights

Particulars (Rs mn)	Q2FY22	Q1FY22	Q2FY21	YoY%	H1FY22	H1FY21	YoY%
Net Sales	486.2	270.1	245.2	98.3%	756.3	332.0	127.8%
Expenditure	430.0	230.4	200.4	114.5%	660.4	277.9	137.6%
<b>EBITDA</b>	<b>56.2</b>	<b>39.7</b>	<b>44.8</b>	<b>25.5%</b>	<b>95.9</b>	<b>54.1</b>	<b>77.3%</b>
<i>EBITDA Margin (%)</i>	<i>11.57</i>	<i>14.69</i>	<i>18.27</i>	<i>-671 bps</i>	<i>12.68</i>	<i>16.29</i>	<i>-361 bps</i>
Other Income	4.1	8.2	2.2	87.8%	12.3	8.3	48.6%
Depreciation	1.9	1.6	1.6	17.2%	3.5	3.1	13.2%
Interest	0.0	0.1	0.1	-	0.1	0.3	-58.4%
<b>PBT (excl. extra ordinary)</b>	<b>58.4</b>	<b>46.2</b>	<b>45.2</b>	<b>29.1%</b>	<b>104.6</b>	<b>58.9</b>	<b>77.4%</b>
Tax	15.0	10.0	12.5	20.0%	25.0	15.0	66.7%
<b>PAT (excl. extra ordinary)</b>	<b>43.4</b>	<b>36.2</b>	<b>32.7</b>	<b>32.5%</b>	<b>79.6</b>	<b>43.9</b>	<b>81.1 %</b>
<i>PAT Margin (%)</i>	<i>8.92</i>	<i>13.39</i>	<i>13.35</i>	<i>-443 bps</i>	<i>10.52</i>	<i>13.24</i>	<i>-272 bps</i>
Extra Ordinary items	0		12.4		-	12.4	-
<b>Reported PAT</b>	<b>43.4</b>	<b>36.2</b>	<b>45.2</b>	<b>-3.9%</b>	<b>79.6</b>	<b>56.4</b>	<b>41.2%</b>
<b>EPS (excl extra ordinary)</b>	<b>10.85</b>	<b>9.04</b>	<b>8.18</b>	<b>32.5%</b>	<b>19.89</b>	<b>10.98</b>	<b>81.1%</b>
<b>Reported EPS</b>	<b>10.85</b>	<b>9.04</b>	<b>11.29</b>	<b>-3.9%</b>	<b>19.89</b>	<b>14.09</b>	<b>41.2%</b>



# Annual Performance Highlights

# Annual Performance Snapshot



**+75%**

Return on Capital Employed for FY21



**2<sup>nd</sup> Largest brand in India**

2<sup>nd</sup> largest selling Wood Adhesive brand in India (retail segment)



**Debt Free**

Continues to be Net Debt negative since FY18



**Dividend**

30% Dividend declared in FY21



Revenue crossed important milestone of Rs 100 cr in FY21



Consistent growth in Operating & Net Profits & Margin. Both have increased by 4x in last three years



