



**JYOTI RESINS &
ADHESIVES LTD.**

(AN ISO 9001 : 2015 COMPANY)

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Administrative Office : 1104-1112, ELITE, Nr. Shapath Hexa Opp. Kargil Petrol Pump, Nr. Sola Bridge S.G. Highway, Ahmedabad-380060
Phone : 079-29700574, 40026268, M: 9427320474, Email : info@euro7000.com, CIN: L24229GJ1993PLC020879

Date :- 28.06.2021

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

Script Code: 514448

Sub :- Q4 & F.Y. 21 Earnings Presentation.

Dear Sir,

With reference to above subject, please find attached herewith our
Q4 & F.Y. 2021 Earnings 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&FY21
Investor Presentation

Refer to 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
Our strengths & commitment | Management Team

02 Business Model

Business Model | Our competitive edge

03 Way forward

Way forward

04 Q4&FY21 Performance highlights

Financial snapshot | Financial highlights

05 Product Portfolio

Diversified product portfolio | Applications | Events

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

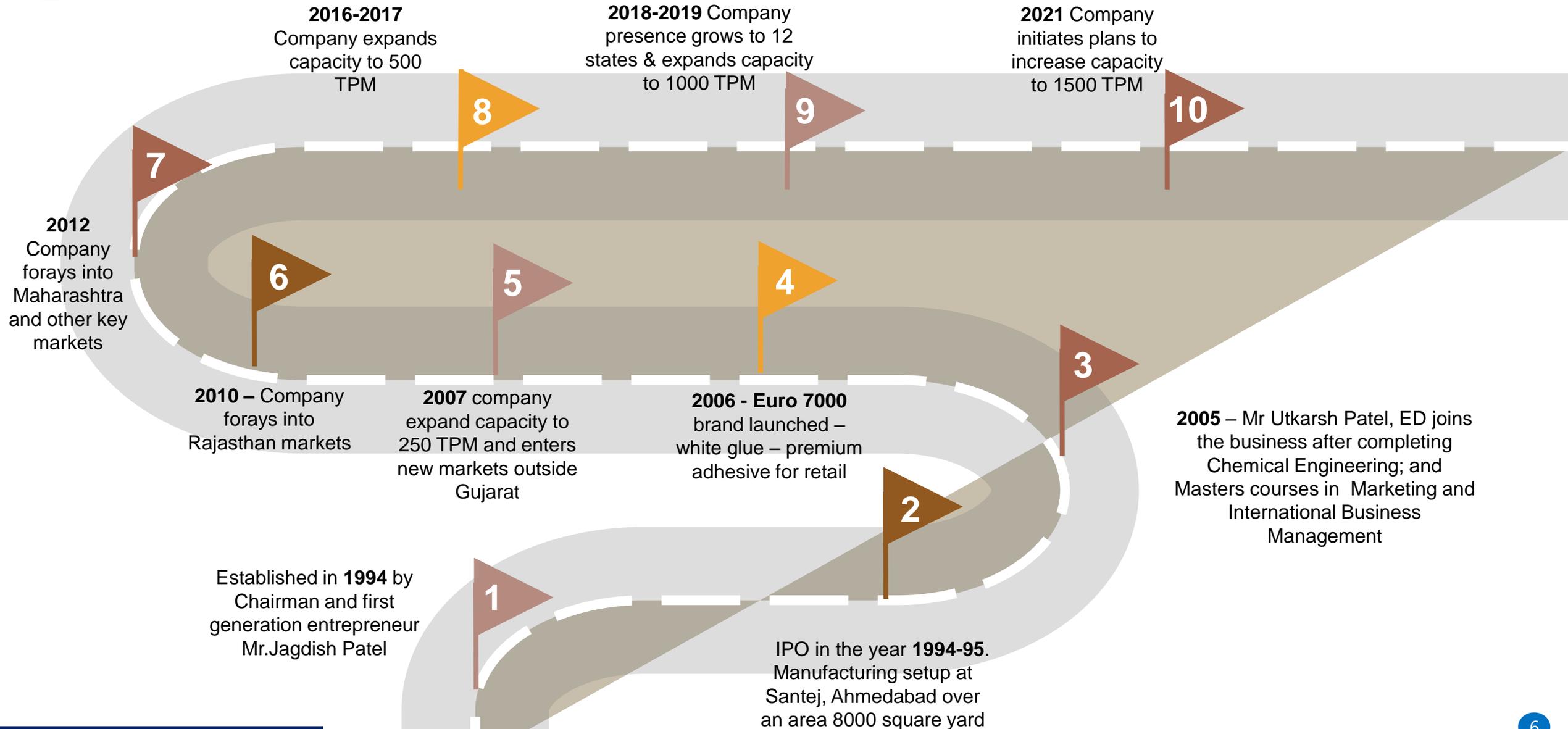
To Acquire National Leadership Position in Wood Adhesives Field In Retail Segment.

