



# Yasho Industries Limited

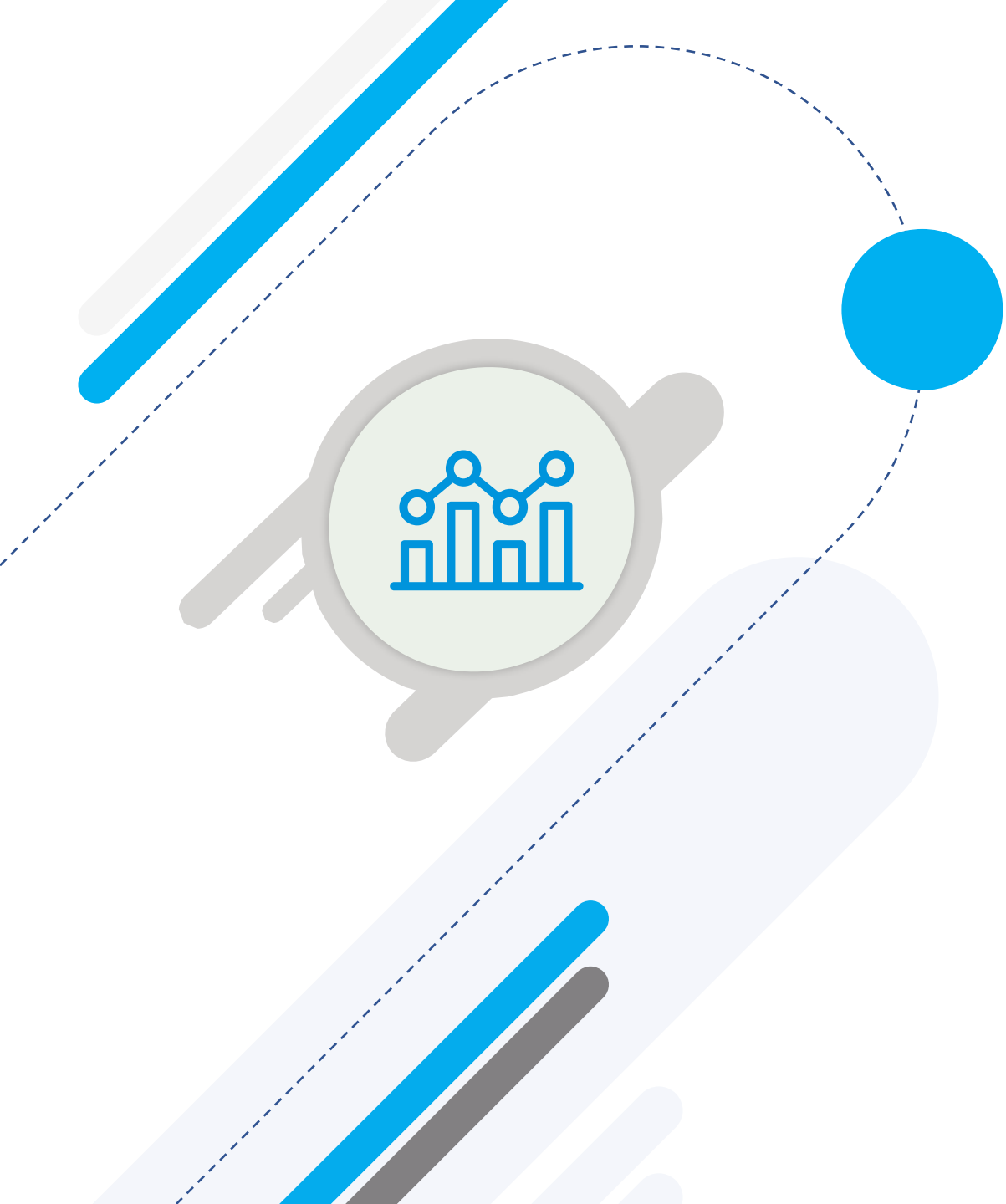
Investor Presentation - May 2022

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# **Q4 & FY22 Highlights**

# Business Highlights

FY22



**69%**

**Total Revenue**  
growth on YoY basis



**76%**

**EBITDA**  
growth on YoY basis



**43%**

**Sales Volume**  
growth on YoY basis

The Board of Directors has recommended the **dividend of Rs. 0.50** per equity share of the face value of Rs.10 each for FY22

*"We are pleased to report the highest annual performance for the company. Demand for all major chemicals have seen robust growth in FY22 as compared to FY21 despite all ongoing challenges in the country and the global market.*

*Total Revenue for the year stood at Rs 624.1 Cr, a growth of 68.9% on YoY basis. Our sales volume for FY22 grew by 43.3% and EBITDA margin grew by 100 bps. Our rubber chemicals, lubricant additives & specialty chemical businesses continue to witness growth.*

*Our export business has contributed 64% in revenue and has maintained its growth momentum. This was primarily due to the high quality of our products and long-standing relationships with major customers. This quarter we have witnessed unprecedented pressure on the margins due to volatile pricing of raw material, increasing energy & freight costs.*

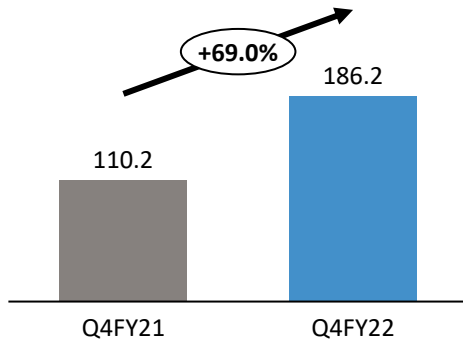
*We are pleased to inform you that, we are well on track with our planned capex of Rs. 350 cr. which will bring in an additional capacity of 15,500 MT. Following this expansion, the total capacity of the company will stand at 26,500 MT. The company is awaiting the approval of environmental clearance from the government which we expect to obtain in the coming months."*

**Mr. Parag Jhaveri,**

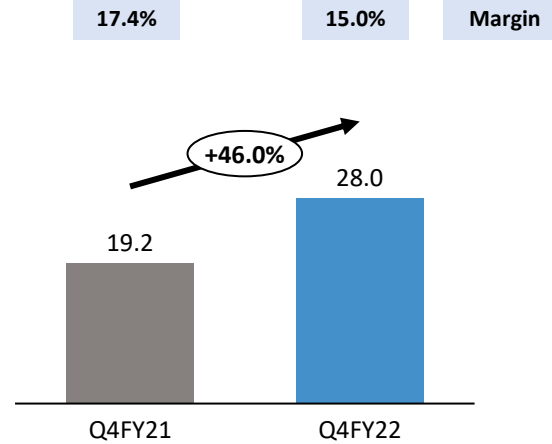
**Managing Director & CEO**

# Performance Highlights

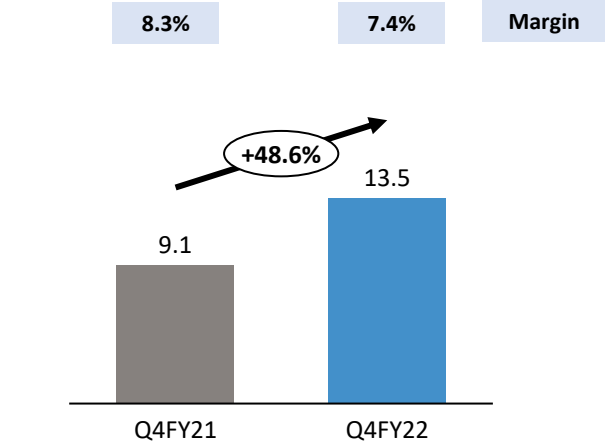
## Revenue (Rs. Crs.)



