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20.11.2024

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

Script Code: 514448

Dear Sir/Madam,

Subject – Investor Presentation of Q2 & H1 FY25

We hereby submit the Investor Presentation of Q2 & H1 FY25.

Kindly take the same on your records.

Thanking You,

Yours Faithfully

For, Jyoti Resins and Adhesives Limited

Utkarsh Patel
Managing Director
DIN: 02874427

JYOTI RESINS AND ADHESIVES LTD

Q2 & H1 FY25

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.

CORE TOPICS

01

Performance Highlights

Quarterly Performance Snapshot | Annual Financial Highlights

02

Business Model

Business Model | Our Competitive Edge

03

Way Forward

Way Forward

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 | Recent Dealer Events



PERFORMANCE HIGHLIGHTS



PERFORMANCE SNAPSHOT



Q2FY25 vs Q2FY24

71.2%

Gross Margin
Vs 70.6% YoY

29.7%

EBITDA Margin
Vs 33.9% YoY

24.9%

PAT Margin
Vs 25.7% YoY

H1FY25

Rs 205.2 mn

Cash Flow from operation on a
reconciled basis (Refer Slide 6)

Rs 1367 mn

Cash & Cash Equivalent
as on 30 Sep 2024

Gross Margin improved to 71.2% led by softer raw material prices and higher share of Premium Products.



Volume growth was soft led by seasonality. Average realisations were higher by approx. 2-3% led by higher share of premium products.

EBITDA Margin of 29.7% led by extra margins passed on to channel, higher spends towards marketing and visibility and towards new market development.



Company continues to sit on strong cash and cash equivalents, which have risen to Rs 1367 mn in the Balance Sheet, more than the quantum of our liabilities for expenses.



Company foray in new markets like Delhi-NCR and Uttar Pradesh has met with good response and company continues to expand in the new markets.

RECONCILIATION OF OPERATING CASH FLOW



(Rs mn)	H1FY25	H1FY24
Cash flow from operating activities (as per CFS)	4.1	185.0
Added / (Less) back		
Change in Non current financial assets*	(13.8)	0
Change in Other bank balance**	214.9	31.3
Reconciliation of Cash Flow from Operations	205.2	216.3

On Reconciliation, Cash flow from operations was Rs 205.2 mn in H1FY25

*Fixed Deposits having maturity beyond 12 months from the Balance sheet date

**Fixed Deposits having maturity between 3 to 12 months from the Balance sheet date

Note: As per accounting standards, FDs up to 3 months form part of cash and cash equivalent at end of Cash Flow

Note: Rs 10 mn = Rs 100 lacs = Rs 1 crore

QUARTERLY FINANCIAL HIGHLIGHTS



(All values in Rs Mn.)	Q2FY25	Q1FY25	Q2FY24	YoY%	H1FY25	H1FY24	YoY%
Net Sales	652.5	691.8	629.6	3.6	1,344.3	1,241.4	8.3
Expenditure	458.5	457.5	415.6	10.3	916.0	820.1	11.7
EBITDA	194.0	234.3	214.0	-9.3	428.3	421.3	1.7
EBITDA Margin (%)	29.73%	33.87%	33.99%	-426 bps	31.86%	33.94%	-208 bps
Other Income	27.3	19.6	8.1	237.0	46.9	13.7	242.3
Depreciation	3.8	3.7	2.7	40.7	7.5	5.4	38.9
Interest	-	-	-	-	-	-	-
Profit Before Tax	217.5	250.2	219.4	-0.9	467.7	429.6	8.9
Tax	54.8	62.5	57.6	-4.9	117.3	110.6	6.1
Profit After Tax	162.9	187.6	161.8	0.7	350.5	319.0	9.8
PAT Margin (%)	24.97%	27.12%	25.70%	-73 bps	26.07%	25.70%	+37 bps
Reported Earnings Per Share (Rs)	13.58	15.63	13.48	0.7	29.20	26.58	9.8