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 20 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

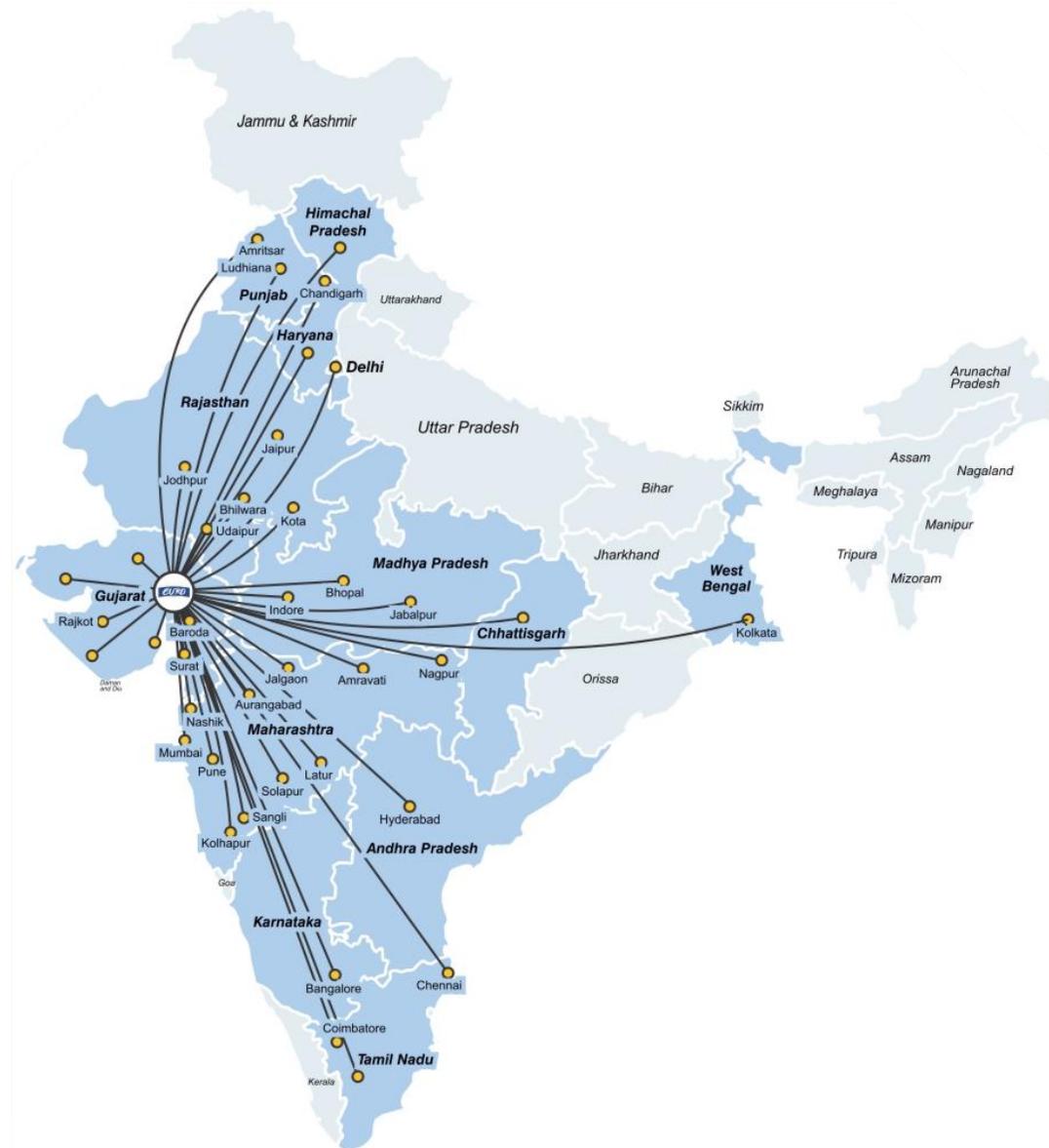


Our Network today

12
STATES

20
BRANCHES

50
DISTRIBUTORS



300
SALES
FORCE

10,000
RETAILERS

300,000
CARPENTERS

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.

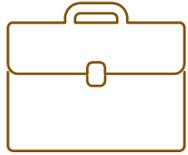


Utkarsh J Patel

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 20 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



Q4&FY21 Performance Highlights

Performance Snapshot



+75%

Return on Capital Employed for FY21



2nd Largest brand in India

2nd 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 growth of 82% YoY for the quarter.
Revenue crossed important milestone of Rs 100 cr for FY21



Consistent growth in Operating & Net Profit 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

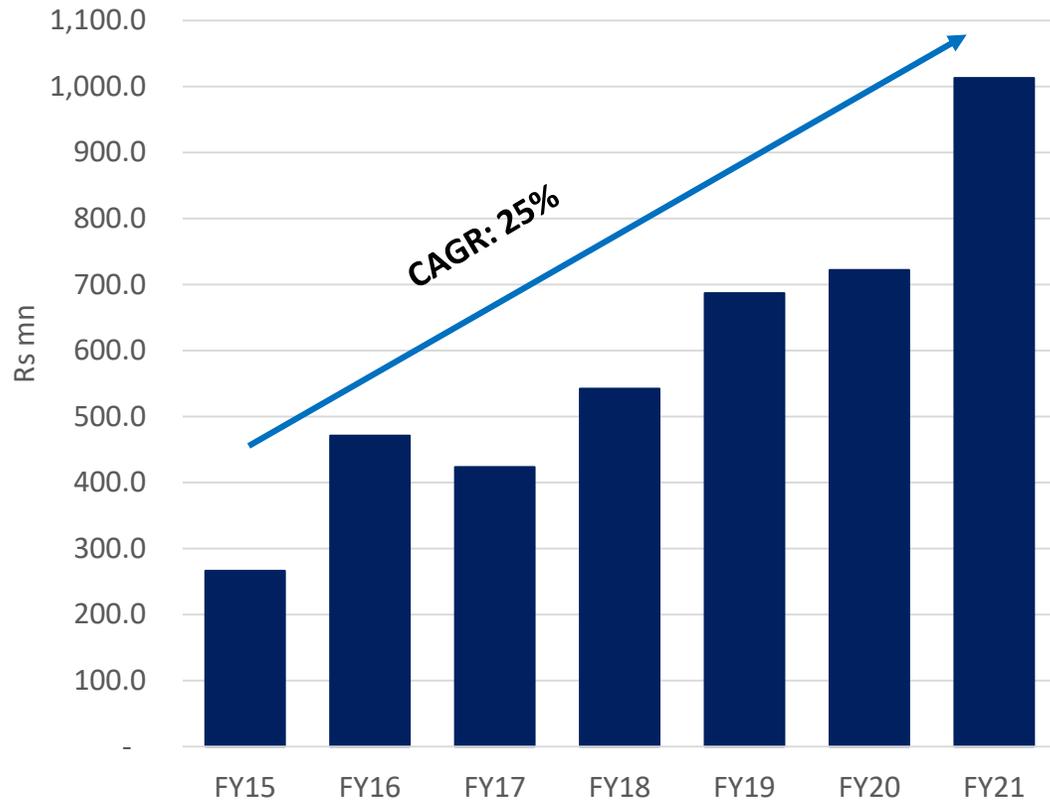
