

# Twitter Thread by The Tycoon Mindset

**The Tycoon Mindset**

@tycoonmindset05



**Jyothy Labs conducted their earnings con-call today at 3:00 PM**

**Here are the key highlights ■■**

**@drprashantmish6 @unseenvalue @proxy\_investor @deepakshenoy**

## **#concall**

Sector Trend:

- Strong demand in Homecare and healthcare
- Institutional business has gradual comeback and now near to pre-covid level
- New launches: Exo All Surface Cleaner launched in South of India
- Media spent increased for more growth
- Market share has been improved

Business: Updates:

- A&P spend increased with growth in business segment.
- Segmental performance in image.
- Due to lower other expenses the EBIDA margins have seen growth insipte of increase in adv. cost.

CATEGORY	KEY BRAND	QUARTER ENDED			NINE MONTHS ENDED		
		CY	PY	GR %	CY	PY	GR %
Fabric Care	Ujala FW, Henko, Mr White, Ujala Crisp & Shine	176	172	2.3%	489	552	-11.4%
Dishwashing	Exo, Pril	182	150	21.1%	530	440	20.6%
Household Insecticides	Maxo	47	43	10.0%	171	117	45.8%
Personal Care	Margo, Neem, Fa	53	36	48.2%	176	150	16.9%
Other Products	T Shine, Maya	13	8	56.5%	35	27	26.9%
<b>TOTAL</b>		<b>470</b>	<b>409</b>	<b>15.1%</b>	<b>1,401</b>	<b>1,287</b>	<b>8.9%</b>
Laundry Services		7	12		13	32	
<b>GRAND TOTAL</b>		<b>477</b>	<b>421</b>	<b>13.3%</b>	<b>1,414</b>	<b>1,318</b>	<b>7.3%</b>

Business segment:

- Mainwash segment has started doing better.
- Postwash segment is still constrain as school and office are closed. However there is gradual growth.
- Dishwash segment remain robust and company continuous to see good growth over diswash.

Sales Growth:

- Higher utilization has been helping in decreasing the cost.
- Sales force with higher utilization reduces per cost, hence increase in margin.
- Increase in price has very little part.
- Company has current guidance of same margins of around 14-15%.

Recovery of Detergent:

- All of the detergent are back on growth.
- Ujala and Mr White are doing good. Ujala post wash is coming back to pre-covid levels (90-95% of pre-covid levels)
- Crisp and Shine has been only in 2 states which is affect by covid, hence it may take time.

Household Insecticide.

- Coil segment company has 20% of market share and in liquid company has 8-10% of market share.
- Segment is still profitable.
- Company expects more 3-4 quarter to see a significant growth in the liquid coil segment.

- Coil segment company has 20% of market share and in liquid company has 8-10% of market share.
- Segment is still profitable.
- Company expects more 3-4 quarter to see a significant growth in the liquid coil segment.

- Product Delivery have been improved with compare to competitor.
- Other Expense as a % of sales will be same and there is no on-off.
- Tax Rate: Company is under MAT for this year and entire FY 2022, hence tax rate can be 18-20%.
- Personal care: Main growth driver is Margo

- Rural growth is higher than the urban.(1.3:1 growth rate rural:urban).
  - Channel Inventory: Generally is 2-3 week
  - Debt: Company stands at net cash. Gross debt is expected to be ~50-60cr.
  - There may be little decline in A&P cost keeping EBIDTA margins expectation in line.
- 
- Low presence in East: East is next biggest market hence there is good presence of the company.
- 
- In e-commerce company don't go for Grofferes due to unfavourable T&C.