Note: Rs 10 mn = Rs 100 lacs = Rs 1 crore

ANNUAL INCOME STATEMENT



(All values in Rs Mn.)	FY21	FY22	FY23	FY24
Net Sales	1,012.9	1,819.6	2,612.5	2,573.0
Expenditure	908.6	1,581.9	2,006.3	1,733.9
EBITDA	104.4	237.6	606.2	839.1
EBITDA Margin (%)	10.30%	13.06%	23.20%	32.61%
Other Income	64.2	34.5	22.6	68.2
Depreciation	6.2	7.1	14.5	10.9
Interest	0.7	0.5	0.3	0.5
Profit Before Tax	161.7	264.6	614.0	895.9
Tax	40.1	67.0	149.7	224.8
Profit After Tax	121.7	197.6	464.4	671.2
PAT Margin (%)	12.01%	10.86%	17.77%	26.08%
Earnings Per Share (Rs)	30.41	49.41	38.70	55.93

Note: Rs 10 mn = Rs 100 lacs = Rs 1 crore

ANNUAL BALANCE SHEET



(All values in Rs Mn.)

Equity & Liabilities	FY23	FY24	H1FY25
Share Capital	120.0	120.0	120.0
Other Equity	939.8	1,542.4	1,786.5
Total Equity	1,059.8	1,662.4	1,906.5
Deferred Tax Liabilities (Net)	2.8	5.4	7.4
Other Financial Liabilities	4.3	9.3	2.2
Total Non- Current Liabilities	7.1	14.7	9.7
Financial Liabilities			
i. Trade Payables	142.0	99.0	96.6
ii. Other Financial Liabilities	1.4	20.3	118.4
Other Current Liabilities	862.0	888.0	917.4
Provisions	16.6	5.9	3.7
Current Tax Liabilities (Net)	17.5	13.0	-
Total Current Liabilities	1,039.6	1,026.2	1,136.1
TOTAL EQUITY & LIABILITIES	2,106.5	2,703.3	3,052.3

Note: Rs 10 mn = Rs 100 lacs = Rs 1 crore

Assets	FY23	FY24	H1FY25
Property, Plant & Equipment	472.6	482.3	479.5
Financial Assets			
i. Other Financial Assets (Bank FD)	279.8	14.8	1.0
Total Non-Current Assets	752.4	497.1	480.5
Inventories	50.3	49.7	97.5
Financial Assets			
i. Investments	0.2	0.4	28.4
ii. Trade Receivable	914.6	939.9	991.1
iii. Cash & Cash Equivalents	38.6	281.8	300.0
iv. Bank Balance other than	270.2	824.1	1,039.0
Other Current Assets	80.1	110.4	115.7
Total Current Assets	1,354.1	2,206.2	2,571.8
TOTAL ASSETS	2,106.5	2,703.3	3,052.3

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 14 states.
- + Operating through 60 distributors for smaller cities.
- + Operating through 38 branches for bigger cities (metros).
- + Selling to 12,000 active retailers & working with 3.5 lac carpenters.
- + 400 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.
- + 3.5 lac carpenters currently registered under this programme.



WAY FORWARD



WAY FORWARD



RETURN RATIOS; DEBT FREE; IMPROVE WORKING CAPITAL

EFFICIENCY:

Continue to maintain +30-40% ROE and +40% ROCE. Stay debt free and generate positive operating cash flows and free cash flows. Keep liabilities for expenses below 30-35% of Revenue (34% for FY24).



GROWTH OVER NEXT 3-5 YEARS:

Over the last 5 years, we have grown at CAGR of 38%, 103%, 113% on Revenue, EBIDTA, PAT. **We are targeting 20-25% Volume CAGR over the next 3 years (Base Year: FY2024).**



EXPAND DISTRIBUTION NETWORK AND OUR BRANCHES:

We are looking to expand and increase our penetration in existing states with increase in branches and distributors with an eye on improving our market share. **Foray into new states & increase market share in existing states.**



ENHANCE PRODUCTION CAPACITY FURTHER:

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



COMPANY BACKGROUND

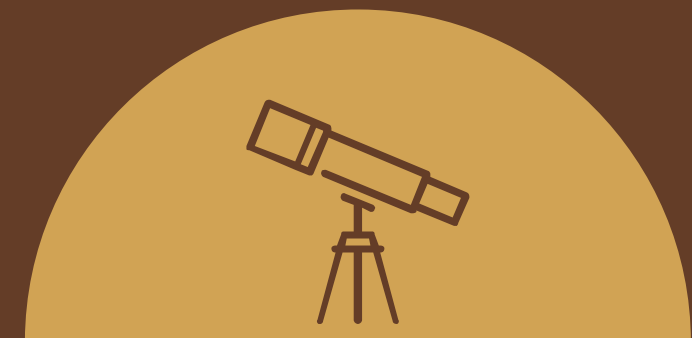


VISION & MISSION

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.