Particulars (Rs mn)	Q4FY21	Q3FY21	Q4FY20	YoY%	FY21	FY20	YoY%
Net Sales	359.0	322.0	197.2	82.03	1,012.9	735.4	37.7
Expenditure	332.4	298.3	169.9	95.65	908.6	618.9	46.8
EBITDA	26.6	23.7	27.3	-2.69	104.4	116.5	-10.4
<i>EBITDA Margin (%)</i>	<i>7.40</i>	<i>7.36</i>	<i>13.85</i>		<i>10.30</i>	<i>15.85</i>	
Other Income	14.0	24.1	9.5	48.13	46.3	13.5	242.4
Depreciation	1.6	1.5	2.0	-22.62	6.2	4.8	30.6
Interest	0.3	0.1	0.3	-6.21	0.7	0.7	-8.4
PBT (excl. extra ordinary)	38.7	46.2	34.5	12.44	143.8	124.6	15.4
Tax	15.1	10.0	6.9	119.24	40.1	30.4	32.0
PAT (excl. extra ordinary)	23.7	36.2	27.6	-14.21	103.7	94.2	10.1
<i>PAT Margin (%)</i>	<i>6.59</i>	<i>11.23</i>	<i>13.98</i>		<i>10.24</i>	<i>12.81</i>	
Extra Ordinary items	2.6	2.9	-13.2		17.9	-13.2	
Reported PAT	26.3	39.0	14.4	83.02	121.7	81.0	50.2
EPS (excl extra ordinary)	5.91	9.04	6.89		25.94	23.55	
Reported EPS	6.57	9.75	3.59		30.41	20.25	

