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

Date :- 18.05.2022

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

**Script Code: 514448**

**Sub :- Q4 F.Y. 21 - 22 Investor Presentation.**

Dear Sir,

With reference to above subject, please find attached herewith our  
Q4 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.**

*Jain Manish*

**MANISH SHANTILAL JAIN**

**Compliance Officer & Company Secretary**

**(M.No. ACS – 53423 )**





# Jyoti Resins and Adhesives Ltd

Q4 & FY22  
Investor Presentation

# Safe Harbour Statement

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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.*

## Performance highlights

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

01

**Way forward**  
Way forward

02

## Company background

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

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## Business Model

Business Model | Our competitive edge

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## Product Portfolio, New Products, Events

Diversified product portfolio | New Products | Events

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## Shareholding & Price performance

Shareholding pattern | Relative Price Performance



# Q4FY22 Performance Highlights

# Performance Snapshot

<b>60%</b> Growth in Revenue	<b>+575 bps</b> EBITDA Margin	<b>1:3</b> Bonus (2 shares for every 1 share held)
<b>184.5%</b> Growth in EBITDA	<b>192.6%</b> Growth in Net Profit	<b>Rs 7.5</b> Dividend per share

In FY2022 the company has delivered exemplary growth on all fronts. Revenue, EBITDA and PAT are up -80%, 128% and 90.5% respectively

9% Price increase taken in Jan 2022 helped reduce impact of raw material price increase. Further price increase of 4% implemented in May 2022.

Expanded capacity of 1500 TPM was operational during the quarter. Further expansion to 2000 TPM to be completed by June 2022

Company continues to be debt free.

**Bonus declared: 2 shares for every 1 share held.**

Dividend declared at Rs 7.5 per share (75% of FV of Rs 10) amounting to 15% Dividend Payout

# Quarterly Financial highlights

	Q4FY22	Q3FY22	Q4FY21	YoY%	FY22	FY21	YoY%
Net Sales	<b>574.6</b>	<b>488.6</b>	<b>359.0</b>	60.0	<b>1,819.6</b>	<b>1,012.9</b>	79.6
Expenditure	499.0	422.5	332.4	50.1	1,581.9	908.6	74.1
<b>EBITDA</b>	<b>75.6</b>	<b>66.1</b>	<b>26.6</b>	184.5	<b>237.6</b>	<b>104.4</b>	127.6
<i>EBITDA Margin (%)</i>	<i>13.16</i>	<i>13.52</i>	<i>7.40</i>	<i>+575.5 bps</i>	<i>13.06</i>	<i>10.30</i>	<i>+275.5 bps</i>
Other Income	17.7	4.5	14.0	26.6	34.5	46.3	-25.5
Depreciation	1.9	1.6	1.6	21.7	7.1	6.2	13.6
Interest	0.3	0.1	0.3	-	0.5	0.7	-30.4
<b>Profit Before Tax</b>	<b>91.2</b>	<b>68.9</b>	<b>38.7</b>	135.5	<b>264.6</b>	<b>143.8</b>	84.0
Tax	21.9	20.0	15.1	45.5	66.9	40.1	67.0
<b>Profit After Tax</b>	<b>69.2</b>	<b>48.9</b>	<b>23.7</b>	192.6	<b>197.6</b>	<b>103.7</b>	90.5
<i>PAT Margin (%)</i>	<i>12.04</i>	<i>10.00</i>	<i>6.59</i>	<i>+545.5 bps</i>	<i>10.86</i>	<i>10.24</i>	<i>+62 bps</i>
<b>Earnings Per Share (Rs)</b>	<b>17.30</b>	<b>12.22</b>	<b>5.91</b>	192.6	<b>49.41</b>	<b>25.94</b>	90.5
<b>Dividend Per Share (Rs)</b>	-	-	-	-	<b>7.5</b>	<b>3.0</b>	-



# Annual Performance Highlights

**+31%**

Return on Equity

**+41%**

Return on Capital Employed

**Second Largest  
brand in India**

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

**Debt Free**

Continues to be Net Debt negative since FY18

**Dividend**

75% Dividend Per Share declared in FY22

Shareholders Funds increased by 185.6% YoY

Consistent growth in Operating Profit & Net Profit. Both have increased by 1.8 – 1.9x over previous year

Revenue touched Rs 182 cr in FY22  
Capacity enhanced to 1500 TPM and further to 2000 TPM by June'22

