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

Date :- 11.02.2023

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

Script Code: 514448

Sub :- Q3 F.Y. 22 - 23 Investor Presentation.

Dear Sir,

With reference to above subject, please find attached herewith our
Q3 F.Y. 22 - 23 Investor Presentation.

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

Thanking you,

Yours faithfully,

For, JYOTI RESINS & ADHESIVES LTD.

Manish

MANISH SHANTILAL JAIN

Compliance Officer & Company Secretary

(M.No. ACS – 53423)





Jyoti Resins and Adhesives Ltd

Q3-FY2023

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.

Quarter Performance highlights

Quarter Performance snapshot |
Financial highlights

01

Business Model

Business Model | Our competitive
edge

02

Way forward
Way forward

03



04

Company background

About Us | Our Journey | Our Network |
Manufacturing | Our strengths &
commitment | Management Team |
Annual Performance snapshot |
Financial highlights

05

**Product Portfolio, New Products,
Digital Advertisement, Events**
Diversified product portfolio | New
Products | Digital Ads | Events



Q3FY23 Performance Highlights

Performance Snapshot

36.3% Growth in Revenue YoY	+1,100 bps EBITDA Margin YoY	+823 bps PAT Margin YoY
147.2% Growth in EBITDA YoY	134.4 % Growth in PBT YoY	148.5% Growth in Net Profit YoY

Gross Margin improvement of 945 bps YoY and 395 bps QoQ to 47.7% led by stable raw material prices.

This has led to highest ever EBITDA, PBT and PAT Margin for any quarter at 24.5%, 24.2% and 18.2% respectively.

2000 TPM (24,000 TPA) capacity operational w.e.f. 1 August 2022.

Company is currently operating at 50-60% capacity utilisation (at gross production levels) which is expected to move up with increasing penetration and demand for our product.

Company has seen significant traction from their digital advertisement campaigns ([click here to see these ads](#)).

Quarterly Financial highlights

(All values in Rs mn)

	Q3FY23	Q2FY23	Q3FY22	YoY%	9MFY23	9MFY22	YoY%
Net Sales	666.1	656.5	488.6	36.3	1,961.8	1,244.9	57.6
Expenditure	502.8	523.0	422.5	19.0	1,556.0	1,082.9	43.7
EBITDA	163.3	133.6	66.1	147.2	405.8	162.0	150.5
<i>EBITDA Margin (%)</i>	<i>24.52%</i>	<i>20.34%</i>	<i>13.52%</i>	<i>+1,100 bps</i>	<i>20.68%</i>	<i>13.01%</i>	<i>+767 bps</i>
Other Income	1.7	1.4	4.5	-63.0	5.1	16.8	-69.6
Depreciation	3.5	4.3	1.6	114.4	10.5	5.2	103.4
Interest	0.0	0.0	0.1	-100.0	0.0	0.2	-94.7
Profit Before Tax	161.5	130.6	68.9	134.4	400.4	173.4	130.8
Tax	40.0	42.5	20.0	100.0	100.0	45.0	122.2
Profit After Tax	121.5	88.1	48.9	148.5	300.4	128.4	133.9
<i>PAT Margin (%)</i>	<i>18.24%</i>	<i>13.43%</i>	<i>10.00%</i>	<i>+ 823 bps</i>	<i>15.31%</i>	<i>10.32%</i>	<i>+499 bps</i>
Earnings Per Share (Rs)	10.12	7.35	4.07	148.5	25.03	10.70	133.9



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 70 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.