Annual Income Statement

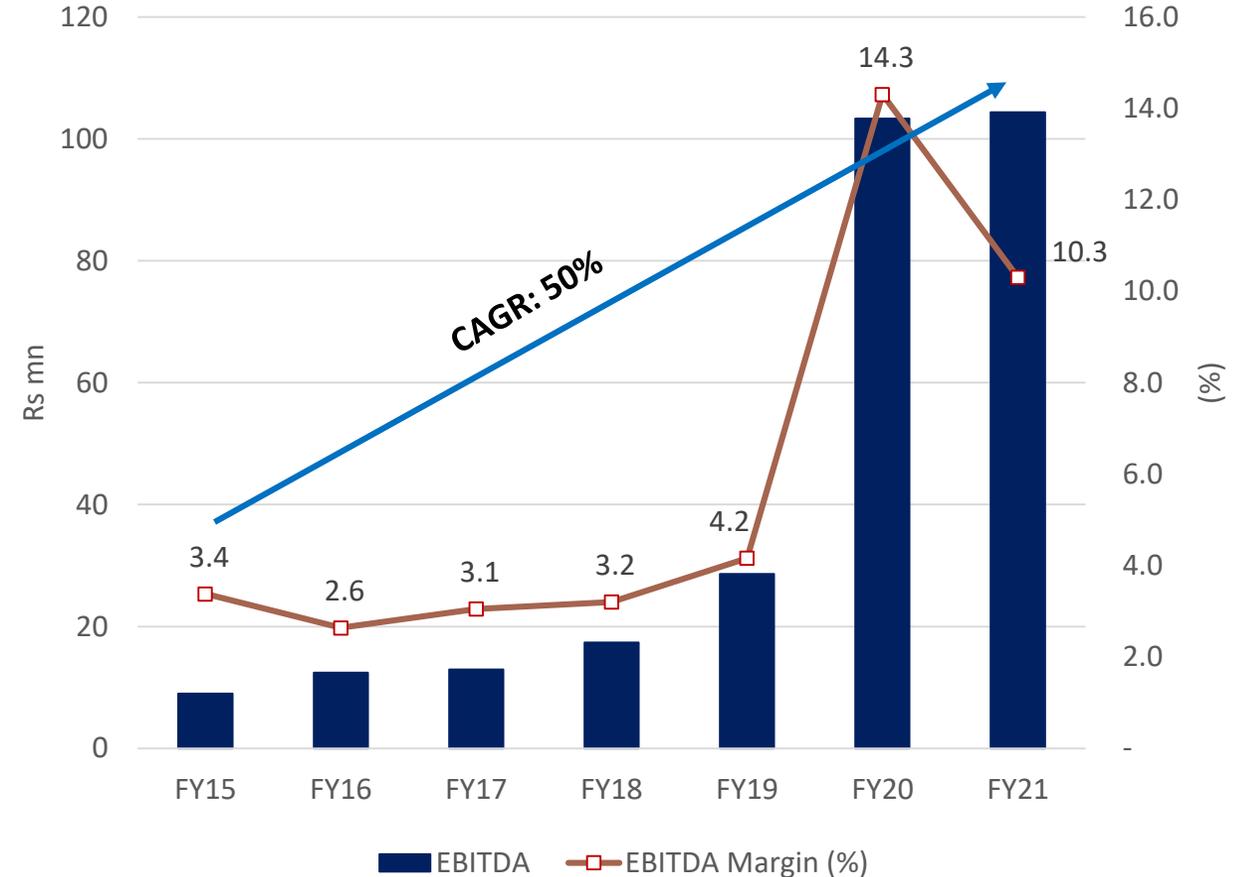
PARTICULARS (INR Mn)	FY17	FY18	FY19	FY20	FY21
Net Sales	423.5	542.3	686.9	735.4	1012.9
Expenditure	410.6	525.0	658.3	618.9	908.6
EBITDA	12.9	17.4	28.6	116.5	104.4
<i>EBITDA Margin (%)</i>	<i>3.1%</i>	<i>3.2%</i>	<i>4.2%</i>	<i>15.8%</i>	<i>10.3%</i>
Other Income	0.2	0.1	5.3	13.5	46.3
Depreciation	0.8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