Net worth increased by 70% YoY



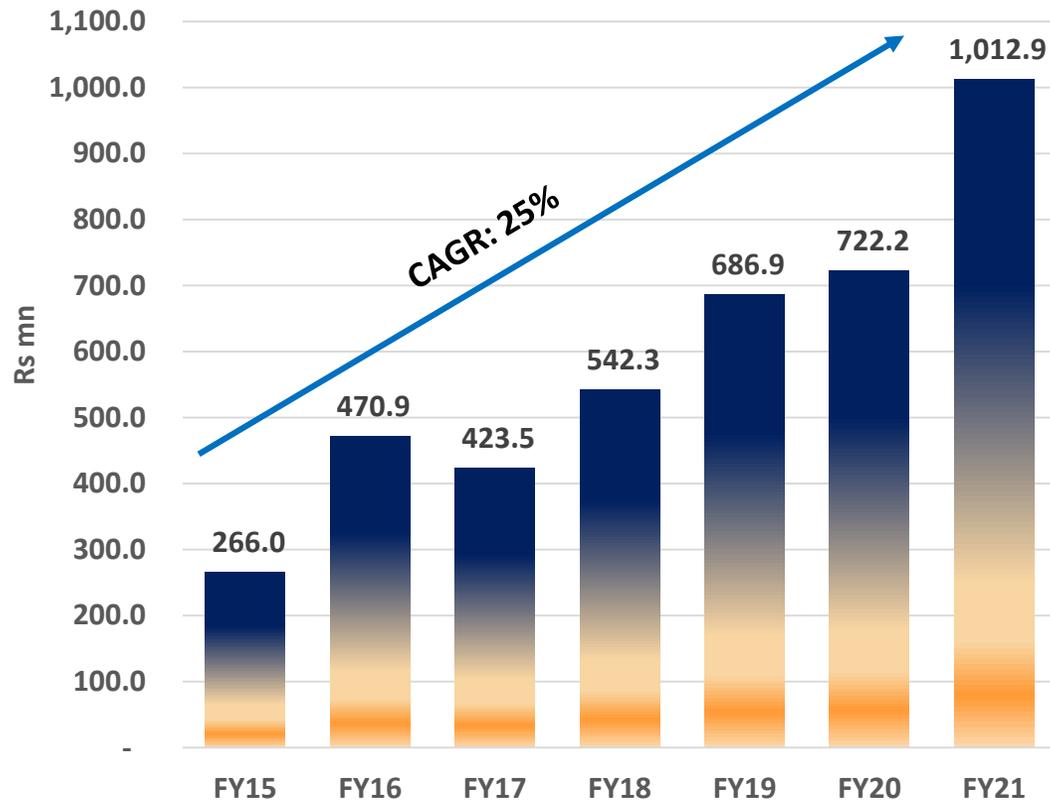
Promoter holding increased to 48.98% as on 31 Mar 2021