Promoter holding increased to 49.97% in Mar 2022 vs 48.98% in Mar 2021

# Annual Income Statement

(Rs mn)	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Net Sales	266.0	470.9	582.0	686.9	735.4	1012.9	<b>1,819.6</b>
Expenditure	257.0	458.5	569.1	658.3	618.9	908.6	1,581.9
<b>EBITDA</b>	<b>9.0</b>	<b>12.4</b>	<b>12.9</b>	<b>28.6</b>	<b>116.5</b>	<b>104.4</b>	<b>237.6</b>
<i>EBITDA Margin (%)</i>	<i>3.4%</i>	<i>2.6%</i>	<i>2.2%</i>	<i>4.2%</i>	<i>15.8%</i>	<i>10.3%</i>	<i>13.1%</i>
Other Income	0.2	0.1	0.2	5.3	13.5	46.3	34.5
Depreciation	0.8	0.8	0.8	2.5	4.8	6.2	7.1
Interest	5.4	8.4	6.0	0.2	0.7	0.7	0.5
<b>Profit Before Tax</b>	<b>3.0</b>	<b>3.3</b>	<b>6.3</b>	<b>31.2</b>	<b>124.6</b>	<b>143.8</b>	<b>264.6</b>
Tax	0.9	1.1	1.9	8.7	30.4	40.1	66.9
<b>Net Profit</b>	<b>2.1</b>	<b>2.2</b>	<b>4.4</b>	<b>22.5</b>	<b>94.2</b>	<b>103.7</b>	<b>197.6</b>
<i>PAT Margin (%)</i>	<i>0.8%</i>	<i>0.5%</i>	<i>0.8%</i>	<i>3.3%</i>	<i>12.8%</i>	<i>10.2%</i>	<i>10.9%</i>
<b>Earnings Per Share (Rs)</b>	<b>0.5</b>	<b>0.5</b>	<b>1.1</b>	<b>5.5</b>	<b>23.55</b>	<b>25.94</b>	<b>49.41</b>
<b>Dividend Per Share (Rs)</b>	-	-	-	-	<b>2.5</b>	<b>3.0</b>	<b>7.5</b>