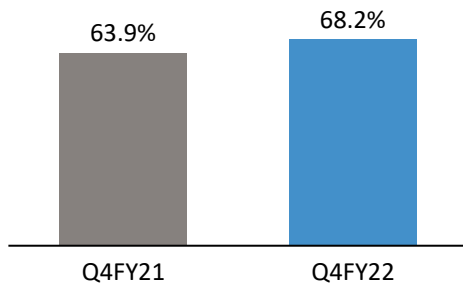
## EBITDA (Rs. Crs.)



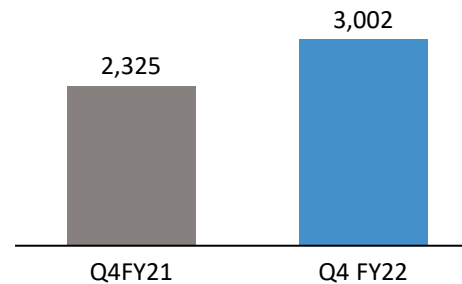
## PAT (Rs. Crs.)



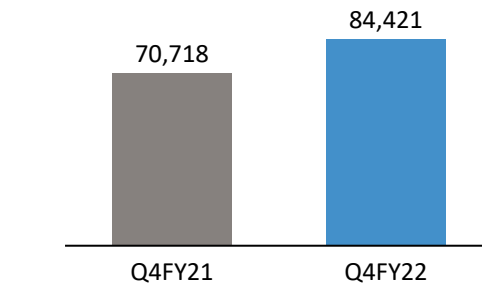
## Export (%)



## Sales Volume (MTPA)

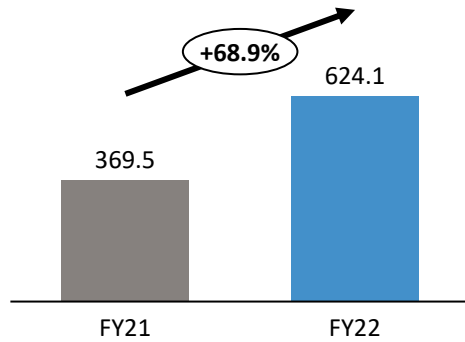


## EBITDA/ Tonne\*\* (Rs)



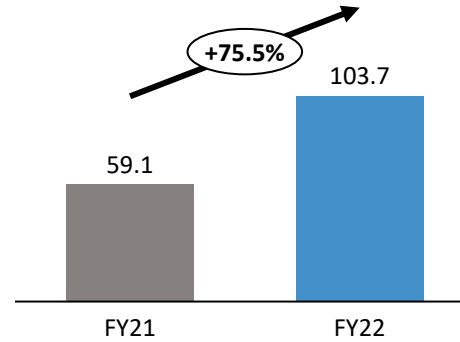
# Performance Highlights

## Revenue (Rs. Crs.)



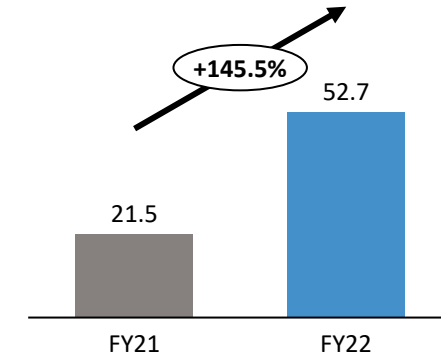
## EBITDA (Rs. Crs.)

16.0%      16.6%      Margin

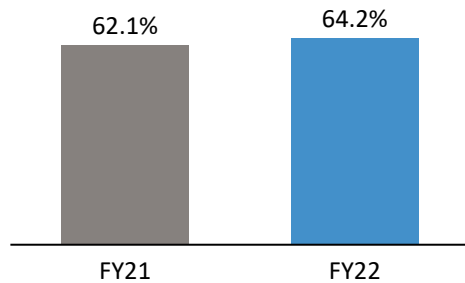


## PAT (Rs. Crs.)

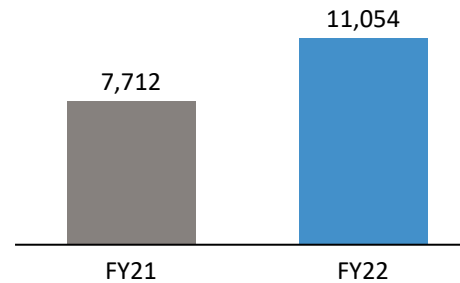
5.8%      8.4%      Margin



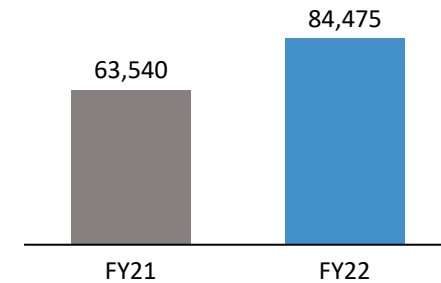
## Export (%)



## Sales Volume (MTPA)

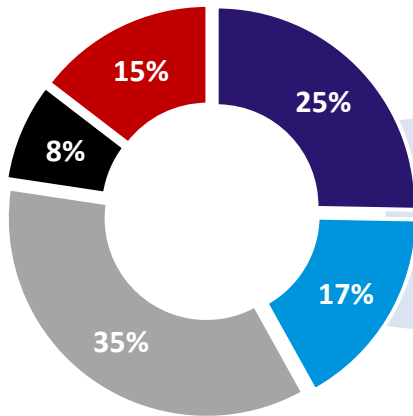


## EBITDA/ Tonne\*\* (Rs)

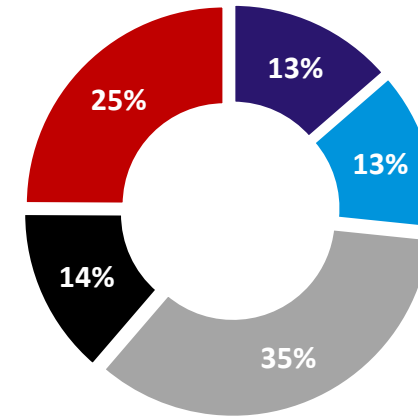


# Growing Contribution From Value Added Segments

FY21 Segment-wise  
Revenue Breakup (Rs 357 Cr)

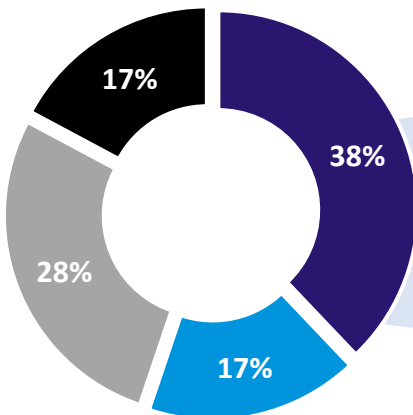


FY22 Segment-wise  
Revenue Breakup (Rs 609 Cr)

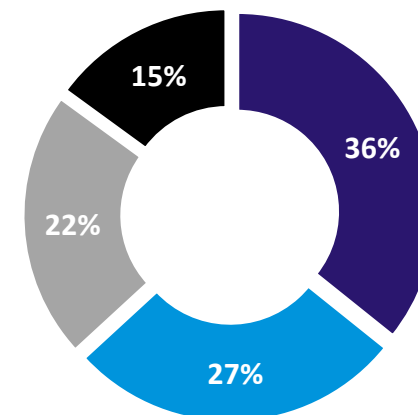


- Aroma Chemicals
- Food Antioxidants
- Rubber Chemicals
- Lubricant Additives
- Speciality Chemicals