Financial highlights (1/3)

Revenues

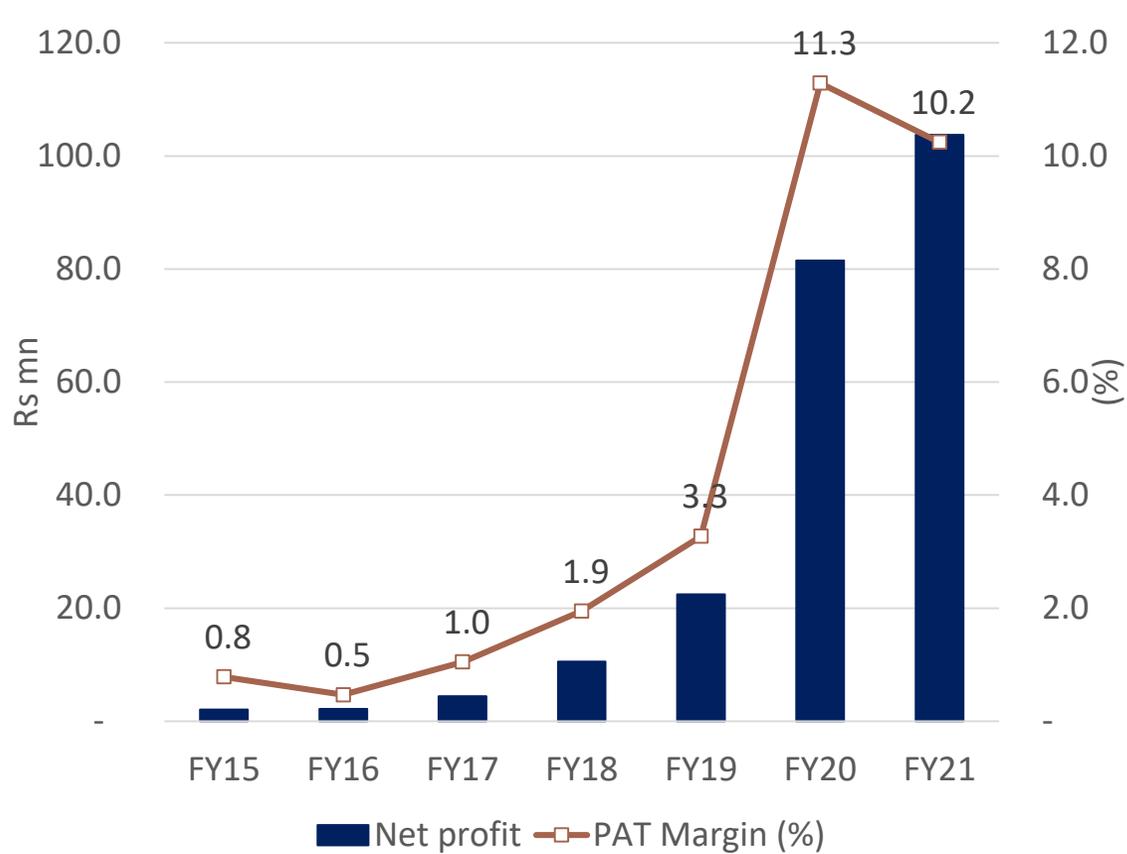


EBITDA & EBITDA Margins