# Annual Income Statement

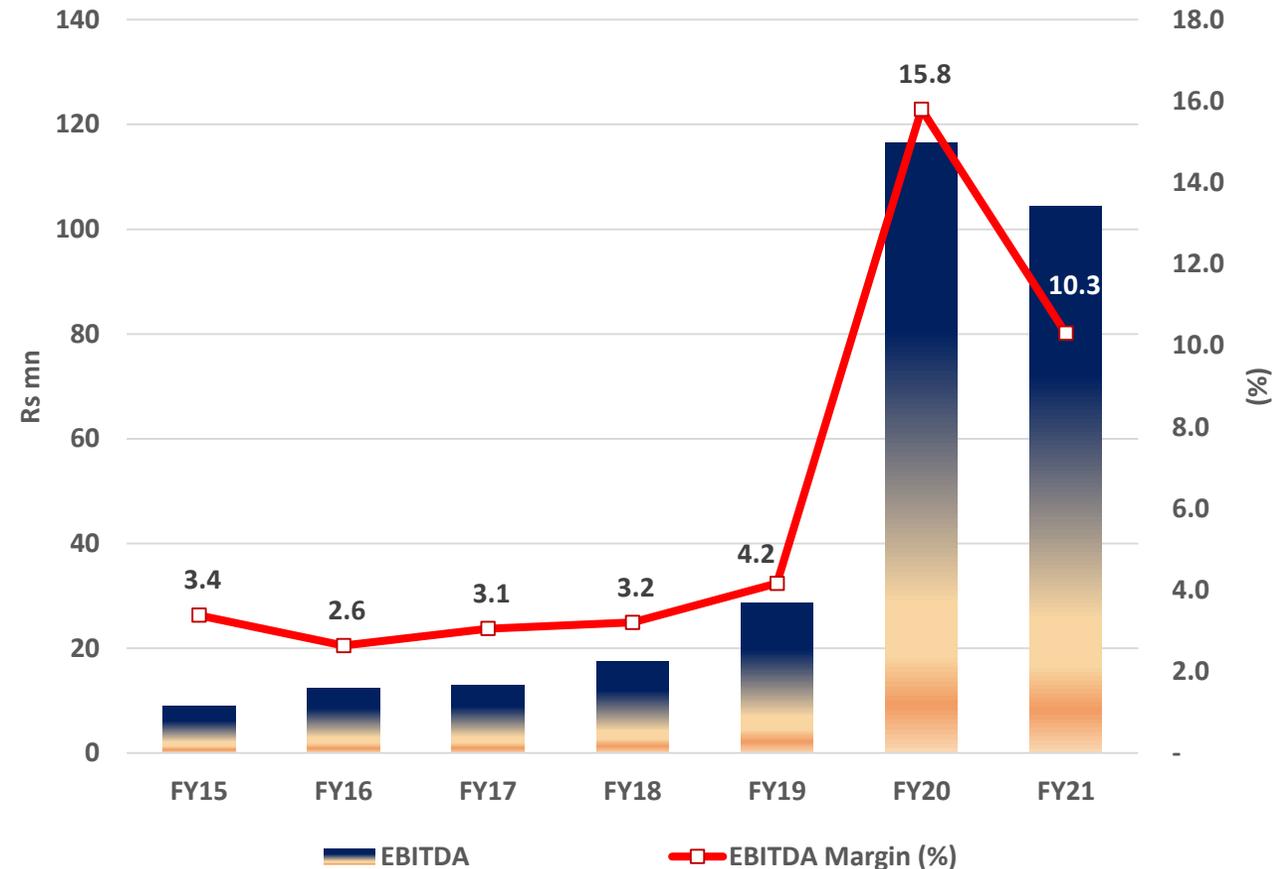
PARTICULARS (INR Mn)	FY17	FY18	FY19	FY20	FY21
Net Sales	423.5	542.3	686.9	735.4	1012.9
Expenditure	410.6	525.0	658.3	618.9	908.6
<b>EBITDA</b>	<b>12.9</b>	<b>17.4</b>	<b>28.6</b>	<b>116.5</b>	<b>104.4</b>
<i>EBITDA Margin (%)</i>	<i>3.1%</i>	<i>3.2%</i>	<i>4.2%</i>	<i>15.8%</i>	<i>10.3%</i>
Other Income	0.2	0.1	5.3	13.5	46.3
Depreciation	0.8	1.1	2.5	4.8	6.2
Interest	6.0	1.4	0.2	0.7	0.7
<b>Profit before tax</b>	<b>6.3</b>	<b>15.0</b>	<b>31.2</b>	<b>124.6</b>	<b>143.8</b>
Tax	1.9	4.4	8.7	30.4	40.1
<b>PAT (excl exceptional items)</b>	<b>4.4</b>	<b>10.6</b>	<b>22.5</b>	<b>94.2</b>	<b>103.7</b>
<i>PAT Margin (%)</i>	<i>1.0</i>	<i>1.9</i>	<i>3.3</i>	<i>12.81</i>	<i>10.24</i>
Exceptional items	-	-	-	-13.2	17.9
<b>Reported PAT</b>	<b>4.4</b>	<b>10.6</b>	<b>22.5</b>	<b>81.0</b>	<b>121.7</b>
<b>EPS (Rs)</b>	<b>1.0</b>	<b>2.6</b>	<b>5.5</b>	<b>23.55</b>	<b>25.94</b>
<b>Reported EPS (Rs)</b>	<b>1.0</b>	<b>2.6</b>	<b>5.5</b>	<b>20.25</b>	<b>30.41</b>