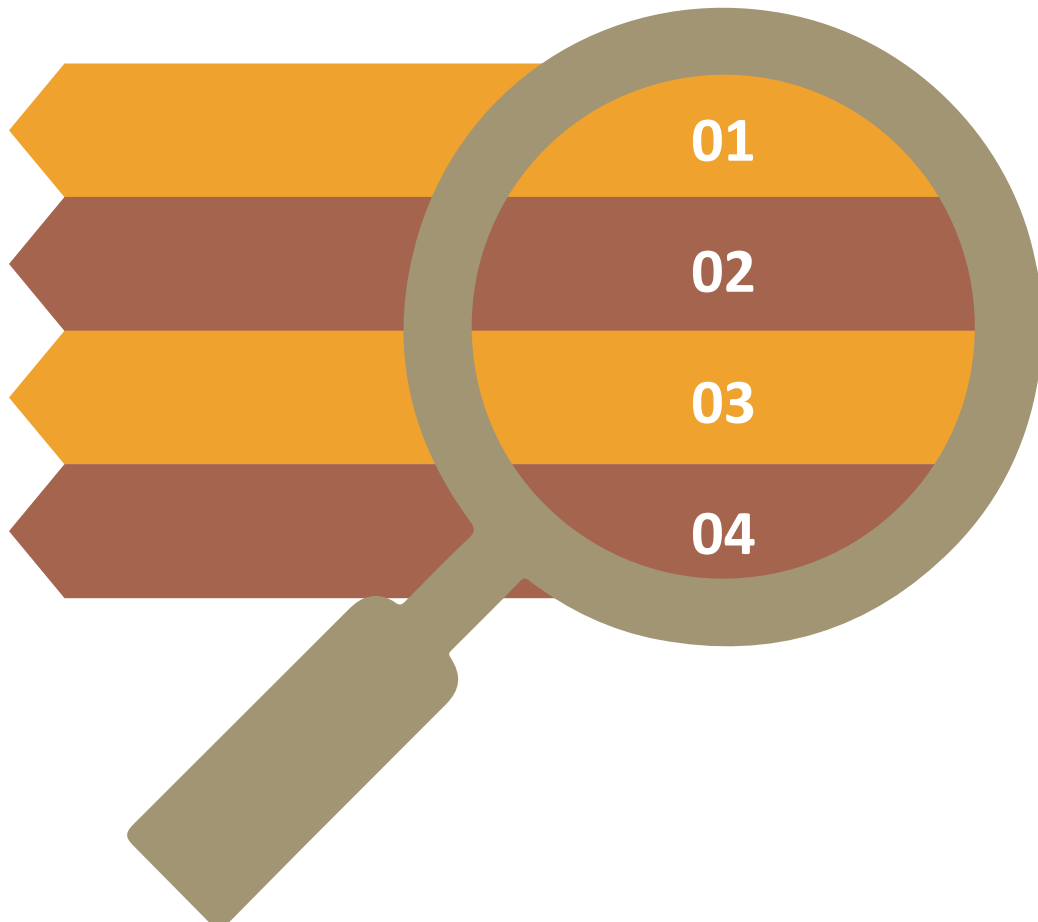
03

• 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



Way Forward



Way forward

ENHANCE PRODUCTION CAPACITY FURTHER

Owing to sharp demand and growth in our market share, **we completed the process of increasing our production capacity further to 2000 TPM.** Company is in the process of setting up a warehouse for enhancing storage of raw materials and finished goods.

01

EXPAND DISTRIBUTION NETWORK AND OUR BRANCHES

We are looking to expand our increase our penetration in existing states with increase in branches and distributors with an eye on improving our market share,

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 +25-30% CAGR for Revenues over the next 3-4 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

