



Earning Presentation

Half yearly results ending 30-09-2023 (H1 FY24)



ABOUT US

- Our company De Neers Tools Ltd. is suppliers of hand tools in India.
- Backed by promoters' industry experience, starting from a small setup in Delhi, today we cover multiple states PAN India.
- Our hand tools are produced under our strict quality parameters and supervision in the factories equipped with state-of-the-art technology and robust infrastructure.
- Additionally, we have a robust network of around 260 dealers across India, enabling us to maintain a widespread presence.
- Our vision is to establish "De Neers" brand as synonymous with top-quality hand tools in India.
- Committed to delivering quality and operational excellence, our company proudly holds various ISO certifications like 9001, 14001 and 45001

ISO 9001, 14001 & 45001 Certified

Industries Served

10+

Automotive, Textile,
Healthcare, Agriculture,
Cement, etc.

Stock Keeping Units
(SKUs)

~3,600

Hand Tools, Steel Files,
Cutting Tools, Non-Sparking
Tools, etc.

Dealer network

260

Servicing across India
via our widespread
dealer network¹⁸

OUR PRODUCT PORTFOLIO



Steel hand tools



Stainless steel tools



Non sparking tools



Insulated tools



Tool kits , tool-boxes and Trolleys

INDUSTRIES SERVED



Automotive



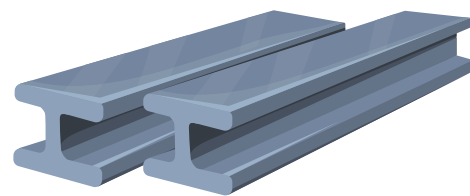
Textile



Mining



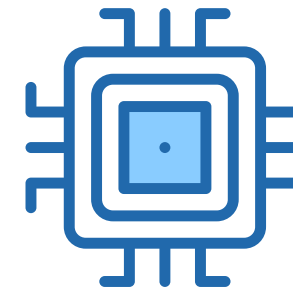
Healthcare
& Pharma



Steel Industries



Infrastructure



Electronics



Engineering



Petro Chemical
/ Oil & Gas



Cement



Agriculture



Power Sector

INDUSTRY OUTLOOK

The overall hand tool industry is dominated by unorganized players:

Driven by unorganized players, the overall industry is expected to grow around CAGR of 7.2%.

However, the organized sector is gradually gaining a larger market share from the unorganized sector owing to below reasons which is stimulating higher growth expectations for organized market:

- Implementation of Goods and Services Tax (GST) has brought many unorganized businesses under the tax net and reduced tax evasion.
- Demonetization has disrupted the cash-based transactions of the unorganized sector and encouraged digital payments.
- The Indian market for hand tools is moving away from a price-sensitive era and toward a quality-conscious era with "industry" or "application" oriented criteria.
- The expansion of industries such as aviation, heavy engineering, automobile/auto service, gardening/horticulture, woodworking & furniture, and construction/infrastructure has prompted an increased demand for quality/specialty tools.

₹ 10,000 CRORE

This is the estimated hand tool industry market size in INDIA

Organized market gradually outpacing unorganized + Organic growth of the overall industry = Organized market growth expected to outperform overall industry growth

OUR VALUED CLIENTELE



UNLOCKING OUR POTENTIAL: “POWER OF DIVERSE SKU’s”