# Financial highlights (1/3)

## Revenues

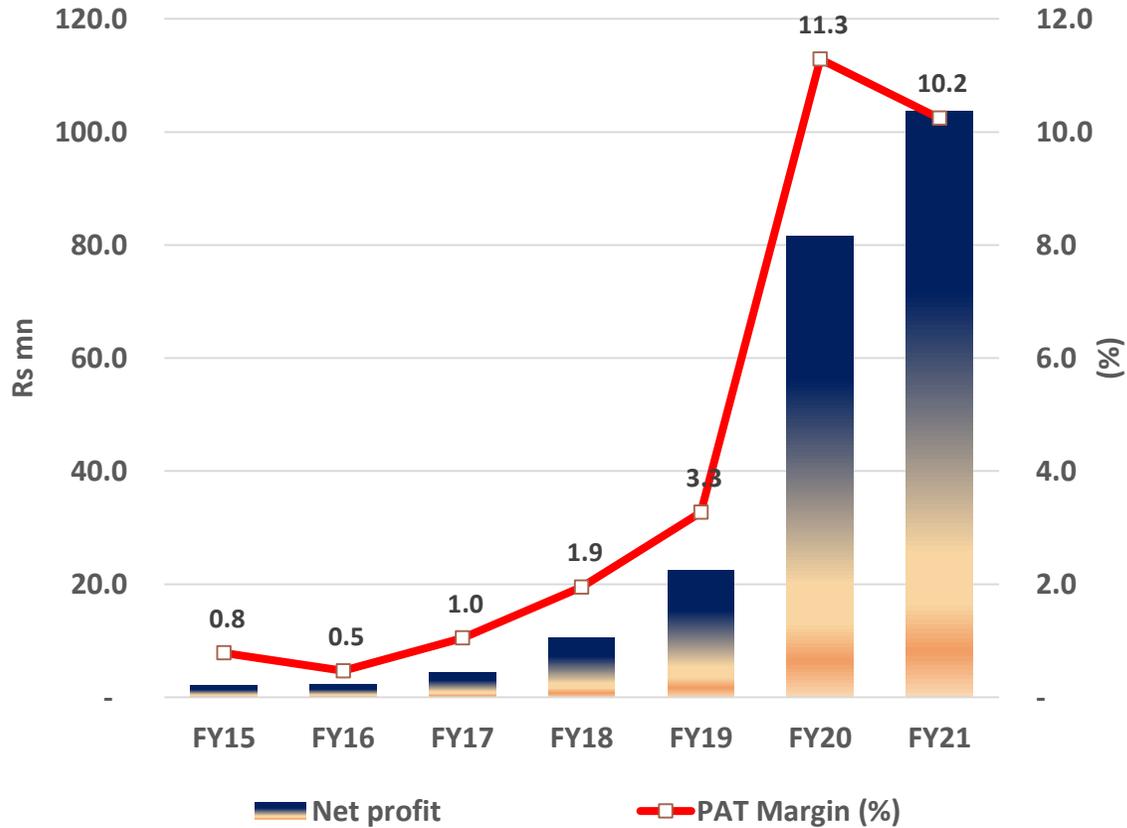


## EBITDA & EBITDA Margins

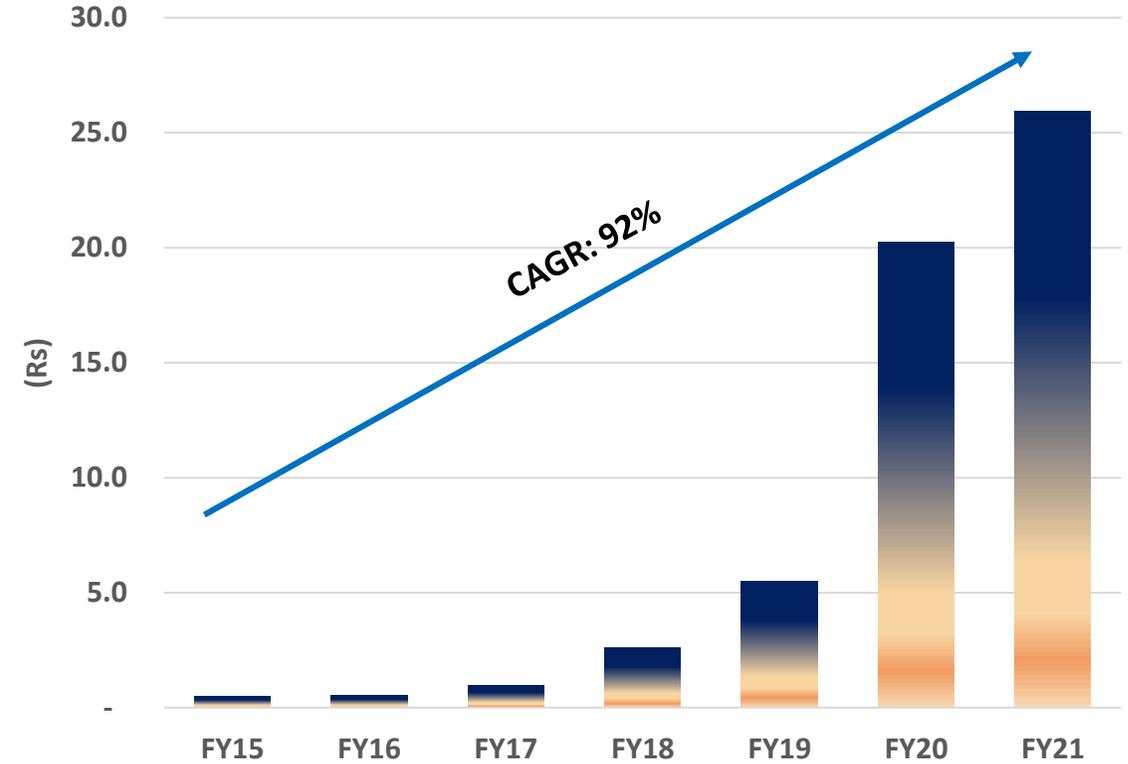


# Financial highlights (3/3)

Net Profit & PAT Margin (%) (excl exceptional)