**80%**  
Growth in  
Revenue

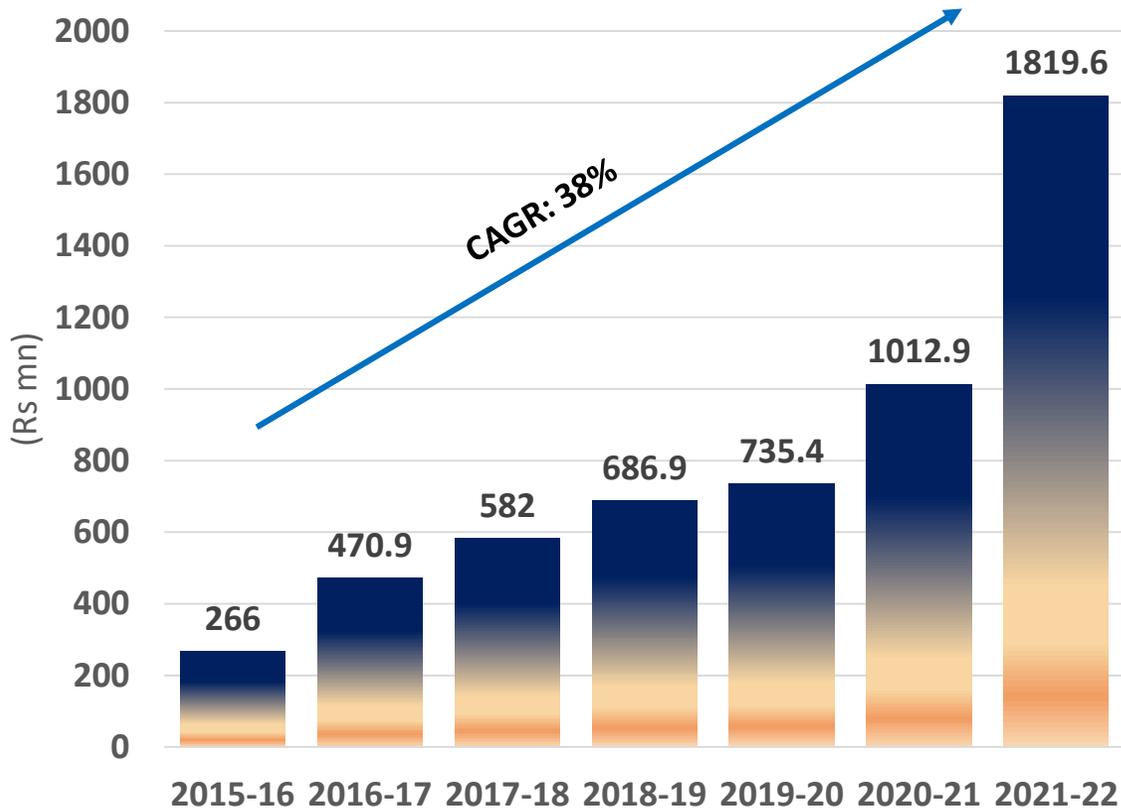
**+275 bps**  
EBITDA  
Margin

**+127%**  
Growth in  
EBITDA

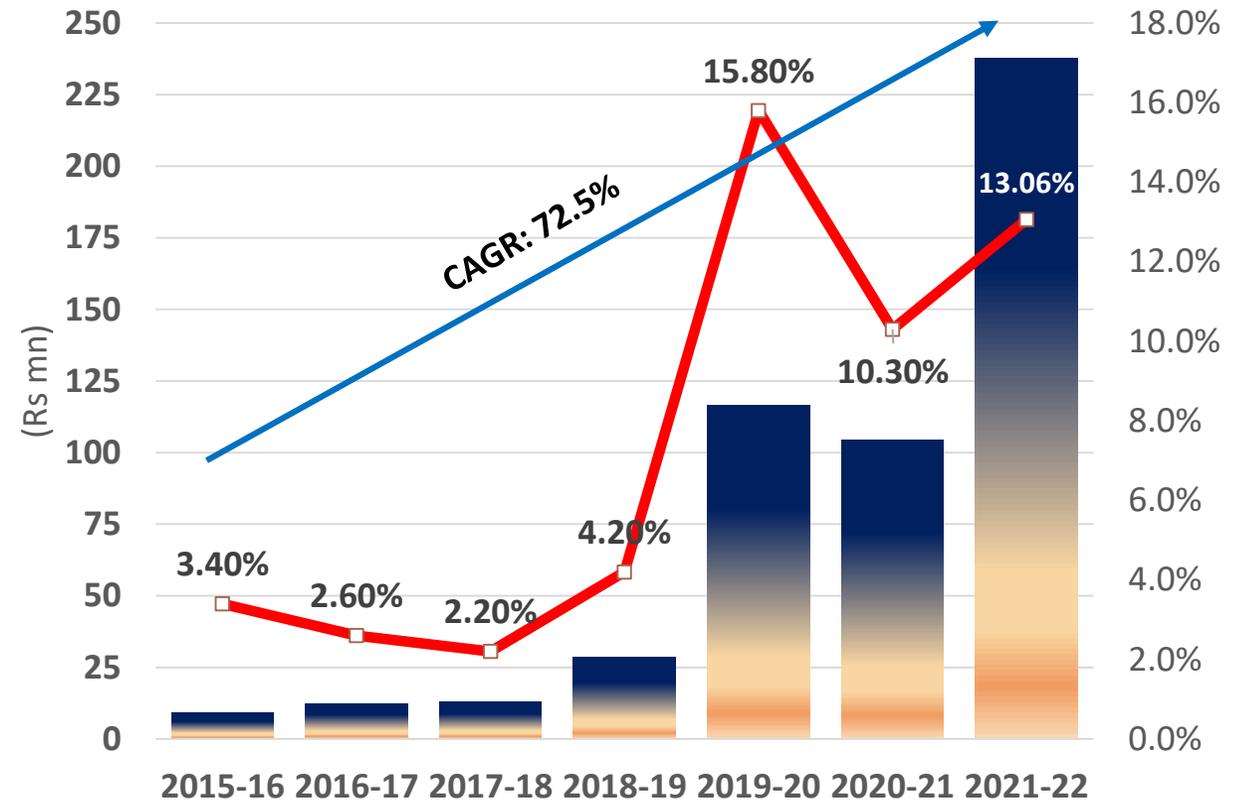
**+90%**  
Growth in  
Net Profit

# Financial highlights (1/3)

Revenues (Rs mn)