FY21 Region-wise



FY22 Region-wise



- India
- U.S.A
- Europe
- ROW

# Profit & Loss Statement

Particulars (Rs. In Crs.)	Q4 FY22	Q4 FY21	Y-o-Y	FY22	FY21	Y-o-Y
Revenue from Operation	183.6	107.4		613.8	359.4	
Other income	2.6	2.7		10.3	10.1	
<b>Total Revenue</b>	<b>186.2</b>	<b>110.1</b>	<b>69.0%</b>	<b>624.1</b>	<b>369.5</b>	<b>68.9%</b>
Cost of Material Consumed	116.4	66.9		385.1	233.7	
Employee's Benefits Expense	9.1	7.0		32.5	23.3	
Other Expenses	32.8	17.1		102.8	53.5	
<b>EBITDA</b>	<b>28.0</b>	<b>19.2</b>	<b>46.0%</b>	<b>103.7</b>	<b>59.1</b>	<b>75.5%</b>
<b>EBITDA Margin (%)</b>	<b>15.0%</b>	<b>17.4%</b>		<b>16.6%</b>	<b>16.0%</b>	
Depreciation	5.2	3.0		18.7	12.0	
<b>EBIT</b>	<b>22.7</b>	<b>16.1</b>		<b>85.0</b>	<b>47.1</b>	
Finance cost	3.1	3.1		13.8	16.4	
<b>PBT</b>	<b>19.6</b>	<b>13.0</b>		<b>71.3</b>	<b>30.7</b>	
Tax expense	6.1	3.9		18.5	9.2	
<b>PAT</b>	<b>13.5</b>	<b>9.1</b>	<b>48.6%</b>	<b>52.7</b>	<b>21.5</b>	<b>145.5%</b>
<b>PAT Margin (%)</b>	<b>7.4%</b>	<b>8.3%</b>		<b>8.4%</b>	<b>5.8%</b>	
<b>EPS (in Rs.)</b>	<b>12.22</b>	<b>8.35</b>		<b>47.65</b>	<b>19.71</b>	



# Balance Sheet

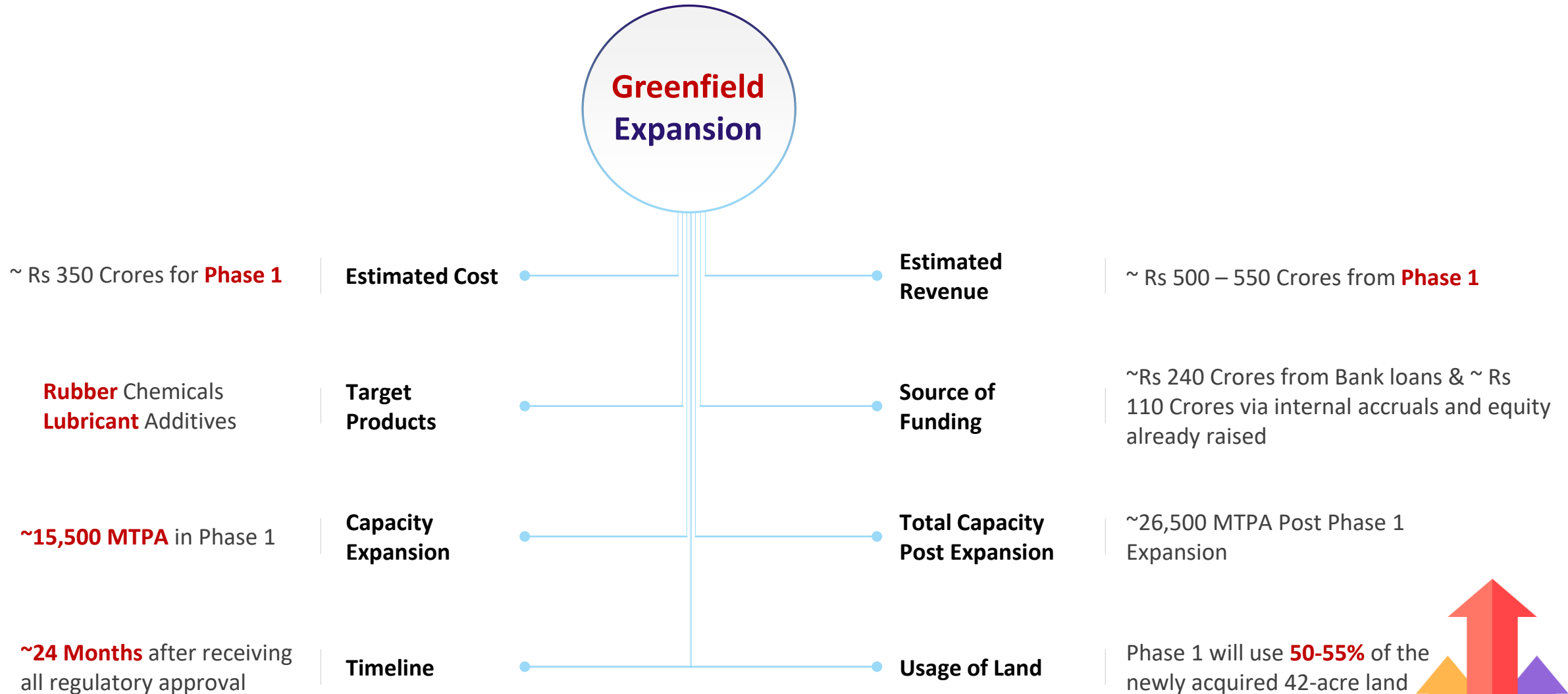
ASSETS (Rs. Crs)	Mar-22	Mar-21
<b>Non-Current Assets</b>		
Property, Plant and Equipment	147.0	103.1
Capital Work-in-Progress	0.5	0.0
Intangible Assets	13.5	16.8
<b>Financial Assets</b>		
(i) Investments	0.1	0.1
(ii) Other Financial assets	0.0	0.0
Other Non-Current assets	17.2	8.3
<b>Non-Current assets</b>	<b>178.4</b>	<b>128.4</b>
<b>Current Assets</b>		
Inventories	133.7	80.2
<b>Financial Assets</b>		
(i) Trade Receivable	131.9	71.5
(ii) Cash & Cash Equivalents	0.1	0.6
(iii) Bank balances other than (ii)	14.5	14.1
(iv) Short term loans & advances	0.7	0.3
(v) Other Financial assets	0.0	0.0
Current Tax assets	0.0	0.0
Other Current Assets	24.1	10.1
<b>Current assets</b>	<b>304.9</b>	<b>176.8</b>
<b>Total assets</b>	<b>483.3</b>	<b>305.2</b>