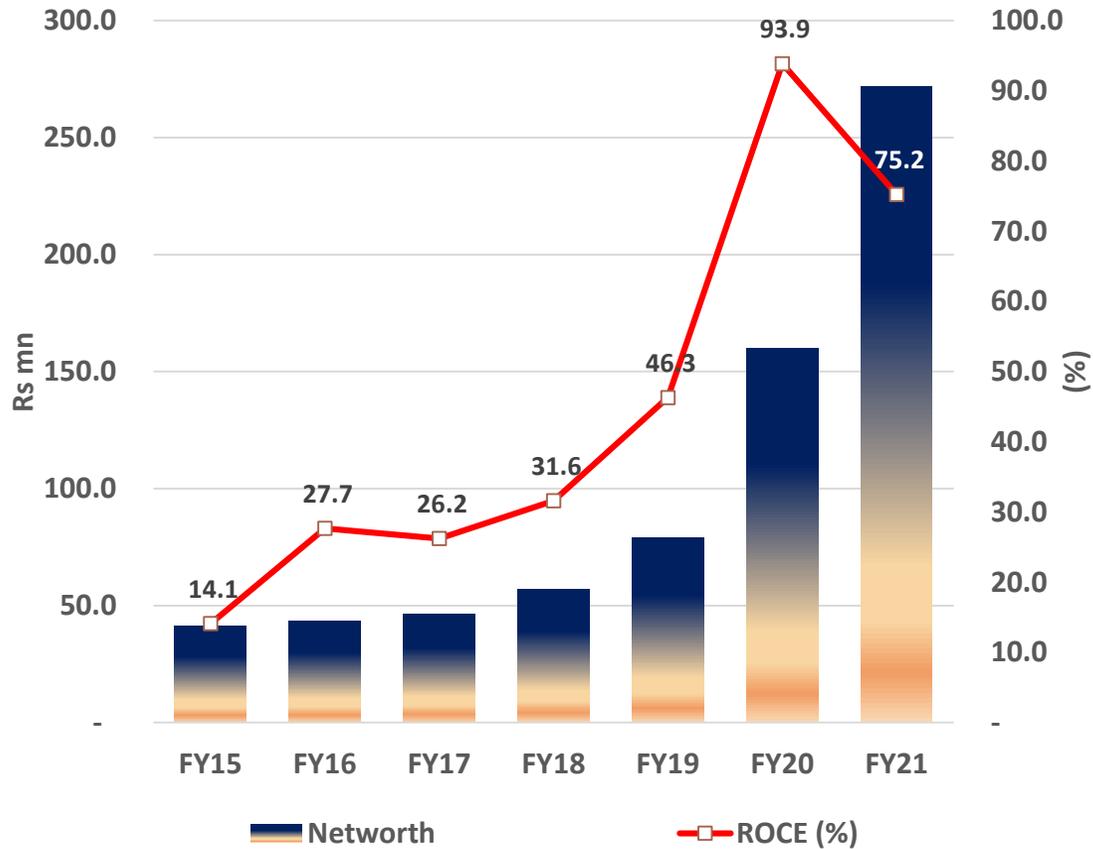


Earnings per share (Rs)