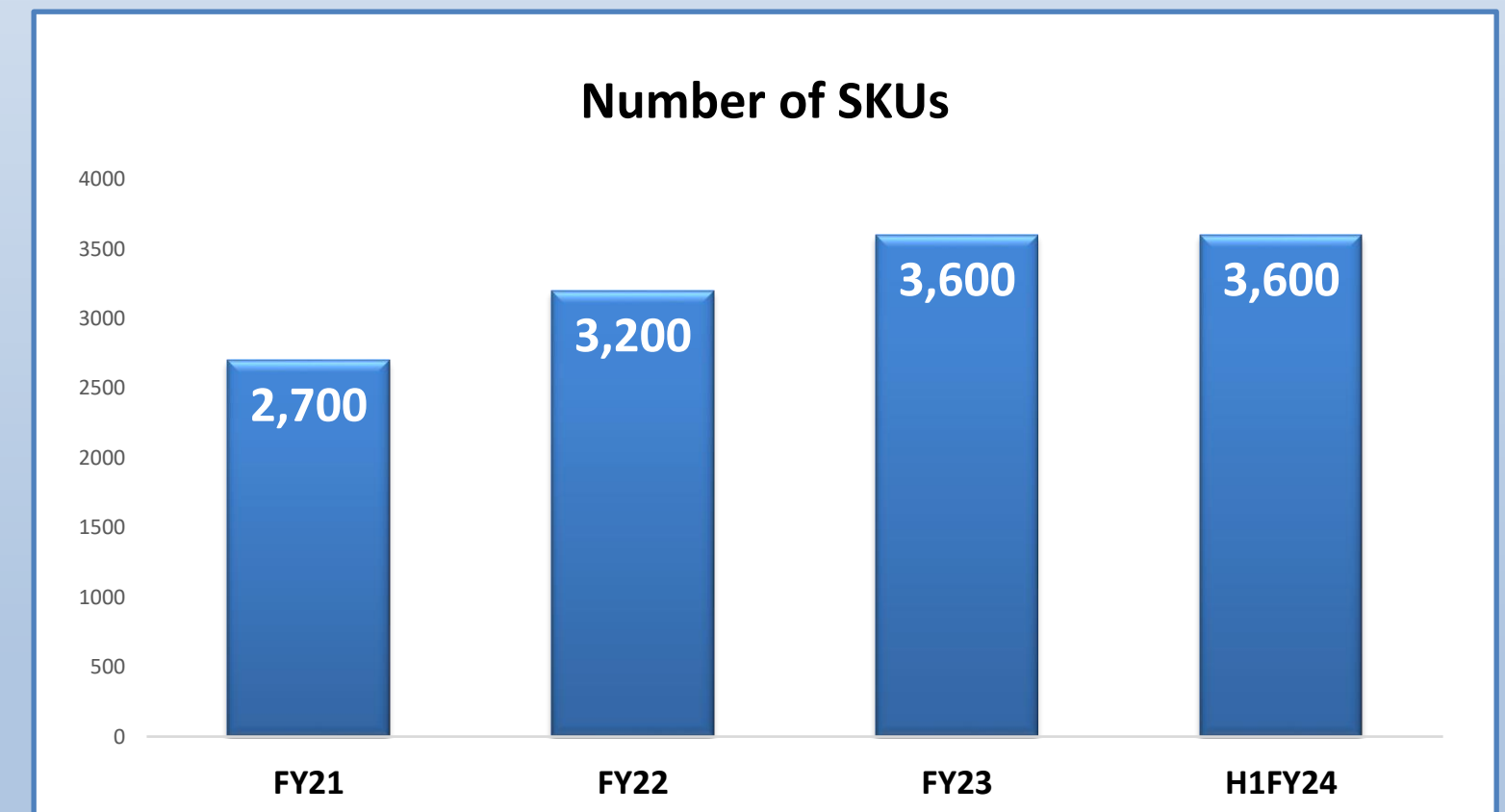
We possess the industry's most extensive SKU selection, surpassing even our closest competitor who only maintains around half of our vast selection.

Key Advantages:

- **Revenue Diversity** - Broadens revenue streams across multiple product categories. This reduces dependency on a single product line
- **Customer Convenience** - Customers value the convenience of a **one-stop shop**. Hence, reducing the need to source from multiple suppliers.
- **Cross selling opportunities** – Advantage of cross-selling related products within the SKU portfolio. Hence, improving the ability to increase average transaction value.