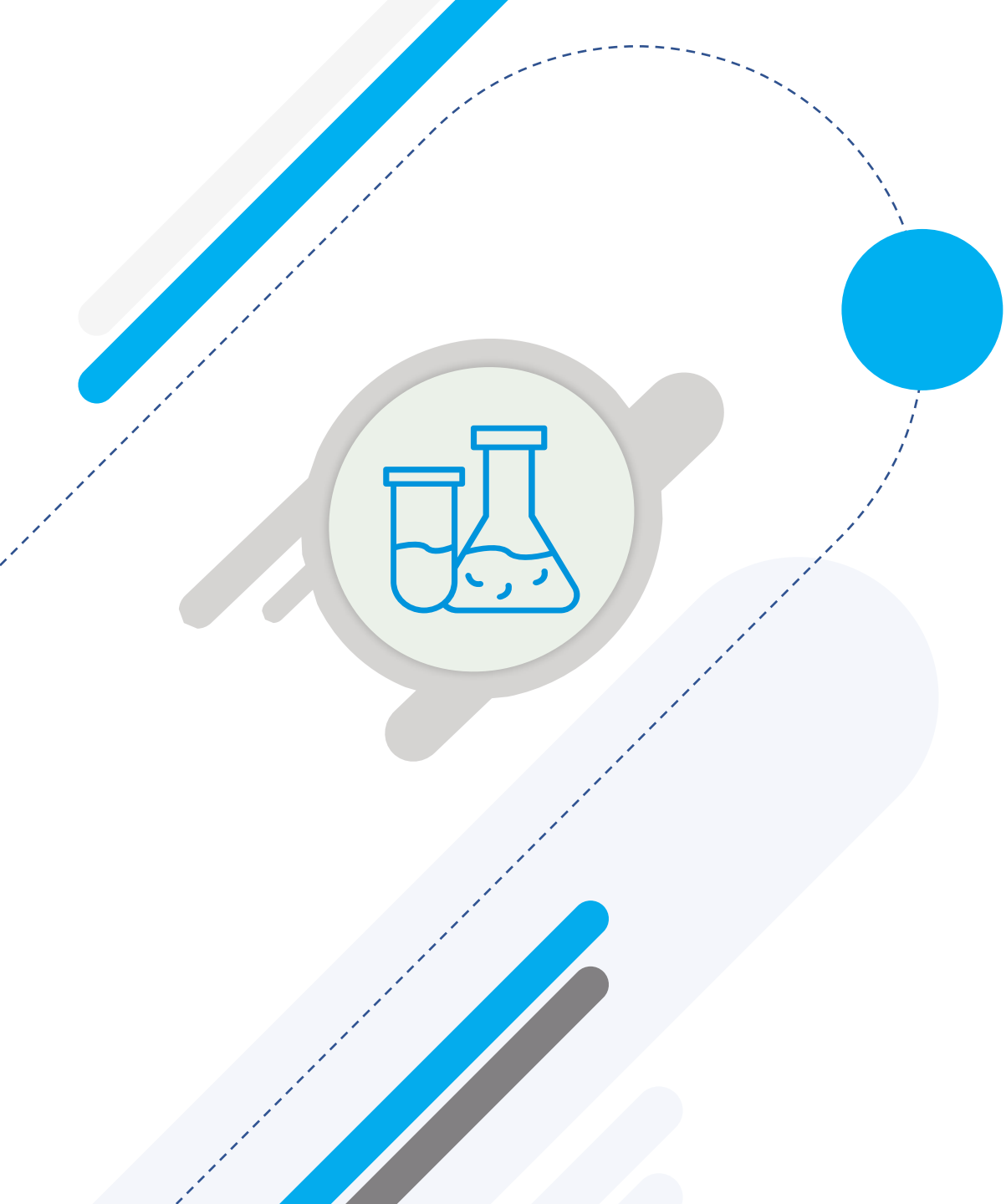
EQUITY AND LIABILITIES (Rs. Crs.)	Mar-22	Mar-21
<b>Shareholders Funds</b>		
Shareholder's equity	11.4	10.9
Reserve & Surplus	162.1	68.0
<b>Non-Current Liabilities</b>		
<b>Financial Liabilities</b>		
(i) Long-Term Borrowings	63.5	53.2
(ii) Lease Liabilities	1.4	2.6
Long Term Provisions	1.5	1.1
Deferred tax liabilities	8.2	10.8
<b>Non-Current Liabilities</b>	<b>74.6</b>	<b>67.7</b>
<b>Current Liabilities</b>		
<b>Financial Liabilities</b>		
(i) Short Term Borrowings	112.7	107.3
(ii) Trade Payables	111.9	45.8
(iii) Lease Liabilities	1.1	1.1
Short Term Provisions	4.1	2.7
Other Current Liabilities	3.8	1.0
Current Tax Liabilities	1.6	0.5
<b>Current liabilities</b>	<b>235.2</b>	<b>158.5</b>
<b>Total liabilities</b>	<b>483.3</b>	<b>305.2</b>

# Cash Flow Statement

Particulars (Rs. Crs.)	Mar-22	Mar-21
<b>Net Profit Before Tax</b>	<b>71.3</b>	<b>30.8</b>
Adjustments for: Non Cash Items / Other Investment or Financial Items	31.8	27.8
<b>Operating profit before working capital changes</b>	<b>103.0</b>	<b>58.6</b>
Changes in working capital	-67.1	-19.6
<b>Cash generated from Operations</b>	<b>36.0</b>	<b>39.0</b>
Direct taxes paid (net of refund)	20.1	4.4
<b>Net Cash from Operating Activities</b>	<b>15.9</b>	<b>34.6</b>
<b>Net Cash from Investing Activities</b>	<b>-58.7</b>	<b>-13.6</b>
<b>Net Cash from Financing Activities</b>	<b>42.2</b>	<b>-20.9</b>
<b>Net Decrease in Cash and Cash equivalents</b>	<b>-0.60</b>	<b>0.13</b>
Add: Cash & Cash equivalents at the beginning of the period	0.6	0.5
<b>Cash &amp; Cash equivalents at the end of the period</b>	<b>0.0</b>	<b>0.6</b>

# Greenfield Expansion at Pakhajan, Gujarat





# Company Overview

# Yasho Industries Ltd : A Snapshot



Manufacturer of Specialty & Performance Chemicals

Technocrat Promoters

Strong Presence in Over 50 Countries

Global Certifications

Business Verticals: 5

Total Products : 148

11,000 MT Manufacturing Capacity

3 Manufacturing Units in Vapi, Gujarat

# Our Journey



- Commenced exclusive operations for **Aromatic chemicals and Specialty chemicals**

- Commenced manufacturing of various **Rubber Chemicals** developed by in-house R&D

- Expansion at **Unit-2**, realigning the products produced at both units
- Listed on the BSE SME

- Acquired Land near **Pakhajan**, (Dahej) Gujarat for greenfield project

1985

1993

1996

2000

2010

2018

2020

2022

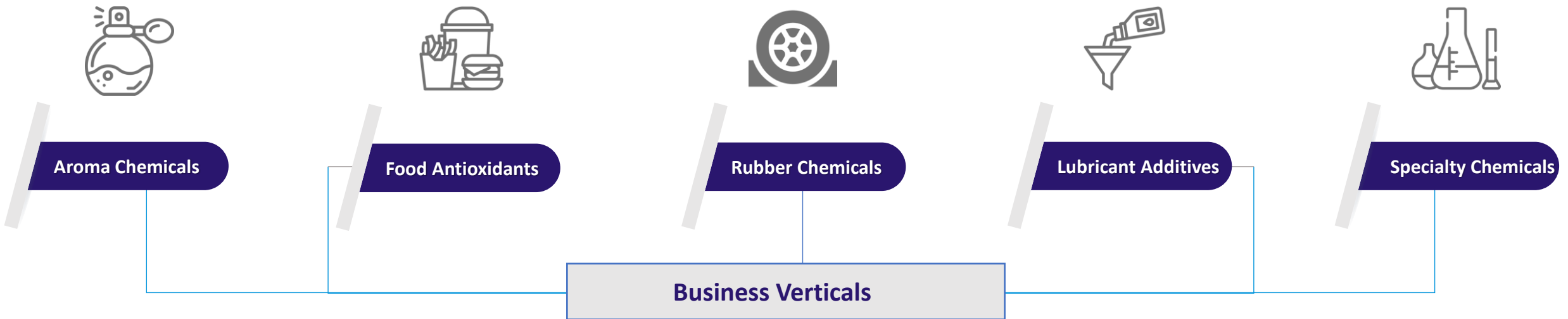
- Incorporated under Companies Act, 1956 as Vasu Preservatives Private Limited

- Change of name from Vasu Preservatives Pvt. Ltd. to Yasho Industries Pvt. Ltd

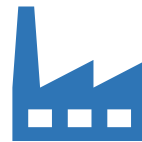
- Commenced manufacturing of various **Lubricant additives** developed by in-house R&D

- Set up **Unit-3** in March 2020
- Listed on BSE Mainboard

# Diversified Business Portfolio



Multi-Products



Multi-Applications



Multi-Reach

# Large Marquee Clients




हिन्दुस्तान पेट्रोलियम



Balmer Lawrie



IndianOil




For a healthy growing nation









We are a **customer-centric producer**,  
with the ability to deliver as per the  
specifications desired by our buyers.