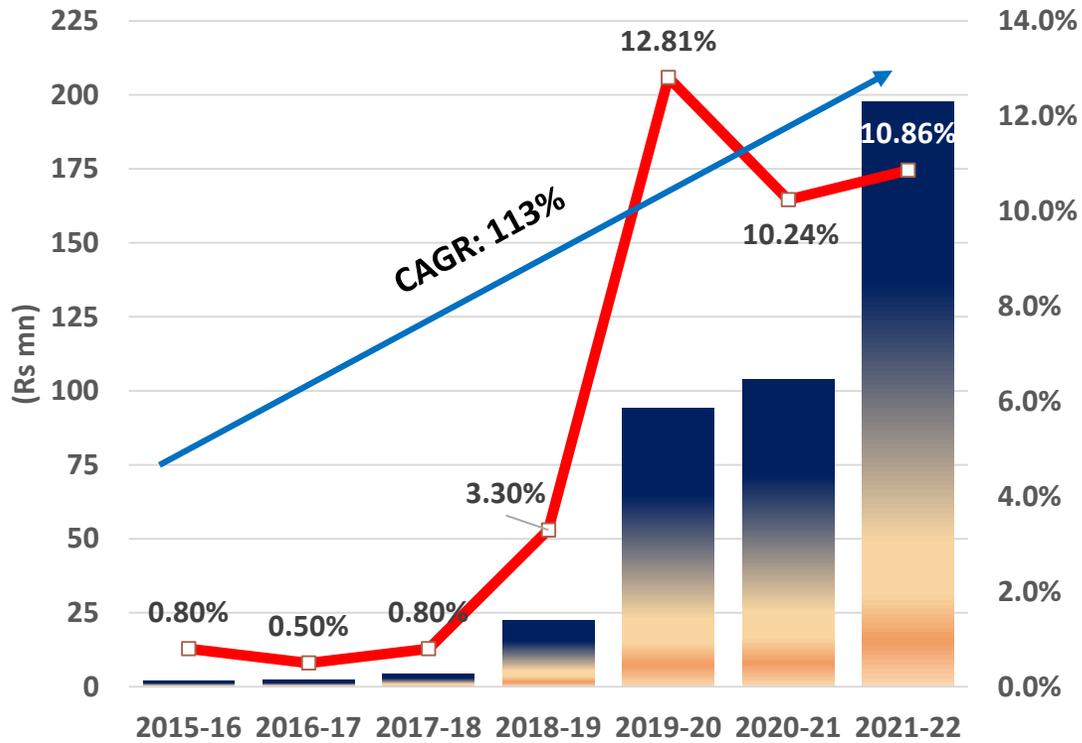


EBITDA (Rs mn) & EBITDA Margins (%)