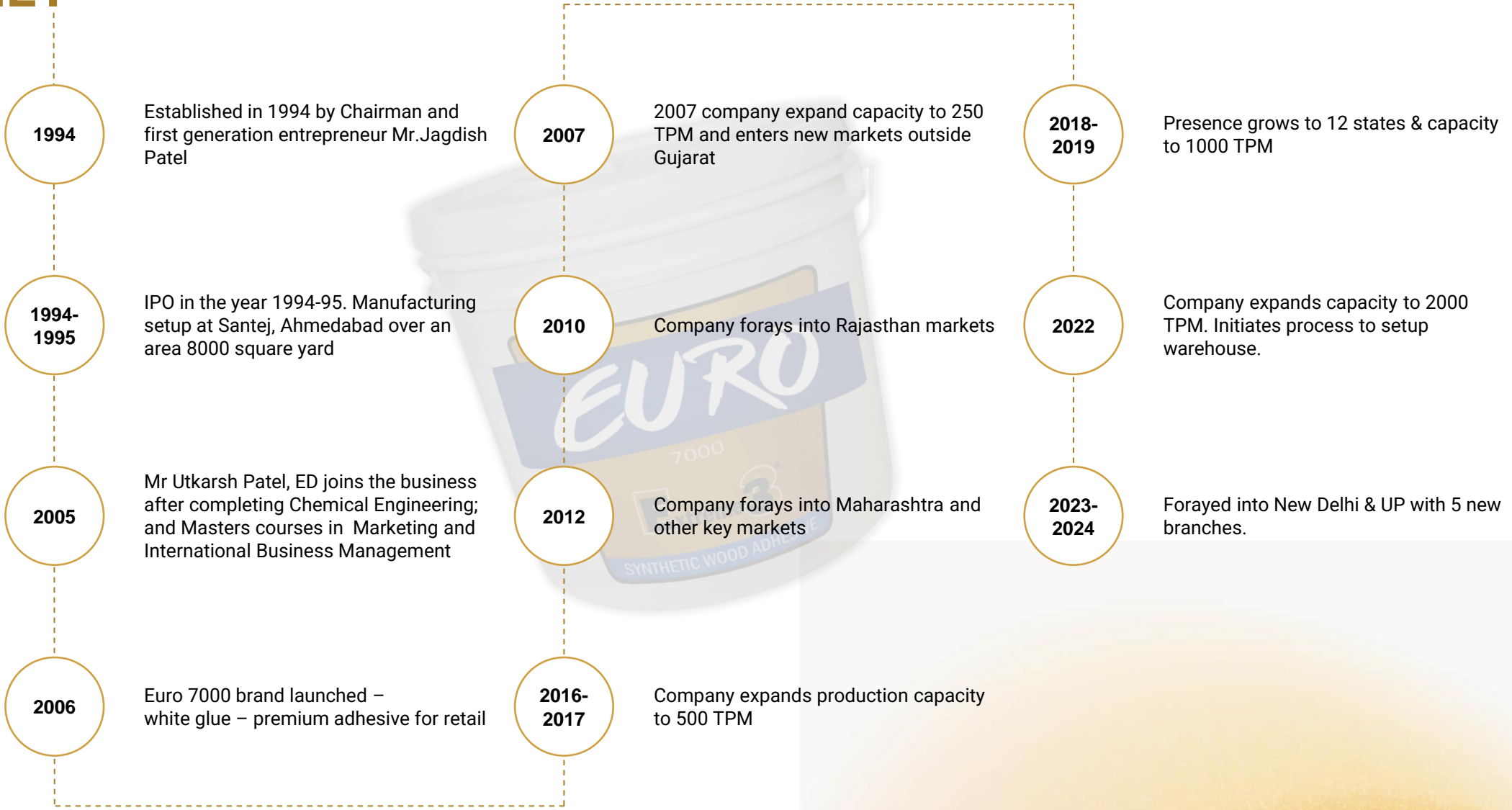


ABOUT US

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.

- + **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 from 1000 Tonnes per month 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 14 states in India through 38 branches and 60 distributors, catering to 12,000 active retailers and 3.5 lac carpenters.
- + A 400 strong sales force plays a key role in this process.