**Serving 2,000+ Clients**



# Our Facilities are Multipurpose & Multiproduct

**Total Capacity  
11,000 MTPA**

**3 Units at  
Vapi, Gujarat**

**1,800 MTPA Capacity Added  
in FY22**

**Competitive Edge**

**Unit 1: 4,350 MTPA**



- 900 MTPA capacity added through debottlenecking

01

Strategically located within 200 Kms from Nhava Sheva Sea Port

**Unit 2: 5,450 MTPA**



- 900 MTPA capacity added through debottlenecking

02

Designed to be 'multi-purpose', giving us the advantage of manufacturing several products

**Unit 3: 1,200 MTPA**



- Warehousing facilities and 1,200 MTPA capacity commissioned on March 20

03

Easy access for import of raw materials and export of finished goods

04

Dedicated R&D center with well equipped instrument

# Research & Development is Core to Our Approach

## Research & Development

- As the cornerstone of our business, R&D is led by our promoters with active contribution and guidance.
- We are working on process improvements and new products which align with our business portfolio.
- Last quarter, we have upgraded our R&D facility and now have more than 20 chemist contributing actively.
- Several projects are in various stages of development, and we are confident that this will help us to achieve our future growth.





## Greening our Operations



Our R&D team identifies process bottlenecks and undertakes specific initiatives to enhance efficiencies. This leads to **cost optimization** and ensures **higher capacity utilization**.



Process intensification has helped to reduce energy intensive processes.



Further, the use of environment-friendly catalysts in the units help in **eliminating toxic metal waste generation**.



We have improved several processes to **reduce water consumption by more than 50%**.



We continue to endeavor to improve our processes in order to reduce waste.

# Global Certifications : Highly Compliant Manufacturer



9001:2015



FSSC 22000

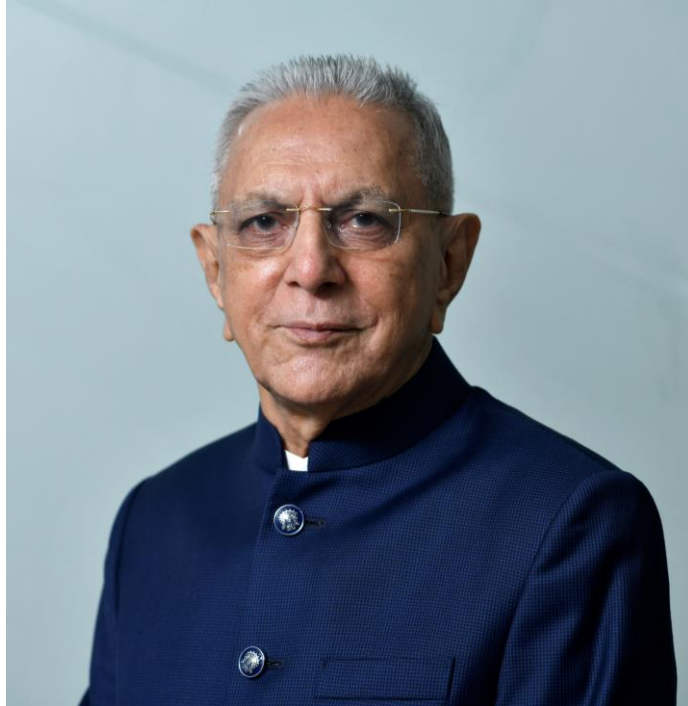




## Initiative to Re-Construct School in Vapi District

- Financed and supervised the reconstruction of Kocharva Patel Falia School, in Vapi District, Gujarat
- It was stalled due to COVID-19, Company came forth with a funding of Rs. 2.19 Crores for the re-construction of the school.
- The institution will hosts 120 Students from the first grade to tenth grade and is spread out through the first floor and the ground floor
- Company has always lent a helping hand for the people in the district and has come forward during various humanitarian crises in the country
- Earlier, the company contributed actively towards the PM Cares fund, in the battle against COVID-19.
- Some of its other initiatives include funding a mass crematorium in Vapi & donations for school infrastructure (mainly benches) in the region

# Founding Team on the Board



**Mr. Vinod Jhaveri**

*Chairman & Executive Director*

- One of the founding promoters of the Company. He is a Commerce graduate from Gujarat University
- He remains the main guiding force behind the growth and business strategy and plays a crucial role in the accounts and finance function
- Played a key role in ensuring the consistent growth of the Company and has helped build a robust framework for excellence in implementation



**Mr. Parag Jhaveri**

*Managing Director & CEO*

- M.Sc Chemistry from Mumbai University. He has over three decades of experience in the chemicals industry
- He played a key role in ensuring the robust growth of the organisation with oversight over the functions of sales, finance, R&D and marketing
- Under his visionary leadership, the Company has built a model for a sustainable future.



**Mr. Yayesh Jhaveri**

*Whole Time Director & CFO*

- Commerce graduate from Mumbai University. With experience of more than 25 years in the chemical industry, he has played an eminent role in handling the purchase, logistics, supply chain and production planning
- He played an integral part in setting up Unit-II & Unit-III

# Along with the Independent Directors



**Mr. Anurag Surana**  
*Independent Director*

- He has 27 years of professional experience, 14 of which he has spent on the Board of Directors of different Specialty Chemicals and Agrochemical Companies.
- Was associated with PI Industries for 20 years
- Currently, he is the Managing Director of KAGASHIN Global Network Private Limited
- He is a Director on the Board of IFFCO MC Crop Science Pvt Ltd, Nichino India Pvt Ltd, Nichino Chemical India Pvt Ltd, Kagashin Global Network Pvt Ltd, Neogen Chemicals Limited, and Privi Specialty Chemicals Ltd.



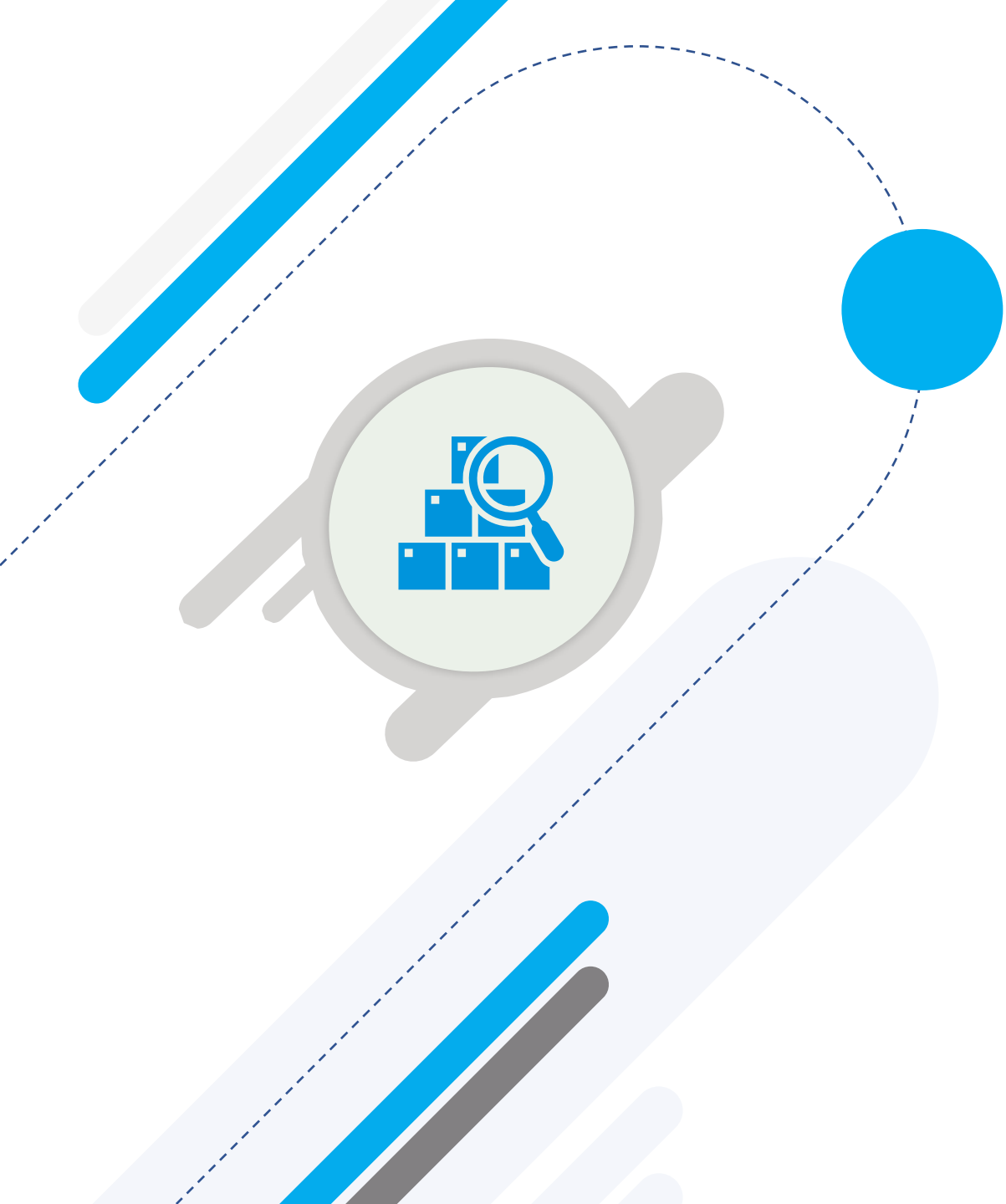
**Mr. Ullal Bhatt**  
*Independent Director*