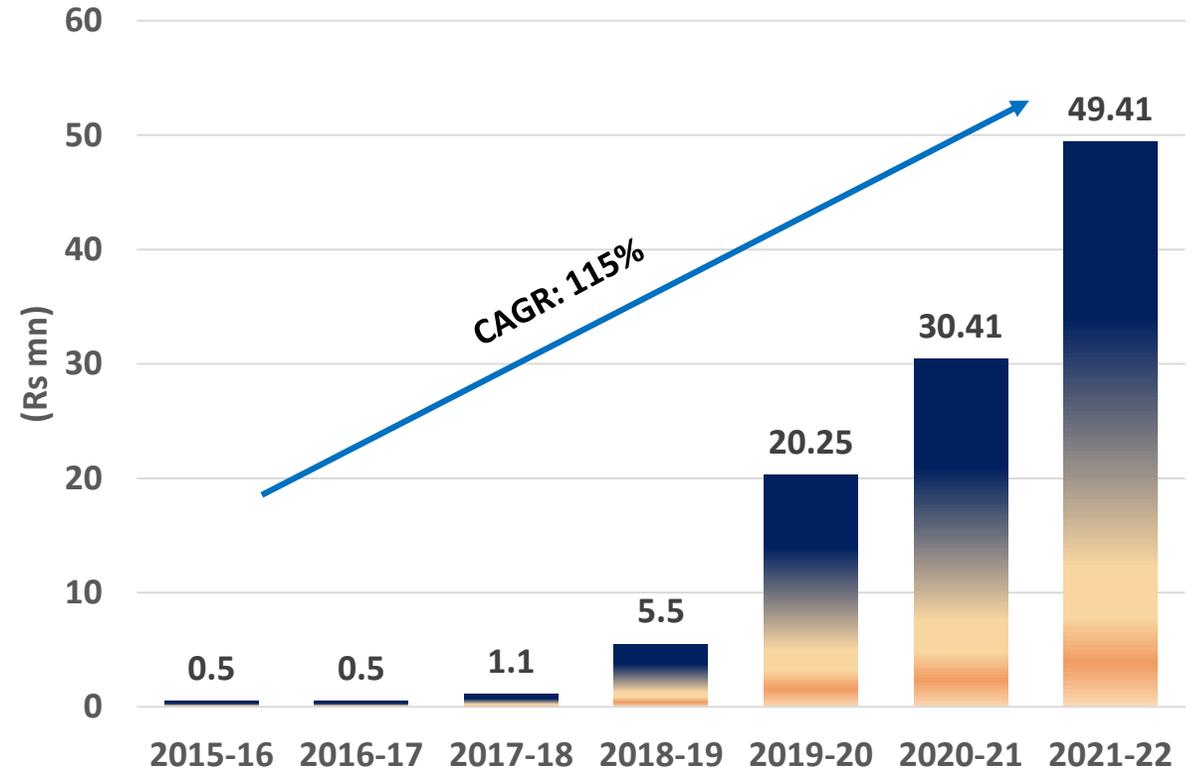


# Financial highlights (3/3)

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



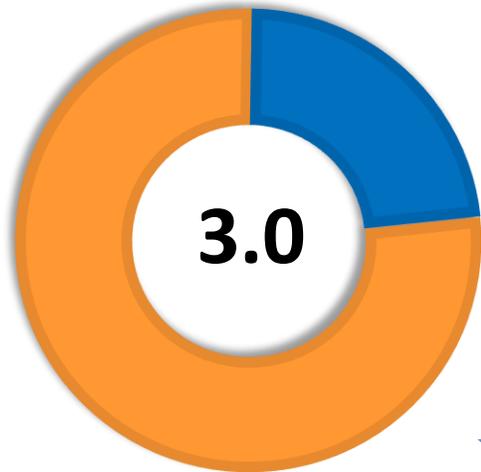
Earnings per share (Rs) (Reported)



# Dividend History

FY2020-21

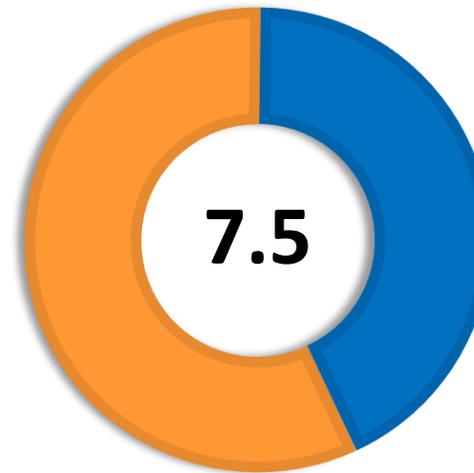
DIVIDEND PER SHARE (RS)



**Dividend  
Payout  
10%**

FY2021-22

DIVIDEND PER SHARE (RS)



**Dividend  
Payout  
15%**



Way Forward



# Way forward

## ENHANCE PRODUCTION CAPACITY FURTHER

Owing to sharp demand and growth in our market share, **we have undertaken the process to increase our production capacity further from 1500 TPM to 2000 TPM.** Company is also planning to setup a warehouse for enhancing storage of raw materials and finished goods.

01

## EXPAND DISTRIBUTION NETWORK AND OUR BRANCHES

We are looking to expand our reach in several more states as well as increase our penetration in existing states with increase in branches and distributors. **During the quarter (Q4FY22) company forayed into Assam.**

02

## GROWTH OVER NEXT 3-5 YEARS

Over the last 7 years, we have grown at CAGR of 38%, 73%, 115% on Revenue, Ebitda, PAT.  
**We are targeting 25% CAGR for Revenues over the next 3 years (Base Year: FY2022)**

03

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

Continue to maintain +30% ROE and +40% ROCE.  
Stay debt free and generate positive operating cash flows and free cash flows.  
**Foray into new states & increase margins in established states.**