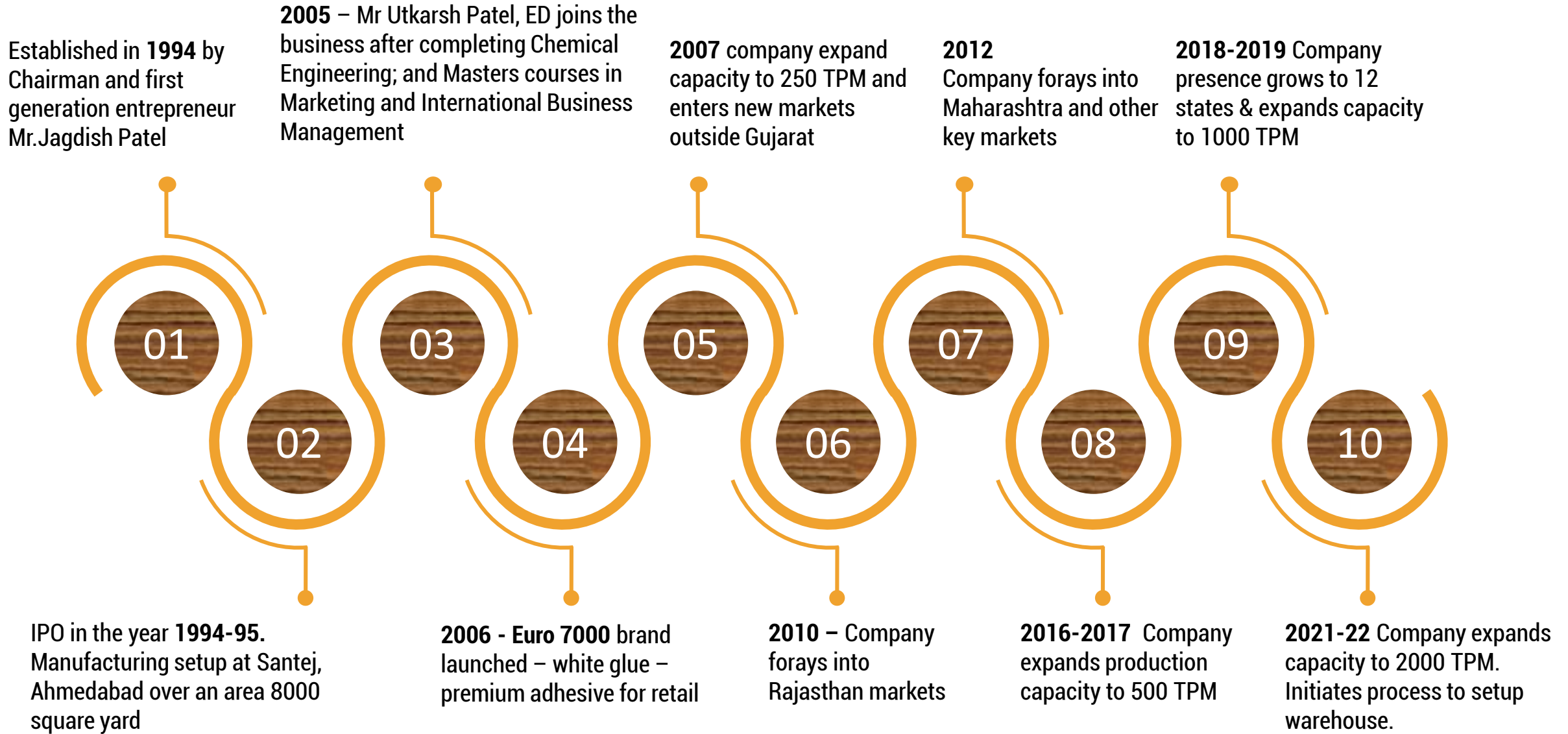
To Acquire National Leadership Position in Wood Adhesives Field In Retail Segment.

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 **to 2000 TPM (24,000 TPA) in Aug'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 2000 TPM (24,000 TPA).

Administrative Offices

Our corporate office is at Ahmedabad, Gujarat. We also have an Administrative Office in Mumbai. Other than this we have 28 branch offices & warehouses across key cities & states.



Our strength & commitment

13
STATES

28
BRANCHES

50
DISTRIBUTORS



High Quality
Machines

Best Customer
Service



Quick Delivery



Strong Technical
Support



Strong Warehousing
Facilities



High Standard Raw
Material



300
SALES
FORCE

10,000
ACTIVE
RETAILERS

300,000
CARPENTERS

+31%

Return on Equity

+41%

Return on Capital Employed

**Second Largest
brand in India**

Clear lead as 2nd 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 in FY22

Consistent growth in Operating Profit & Net Profit. Both have increased by 1.8 – 1.9x in FY22 over FY21

Revenue touched Rs 182 cr in FY22
Capacity enhanced to 2000 TPM in August'22

Promoter holding Increased from 49.97% in Mar 2022 to 50.82% in Sep 2022



Jagdish N Patel

Chairman

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

Managing 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.