- M.Sc. from IIT, Kanpur and has attended advanced courses on Finance at the Harvard Business School, Boston and IIM, Ahmedabad
- He is one of India's well-known investment managers having managed foreign institutional investments in Indian equities for more than two decades
- He joined the Dalton group, UK in 2005 to lead their entry into India as the Managing Director of Dalton Capital Advisors (India) Pvt. Ltd., advising foreign institutional investors investing in India and has cofounded Alphaniti Fintech Pvt. Ltd., a new-age Investment Advisory Co. offering data-driven, rule-based and tech-enabled investment products.



**Dr. Prakash Bhate**  
*Independent Director*

- Ph.D. in Organic Chemistry from the Ohio State University, Columbus.
- He has over 37 years of experience in the chemical industry. He is a visiting professor at the Institute of Chemical Technology in Mumbai
- He has been elected as the Fellow of Society of Dyers and Colourists (UK) in 2011-12, and is a member of the American Chemical Society



# Business Overview



# Aroma Chemicals

## Aroma Chemicals

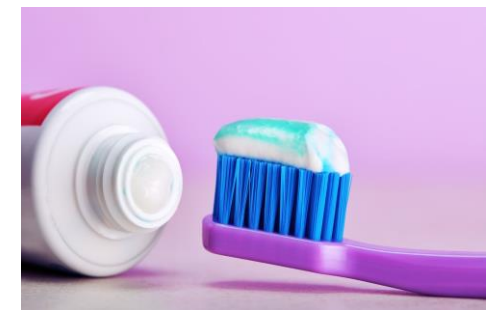
## Food Antioxidants

## Rubber Chemicals

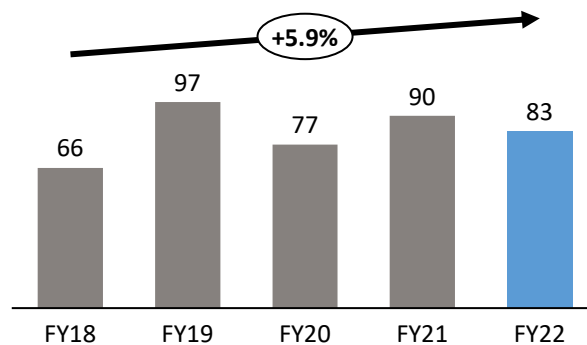
## Lubricant Additives

## Specialty Chemicals

- We are the market leaders for clove oil and its derivatives
- Chemicals like fatty esters and natural essential / aroma oils cater to a gamut of personal care products such as cosmetics and toiletries
- They are also used for flavours and fragrances, and in pharmaceutical segments for pain relief, cold and cough formulations
- It is also utilized in dentifrices and oral care preparations including toothpaste, tooth powder and mouthwash
- It is also used as an insect repellent



### Revenue Trend (Rs. Crs.)



- Total Products: 13
- Revenue Contribution: ~14%
- Margin: Single Digit
- Domestic Market Presence: Yes
- Global Market Presence : Yes



# Food Antioxidants

Aroma Chemicals

Food Antioxidants

Rubber Chemicals

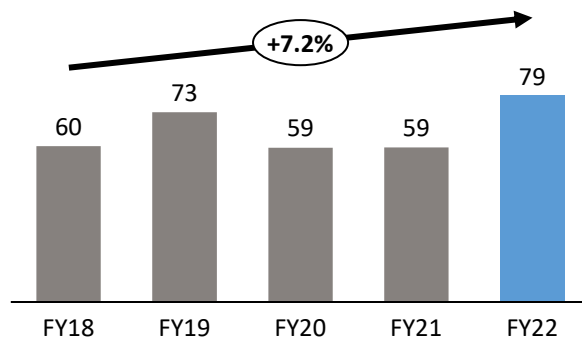
Lubricant Additives

Specialty Chemicals

- Fatty oils and oil-based foods are prone to auto-oxidation that results in a rancid taste and unpleasant odour
- Our antioxidants help inhibit the negative effects of oxidation.
- The YANTQ brand of synthetic antioxidants has superior antioxidative power and finds application in foodstuff
- It helps enhance the food nutrient content, keeps it fresh and makes it more appetizing
- This is also used in animal feed, vitamin pre-mixes and in nutraceuticals



**Revenue Trend (Rs. Crs.)**



- Total Products: 5
- Revenue Contribution: ~13%
- Margin: Single Digit
- Domestic Market Presence: Yes
- Global Market Presence : Yes

# Rubber Chemicals

Aroma Chemicals

Food Antioxidants

Rubber Chemicals

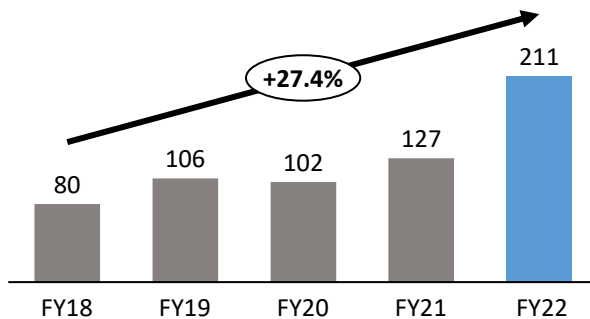
Lubricant Additives

Specialty Chemicals

- Our range of rubber chemicals is used to manufacture rubber products like tyres, automotive components like hoses, seals, conveyor belts, and others
- They are also used in the manufacture of surgical gloves, condoms, balloons and latex gloves.