04



# 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

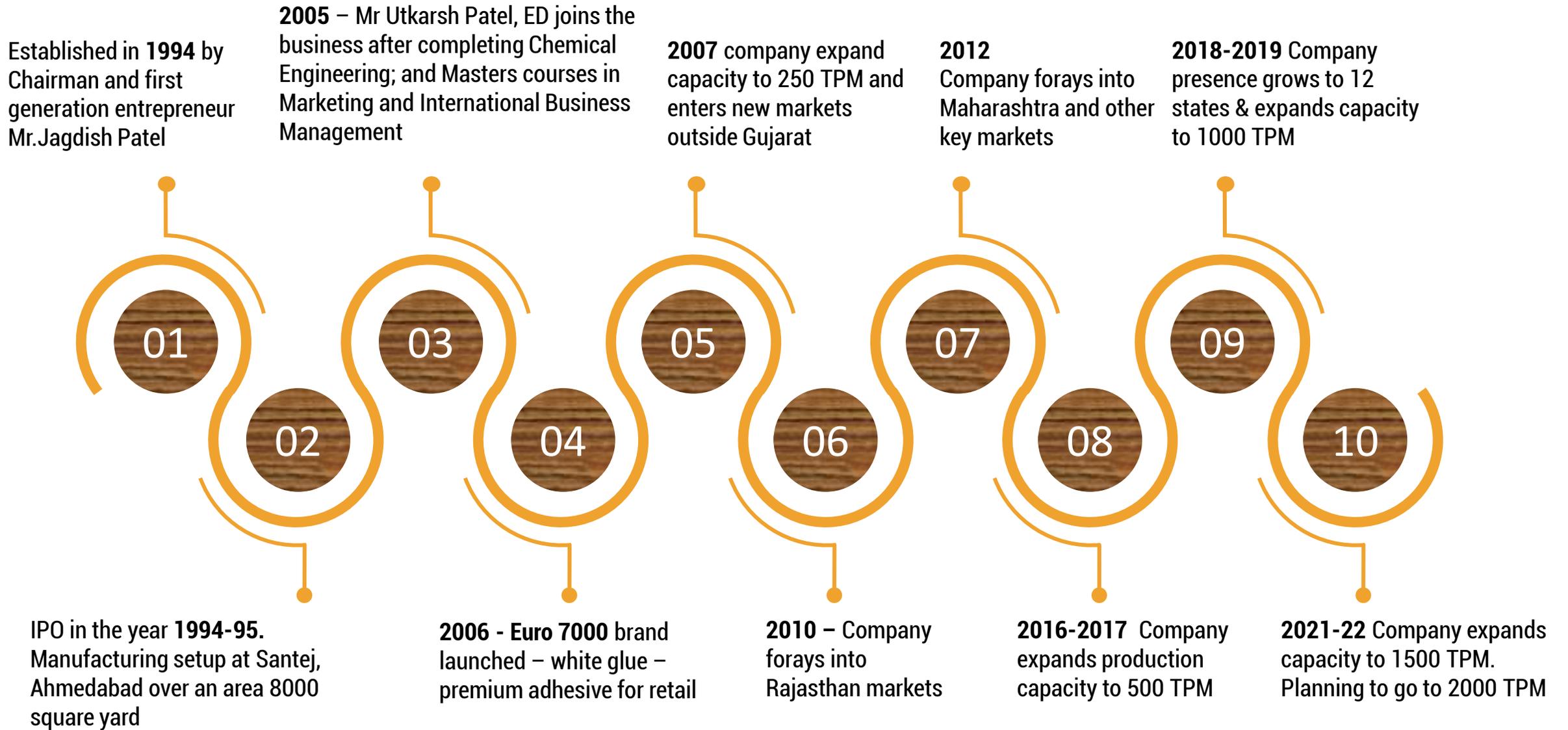
To Acquire National Leadership Position in Wood Adhesives Field In Retail Segment.

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, expanded capacity **by 50% to 1500 TPM in Nov'21 and now further expanding to 2000 TPM by June'22.**
- 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 13 states in India through 28 branches and 50 distributors, catering to 10,000 active retailers and 3 lac carpenters across India. A 300 strong sales force plays a key role in this process.

# Our Journey



# Our Network today



13  
STATES

300  
SALES  
FORCE

28  
BRANCHES

10,000  
ACTIVE  
RETAILERS

50  
DISTRIBUTORS

300,000  
CARPENTERS



# Manufacturing & Operations

## Manufacturing Plant

Our manufacturing plant at Santej, Ahmedabad, Gujarat is currently at 1500 TPM manufacturing facility and is being expanded to 2000 TPM by June 2022.

## Administrative Offices

Our corporate office is at Ahmedabad, Gujarat. We also have a Administrative Office in Mumbai. Other than this we have 28 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.



## Management Team



## 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

# Business Model



01

• 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).

02

• 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.