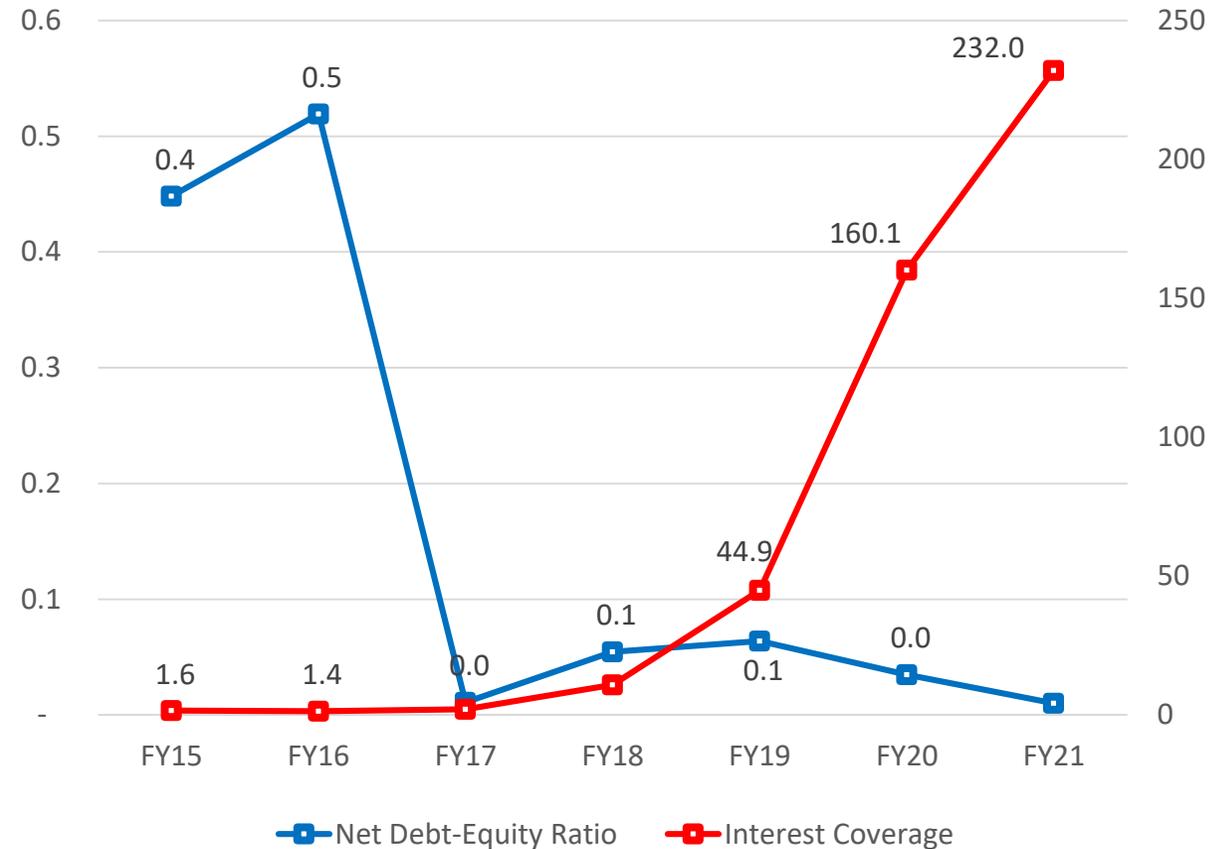


# Financial highlights (2/3)

### Net worth and Return Ratios (Average)

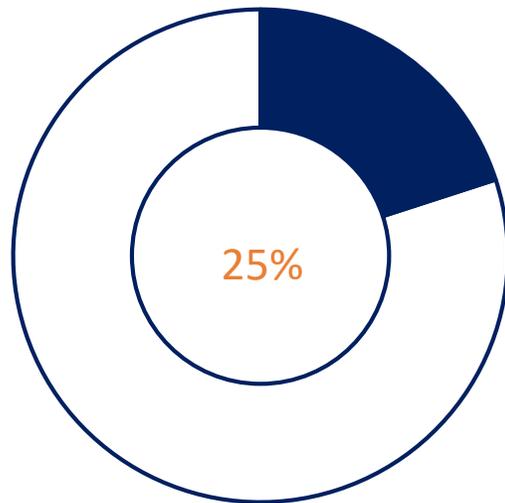


### Net Debt Equity ratio & Interest Coverage

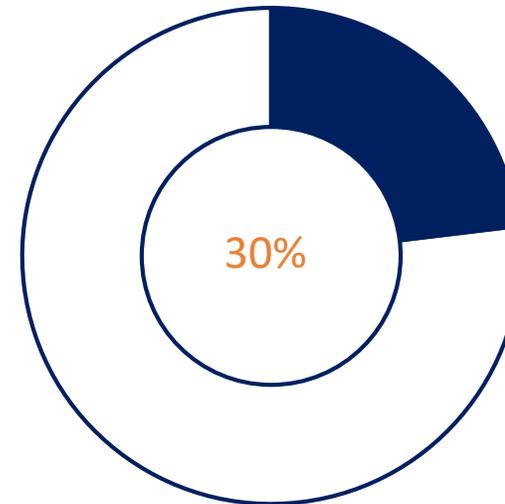


# Dividend History

Dividend Paid (% of face value Rs 10)