**Revenue Trend (Rs. Crs.)**



- Total Products: 87
- Revenue Contribution: ~35%
- Margin: Double Digit
- Domestic Market Presence: Yes
- Global Market Presence : Yes

# Lubricant Additives

[Aroma Chemicals](#)

[Food Antioxidants](#)

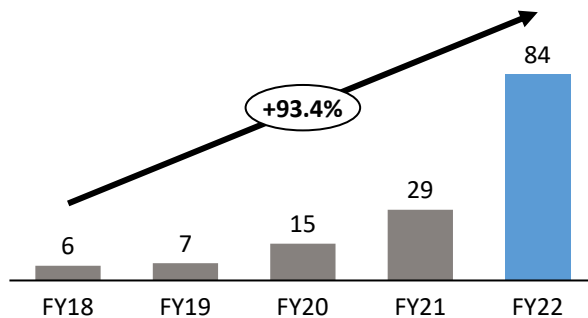
[Rubber Chemicals](#)

**[Lubricant Additives](#)**

[Specialty Chemicals](#)

- Our Lubricant additives improve the performance of lubricants by providing critical performance parameters
- They improve boundary lubricity, extreme pressure properties, inhibit corrosion and improve oxidation resistance
- This products are marketed under the “YALUB”
- It finds application in hydraulic, turbine, engine and gear oils, metal working fluids and greases

## Revenue Trend (Rs. Crs.)



- Total Products: 22
- Revenue Contribution: ~14%
- Margin: Double Digit
- Domestic Market Presence: Yes
- Global Market Presence : Yes



- Yasho manufactures a range of Additives for Industrial / Automotive Lube & Greases like
  - Antioxidants (Phenolic / Aminic)
  - Molybdenum based Friction Modifiers / Antiwear agents
  - Dithiocarbamates
  - Thiadiazoles Corrosion Inhibitor & Extreme pressure additives
  - Triazole Metal Deactivators

# Specialty Chemicals

Aroma Chemicals

Food Antioxidants

Rubber Chemicals

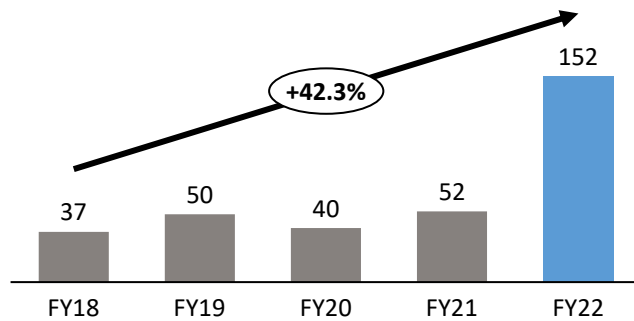
Lubricant Additives

Specialty Chemicals

- These value-added chemicals are used as stabilisers for acrylics, printing inks, UPR resins and fibre composite resins, as cross linkers for thermoplastics urethanes, electroplating chemicals, intermediates for API and bulk drugs, and agrochemicals.



## Revenue Trend (Rs. Crs.)



- Total Products: 21
- Revenue Contribution: ~25%
- Margin: Double Digit
- Domestic Market Presence: Yes
- Global Market Presence : Yes



# Embracing Opportunities

## Opportunities

- China +1 opportunity
- Strong domestic demand
- Demand from global customers for niche products
- Atmanirbhar Bharat opportunity

## Our Edge

- Recognized global partner
- Strategically located near port
- Multi-purpose, multiproduct plant
- Dedicated R&D Centre with well equipped instrument
- Branding & distribution capabilities
- As an environmentally conscious company, we stand to benefit from stricter environment norms and compliance

## Core Focus

- Continuous product development
- Wide distribution reach through distributors
- Diversified client base across multiple industries
- Market Penetration to reach the end-users directly

Global Chemicals Market: \$2.4 trn

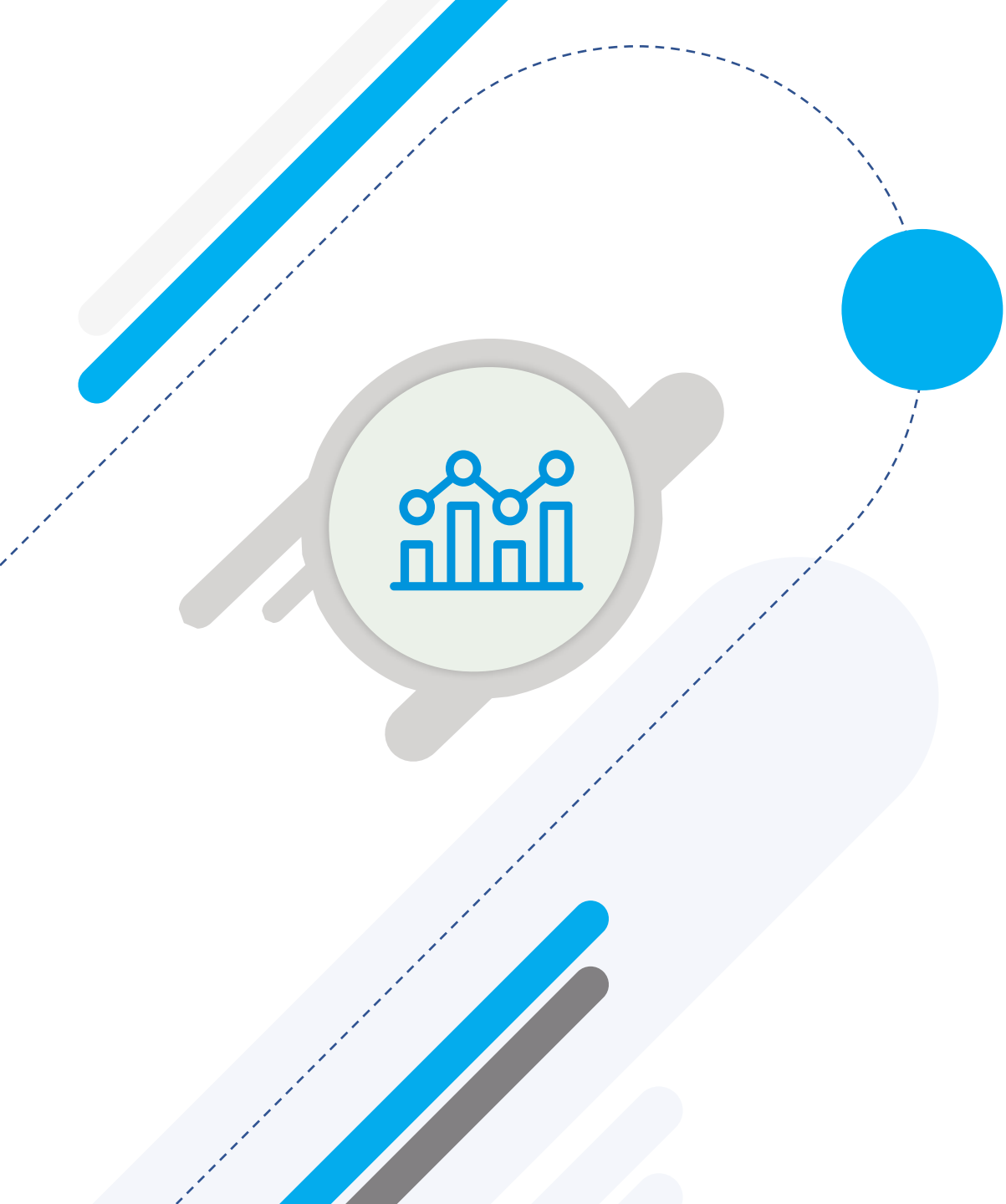
Global **Specialty** Chemicals Market: \$470 bn