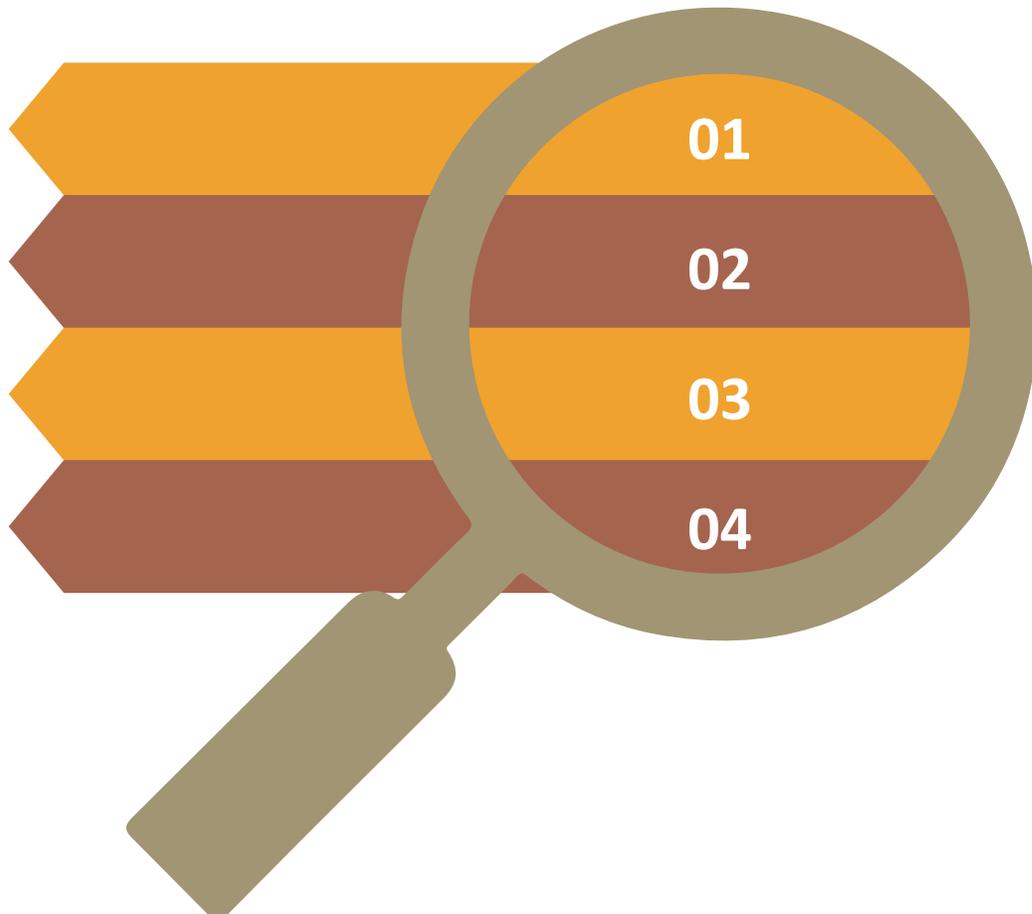
03

• The company also has an efficient carpenter reward model system which is a loyalty 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.

04

• 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 loyalty programme.

# Our competitive edge



## 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

## Our network

- Presence in 13 states
- Operating through 50 distributors for smaller cities
- Operating through 28 branches for bigger cities (metros)
- Selling to 10,000 active retailers & working with 3 lac carpenters
- 300 sales executives & business development executives

## 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.

## 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



# 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

- Fast Drying Adhesive with 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

## EWR D2+



### HOT PRESS EXPERT

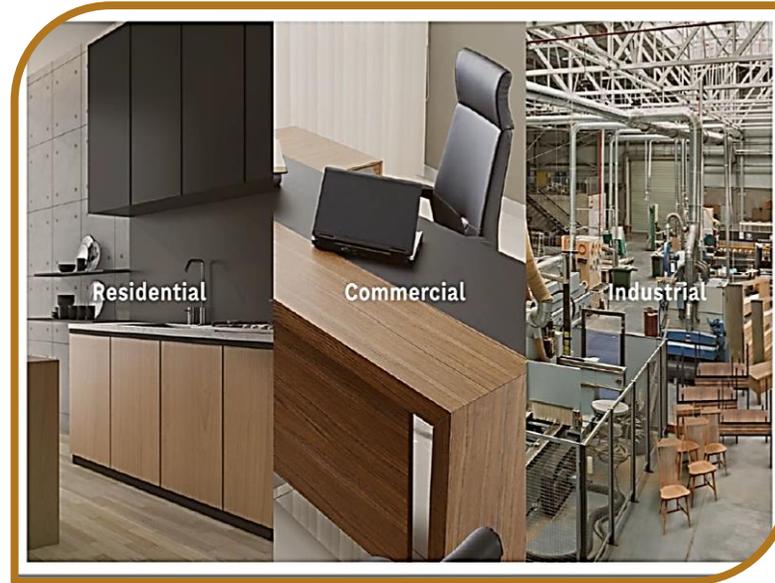
- Suitable for Hot & Cold Press
- D2+ Formula
- Fast Drying
- Powerful strength
- Packing : 50 kgs drum pack