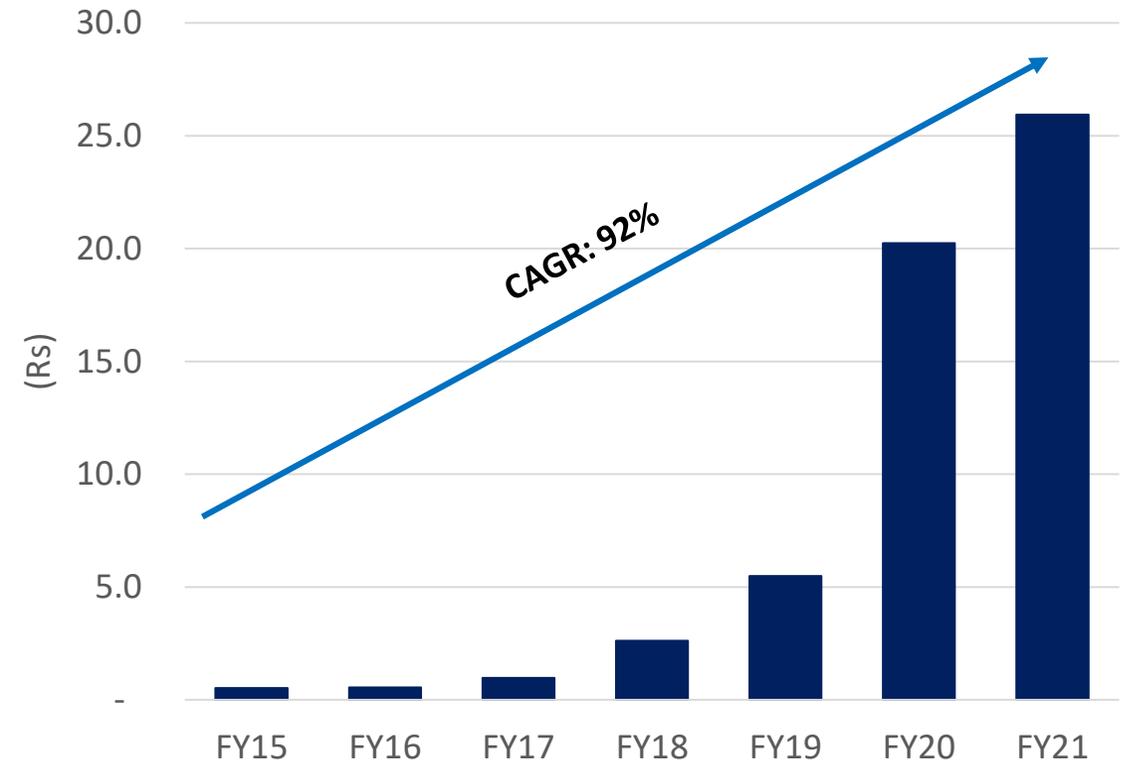


Financial highlights (3/3)

Net Profit & PAT Margin (%)