Indian **Specialty** Chemicals Market: \$32 bn

Indian Chemicals Products: +70,000

Compliant Manufacturers have a competitive edge

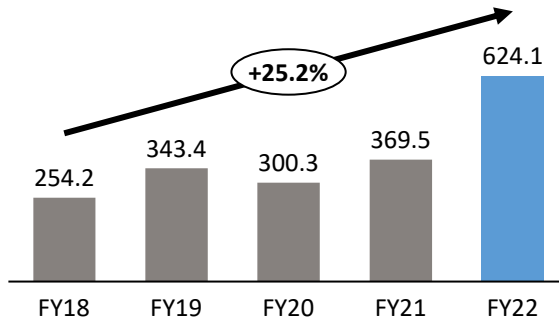
Our Opportunity: Medium to High



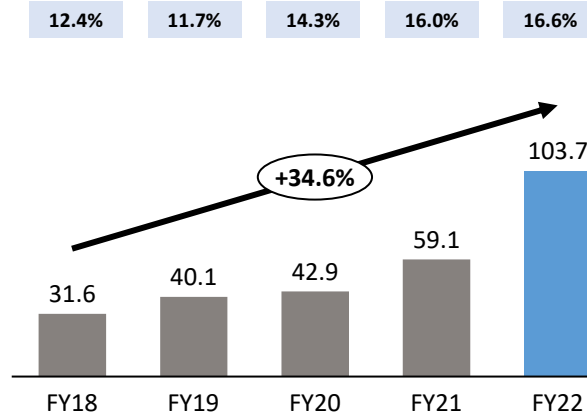
# Financial Highlights

# Historical Financial Highlights

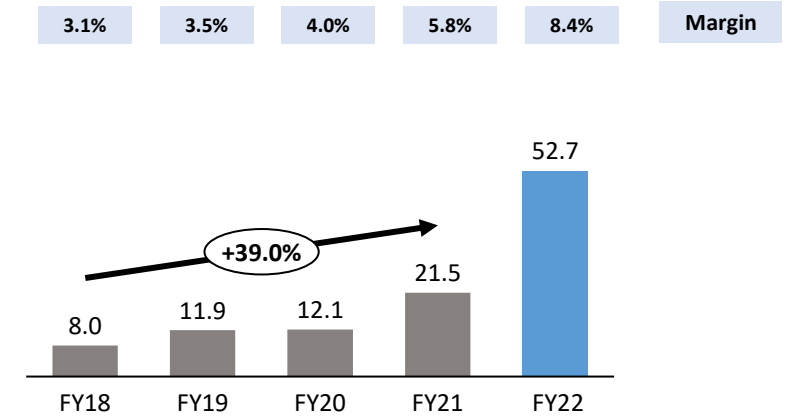
## Revenue (Rs. Crs.)



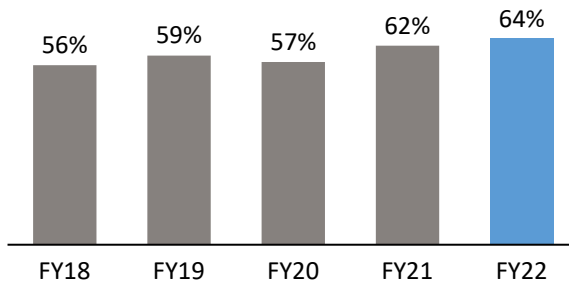
## EBITDA (Rs. Crs.)



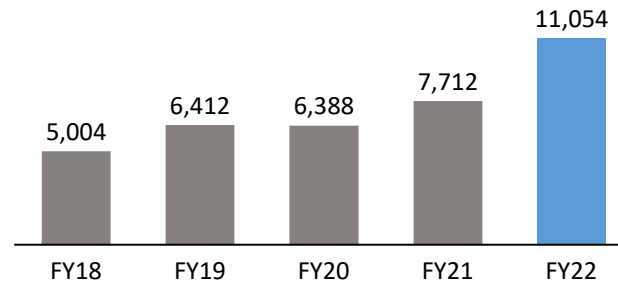
## PAT (Rs. Crs.)



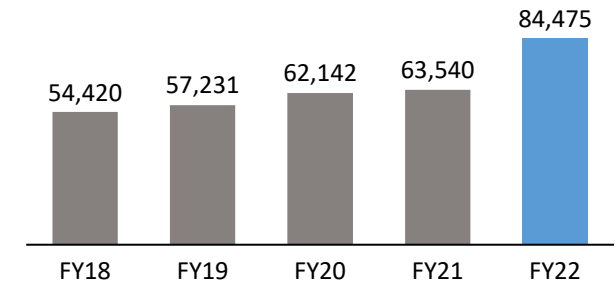
## Export (%)



## Sales Volume (MTPA)



## EBITDA/ Tonne\*\* (Rs)



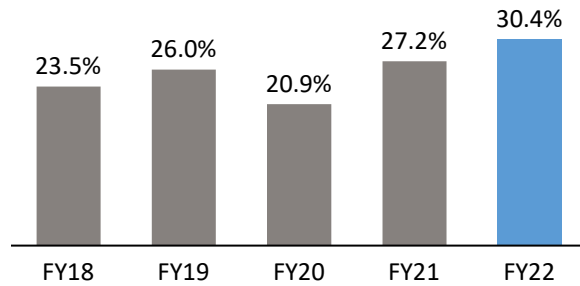
On Standalone Basis

Revenue Includes Other Income  
\*\*Excluding other Income

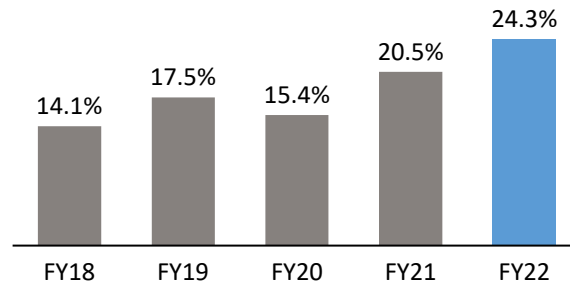


# Historical Financial Highlights

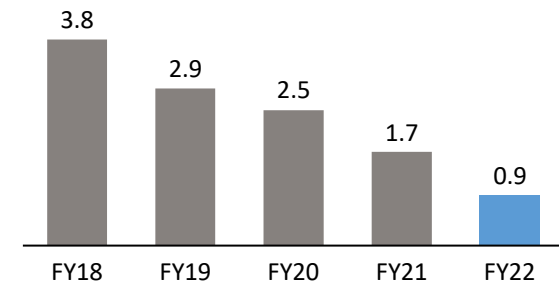
### ROE (%)



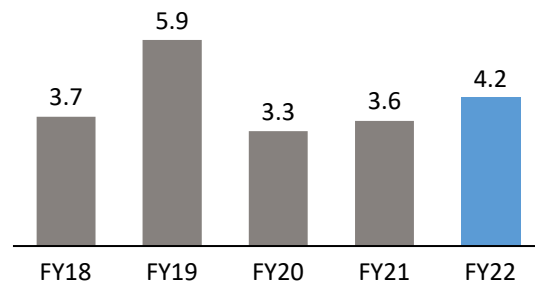
### ROCE (%)



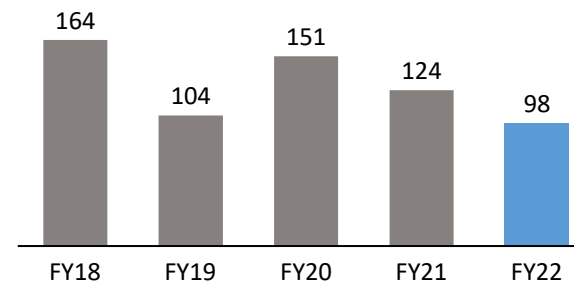
### Net Debt / Equity (x)



### Fixed Asset Turnover (x)



### Working Capital Days



## New Capacity Addition

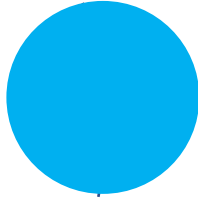
- The company is expanding its capacity through a greenfield project
- New capacity is expected to be commercialized in 24 months after receiving all necessary approval

## Operational Efficiency

- We aim to improve our operational efficiencies and product mix through ongoing product development through R&D and product innovation

## Enhancing Global Footprint

- Through our subsidiary in Europe, we intend to cater to more customers in the region and increase our presence in the region



## Contact Information

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### Company :



#### **Yasho Industries Ltd.**

CIN – L74110MH1985PLC037900

Mr. Yayesh Jhaveri

Email - [yayesh@yashoindustries.com](mailto:yayesh@yashoindustries.com)

[www.yashoindustries.com](http://www.yashoindustries.com)

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### Investor Relations Advisors :

**SGA** Strategic Growth Advisors

#### **Strategic Growth Advisors Pvt. Ltd.**

CIN - U74140MH2010PTC204285

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