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

Product Launches (last 12 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

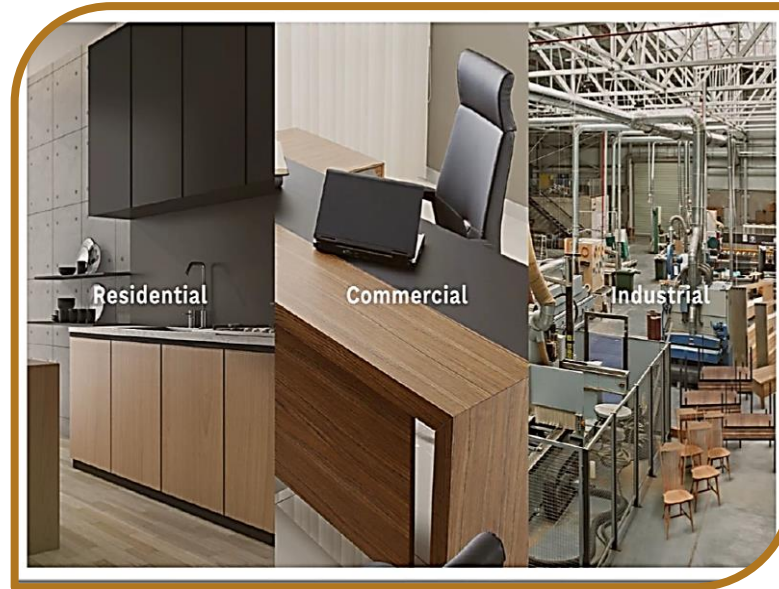
- Suitable for Hot & Cold Press
- D2+ Formula
- Fast Drying
- Powerful strength
- Packing : 50 kgs drum pack

D2+ Grade Adhesive with Fast Drying Formula

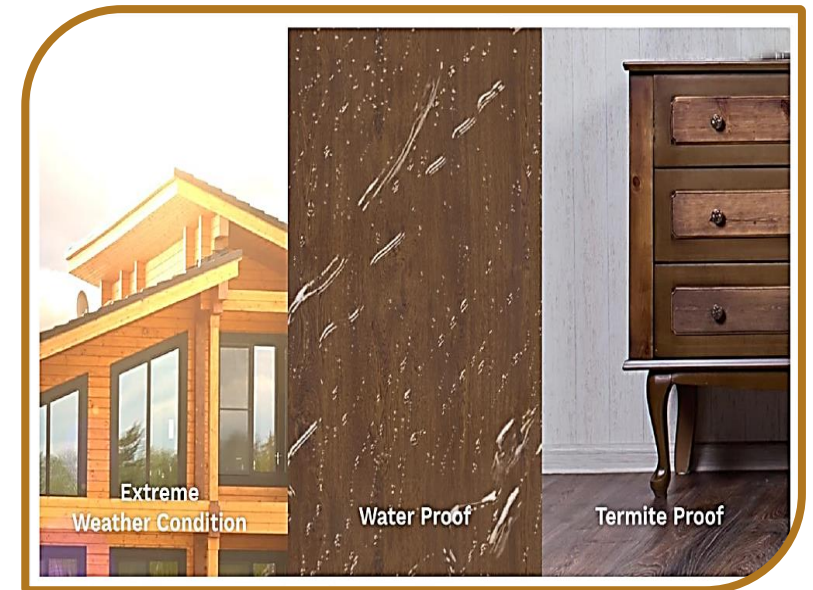
Applications



USAGE OF OUR PRODUCT



PAKKA JOD, HAMESHA



Digital Advertisements



#SachiMein - EURO 7000
Ultra 5in1

22K views • 3 weeks ago



#SachiMein - EURO 7000 WP
2in1

57K views • 3 weeks ago



#SachiMein - EURO 7000
Extreme 3

49K views • 4 weeks ago



Navratri Mein EURO 7000 Ka
Pakka Jod

16K views • 1 month ago

Recent Events



Dealer Meet Jodhpur – July 2022

Connecting users & dealers digitally

मजबूत जोड
हमारे रिश्तों का...

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

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