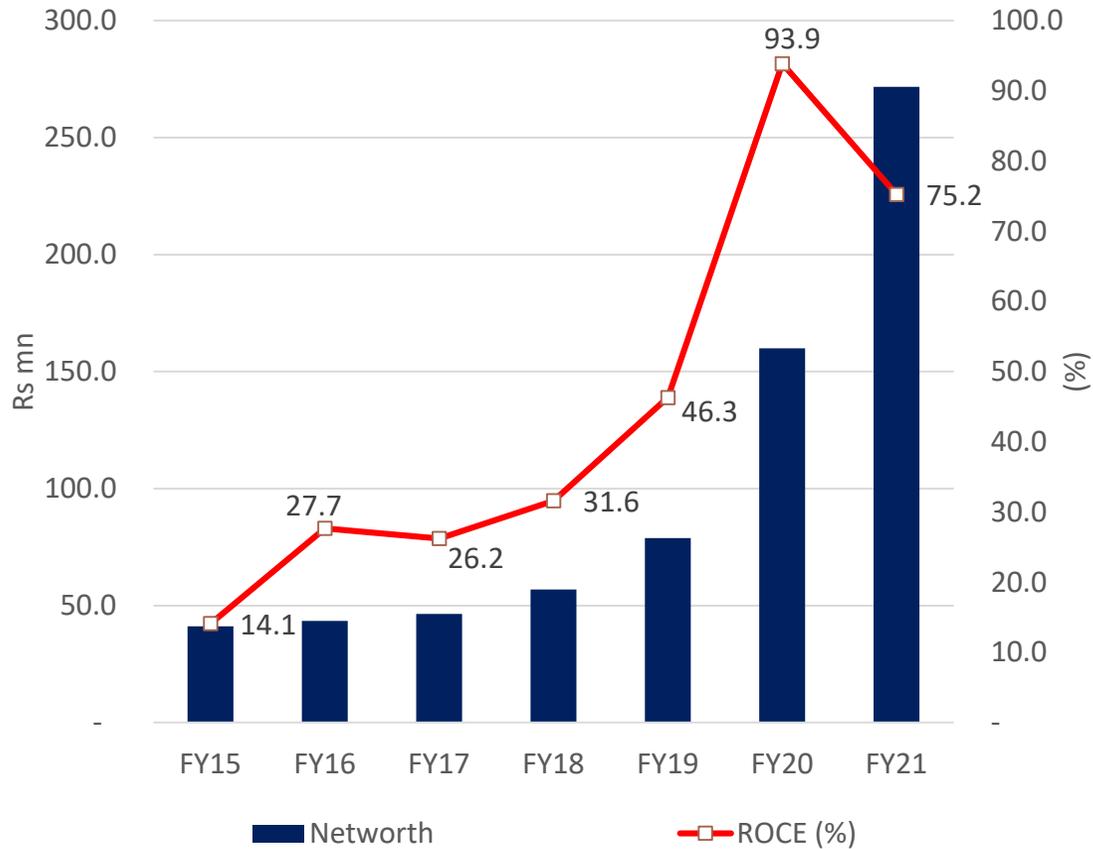


Earnings per share (Rs)