FY2019-20



FY2020-21



# Way Forward

# Way forward

1

## ENHANCE PRODUCTION CAPACITY BY 50%

Owing to sharp demand and growth in our products, we have undertaken the process to increase our production capacity from 1000 TPM to 1500 TPM

2

## EXPAND DISTRIBUTION NETWORK AND OUR BRANCHES

We are looking to expand our reach in a few more states as well as our penetration in existing states with increase in branches and distributors

3

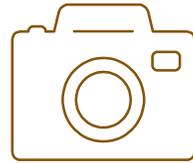
## GROWTH OVER NEXT 3-5 YEARS

Over the last 10 years, we have grown at CAGR of 38%/43%/55% on Revenue/Ebitda/PAT  
We are targeting a growth of +30% CAGR over the next 3-5 years

4

## RETURN RATIOS; DEBT FREE; IMPROVE WORKING CAPITAL EFFICIENCY

Continue to maintain +25 – 30% average ROE and ROCE;  
Stay debt free and generate positive operating cash flows and free cash flows.  
The company has entered new states recently – as it gets established margins and working capital efficiency is set to improve



# Product Portfolio

# Diversified Product Portfolio



Anti termite applications



Water proof, Anti termite, Heat & fungal resistant



Cold & Hot press applications



Waterproof, Anti termite, Fast drying (2-3 hours)



Waterproof, Anti termite, Heat & fungal resistance



For PVC and Acrylic sheet bonding to wood; pre edge bending taps



Waterproof, Anti termite, Fast drying (2-3 hours)



Waterproof, Anti termite, Fast drying (2-3 hours), Weather Proof

# New Product Launches (last 6 months)



## EXTREME 3 HI STRONG

### THREE BENEFITS IN ONE ADHESIVE

- Fast Drying Adhesive 2-3 hours handling strength
- Waterproof adhesive
- Anti termite formula

## EURO EWR COLD PRESS EXPERT

- Suitable for cold press
- Economy grade with extra strength
- Use for furniture industry
- Packing: 50 kgs drum

Anti Termite formula water resistant adhesive



## EURO D2+

### HOT PRESS EXPERT

- Suitable for Hot Press & Cold Press
- D2+ Formula
- Fast Drying
- Powerful strength
- Packing : 50 kgs drum pack