OUR JOURNEY



OUR NETWORK TODAY



14
STATES

~400
SALES FORCE

38
BRANCHES

12,000
ACTIVE RETAILERS

60
DISTRIBUTORS

350,000
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 **38 branch offices** & warehouses across key cities & states.

OUR STRENGTH



High Quality Machines

14 States



Best Customer Service

38 Branches



Quick Delivery

60 Distributors



Strong Technical Support

~400 Sales force



Strong Warehousing Facilities

12,000 Active Retailers



High Standard Raw Material

350,000 Carpenters



&
COMMITMENT



+40%

Return on Equity

+50-55%

Return on Capital Employed

Maintained strong
ROE & ROCE in
FY24

Second Largest brand in India

Clear lead as 2nd largest
Wood Adhesive brand in India (retail segment)

Consistent growth in Operating Profit & Net Profit.
Both have increased by 1.4x & 1.5x in FY24 (YoY)

Debt Free

Continues to be Net Debt negative since FY18

Revenue touched Rs 257 Cr in FY24
Current production capacity stands at 2000 TPM

Dividend

90% Dividend Per Share (Final Dividend)
16% Dividend Payout for FY24

Promoter holding Increased from 49.97% in Mar 2022 to
50.83% as on Mar 2023 (maintained Mar'24)



MANAGEMENT TEAM

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.



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

APPLICATIONS

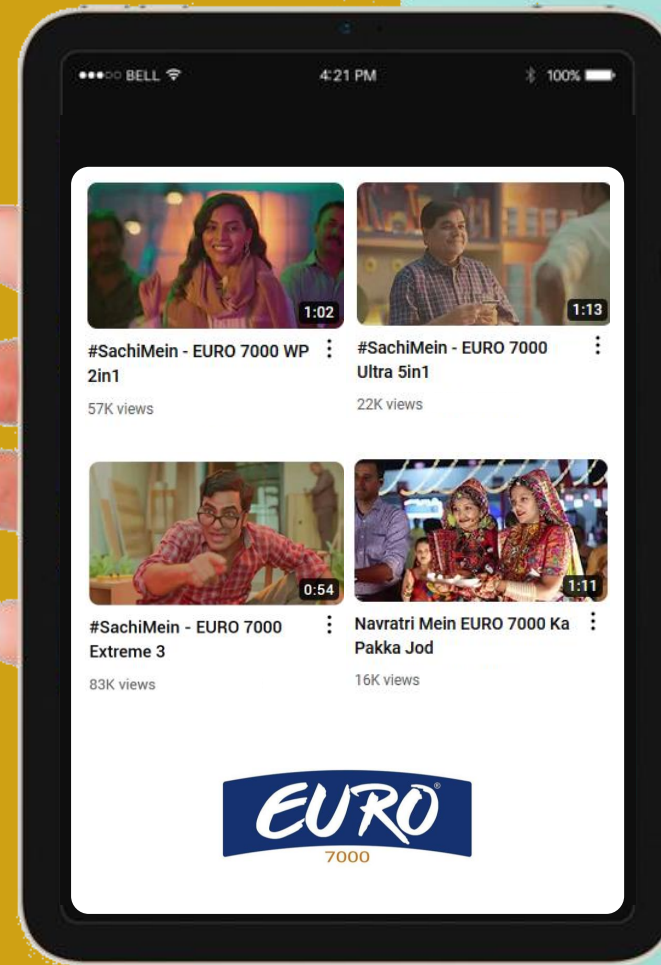


USAGE OF OUR PRODUCT



PAKKA JOD,
HAMESHA

DIGITAL ADVERTISEMENTS



RECENT DEALER EVENTS



Dealer (500+) Meet - Ahmedabad, Gujarat



Dealer (200+) Meet - Jodhpur, Rajasthan



Dealer (200+) Meet - Vadodara, Gujarat



Dealer (300+) Meet - Rajkot, Gujarat



Dealer (550+) Meet - Mumbai, Maharashtra



Dealer (175+) Meet - Nashik, Maharashtra

CONNECTING USERS & DEALERS DIGITALLY

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& collect
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मोबाइल नं. : _____

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कोन्ट्राक्टर साईन घुसे एडिजिस्ट्रिब साईन

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THANK YOU!