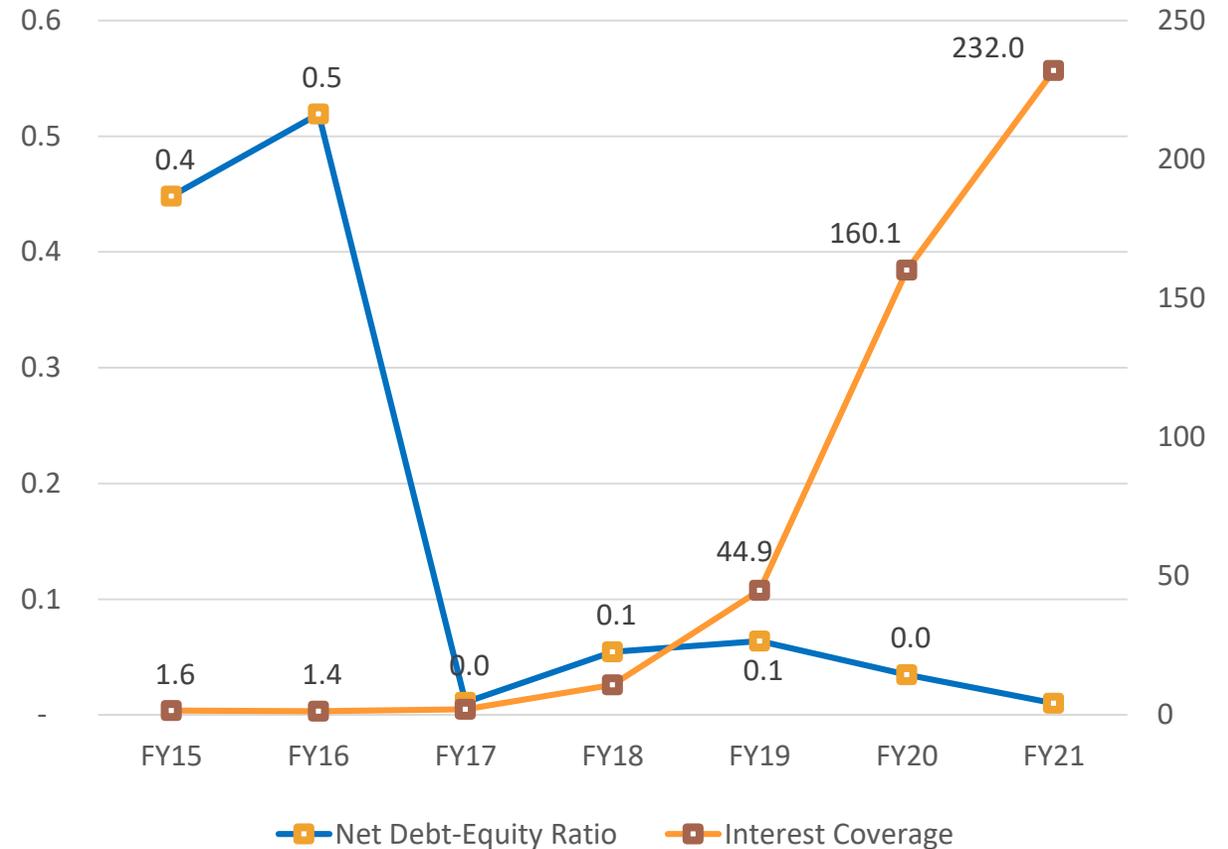


Financial highlights (2/3)

Net worth and Return Ratios (Average)



Net Debt Equity ratio & Interest Coverage





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

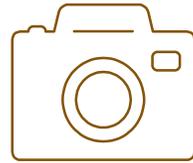
GROWTH OVER NEXT 3-5 YEARS

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 the brand gets established, debtors (days) should improve over the next 2-3 years



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

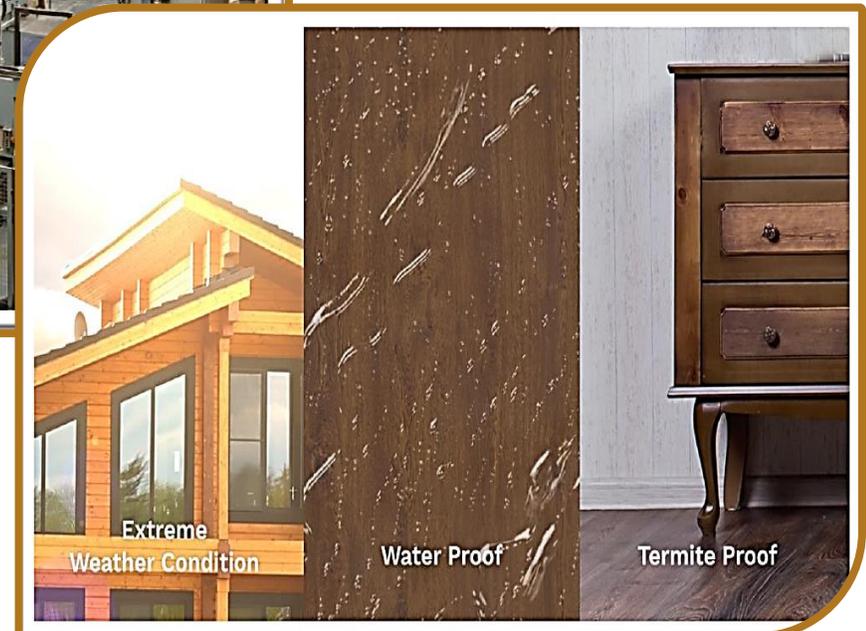
Applications



USAGE OF OUR PRODUCT



PAKKA JOD, HAMESHA



Recent 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

Thank You

FOR FURTHER INFORMATION PLEASE CONTACT



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