D2+ Grade Adhesive with Fast Drying Formula

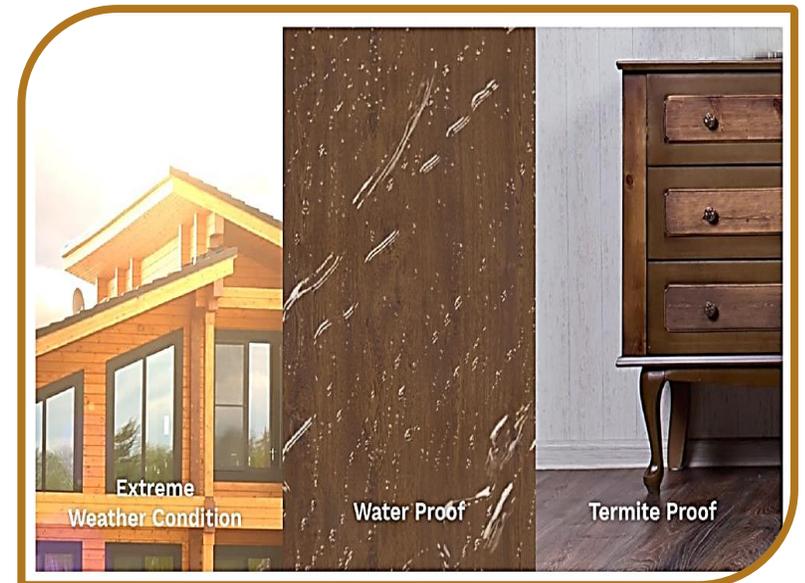
# Applications



## 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 जोड  
हमारे रिश्तों का...

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

**PASSBOOK FORM**

कॉन्ट्राक्टर  
Points Offer

Token + Points

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

कॉन्ट्राक्टर नाम : \_\_\_\_\_

मोबाइल : \_\_\_\_\_

शहर : \_\_\_\_\_

कॉन्ट्राक्टर साईन      यूरो एक्जिक्यूटिव साईन

JYOTI RESINS & ADHESIVES LIMITED      www.euro7000.com



Scan barcode & collect Loyalty Points

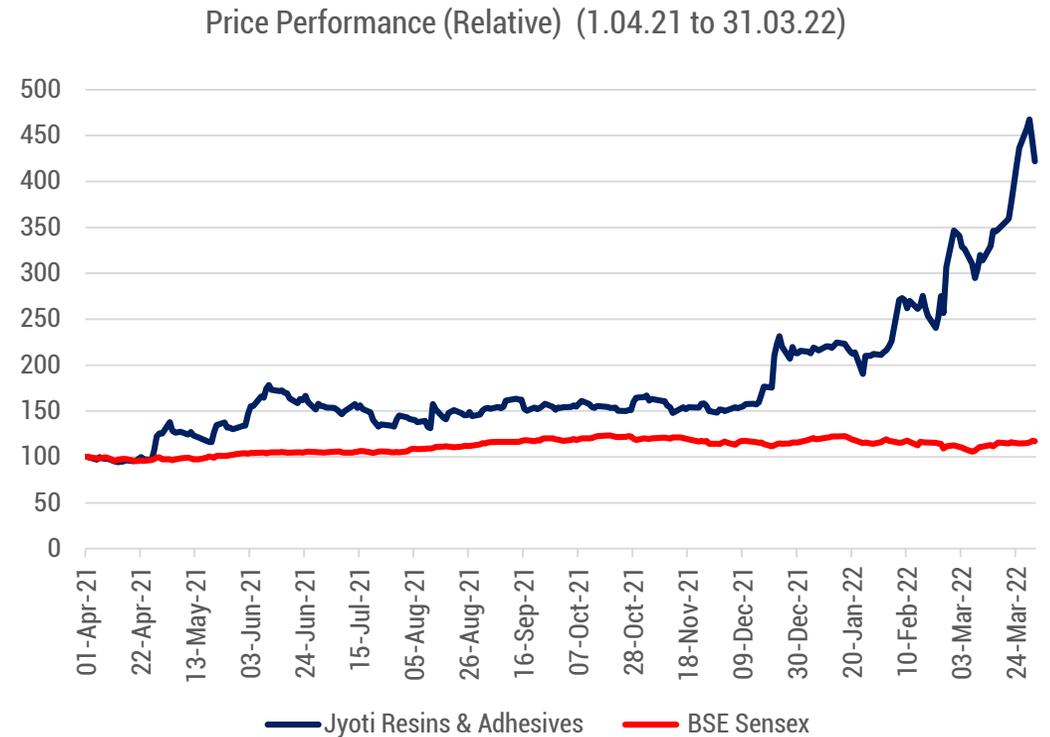
Like, Share & Follow our facebook page



# Shareholding & Price Performance

# Shareholding Pattern & Price Performance

Category	Mar-20	Mar-21	Mar-22
<b>Promoter</b>	<b>47.21%</b>	<b>48.98%</b>	<b>49.97%</b>
<b>Public</b>	<b>52.79%</b>	<b>51.02%</b>	<b>50.03%</b>
- Foreign Institutional Investors*	-	-	2.00%
- Ark Global Emerging Companies, Lp	-	-	1.25%
- Deseret Mutual Employee Pension Plan Trust**	-	-	0.75%



\* FII shareholding is part of overall public shareholding

\*\* Source: Bulk Deals, BSE India - % derived from shares bought vs total equity shares outstanding

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# Thank You

FOR FURTHER INFORMATION PLEASE CONTACT



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