D2+ Grade Adhesive with Fast Drying Formula

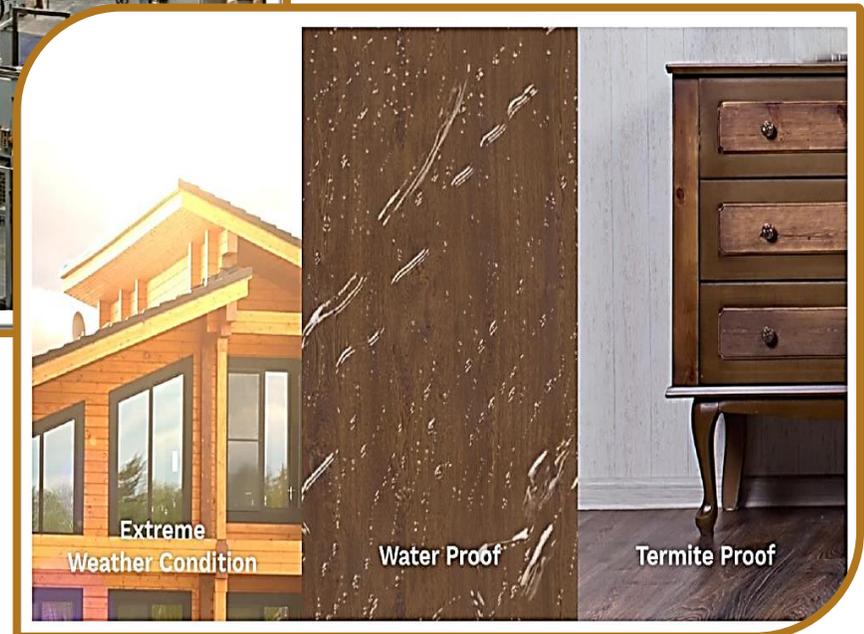
# Applications



## USAGE OF OUR PRODUCT



PAKKA JOD, HAMESHA



# Events



Dealers meet – Ahmedabad - 2020



Contractor Meet – Mumbai - 2020



Contractor Meet – Nagpur - 2020



Contractor meet – Ahmd, Rajkot, Baroda - 2020



ACETECH Exhibition – 2019 - Mumbai



Sponsoring festivals and events

# Connecting users & dealers digitally

मजबूत जोड़  
हमारे रिश्तों का...

**EURO**  
7000  
An ISO 9001:2008 certified company

**PASSBOOK FORM**

कॉन्ट्रैक्टर  
Points Offer

Token + Points

तारीख : \_\_\_\_\_ Sr. No. : \_\_\_\_\_

कॉन्ट्रैक्टर नाम : \_\_\_\_\_

मोबाइल : \_\_\_\_\_

शहर : \_\_\_\_\_

कॉन्ट्रैक्टर साईन      यूरो एक्जिक्यूटिव साईन

JYOTI RESINS & ADHESIVES LIMITED      www.euro7000.com

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SYNTHETIC WOOD ADHESIVE

कॉन्ट्रैक्टर Points Offer

Token + Points

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हमारे रिश्तों का...

Scan barcode % collect Loyalty Points

**101 PRIZES**

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Euro 7000  
Product/Service

Like

यूरो एडहेसिव के फेसबुक पेज को लाइक, फॉलो और शेयर करो और ढेरसारी प्राइसिस जितने का मौका पाइये

Like Follow Share

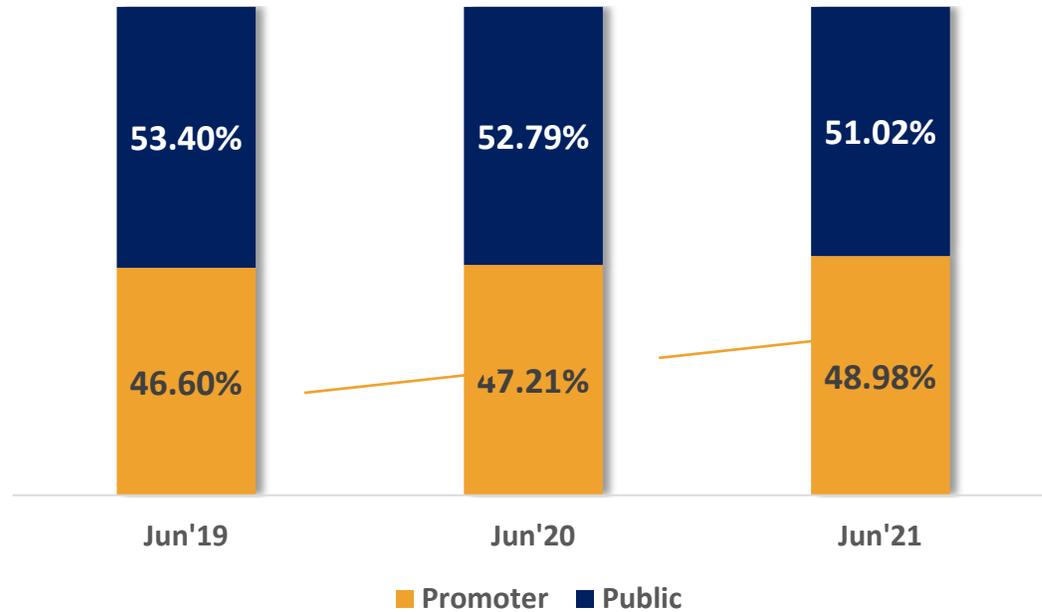
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# Shareholding Pattern & Relative Price Performance

# Shareholding & Relative Price performance

Shareholding pattern (%)



Relative Price Performance

# Thank You

FOR FURTHER INFORMATION PLEASE CONTACT



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