3,600 SKU's

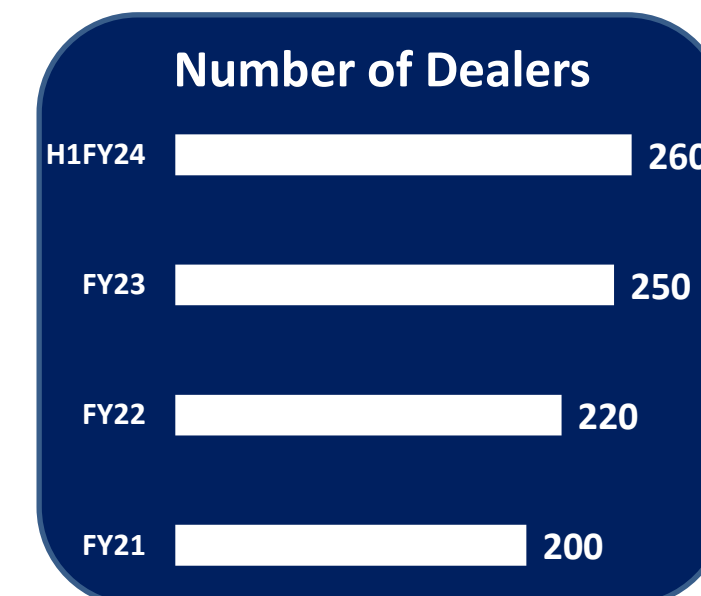
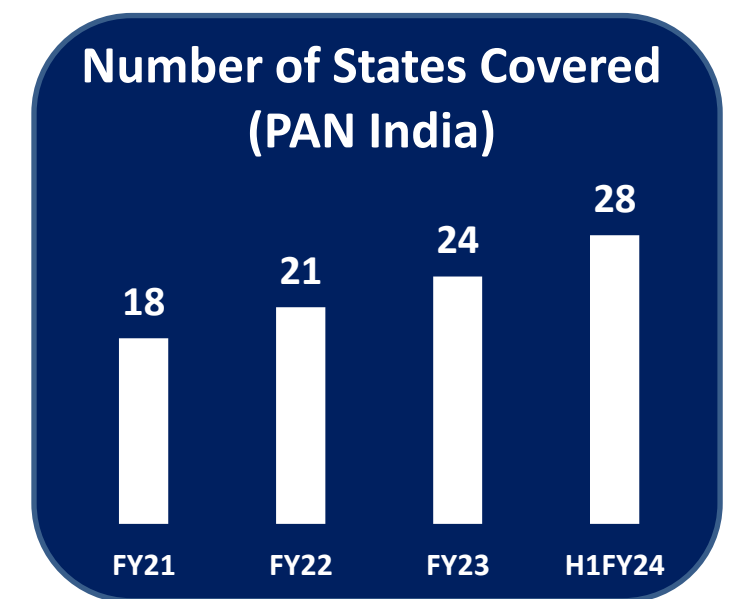
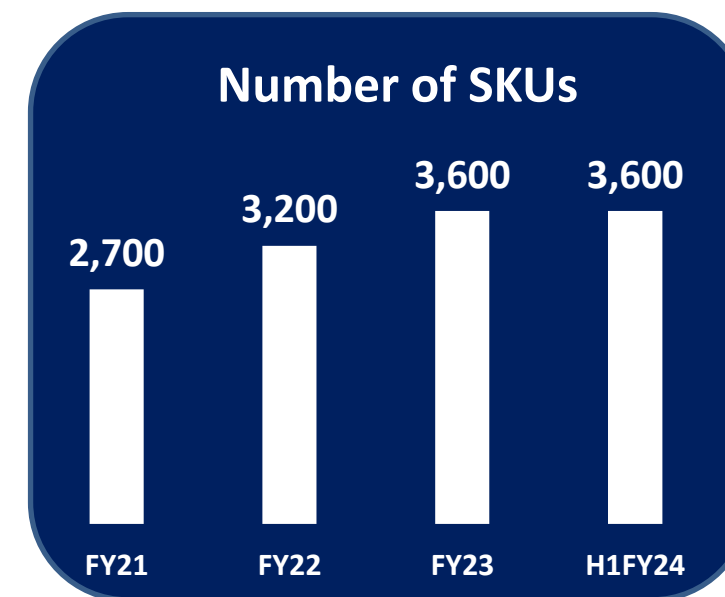
Growing more than 15% since last 2 years, this is the quantum of SKUs that we are currently holding.



OUR GROWTH JOURNEY

4,70,00,000

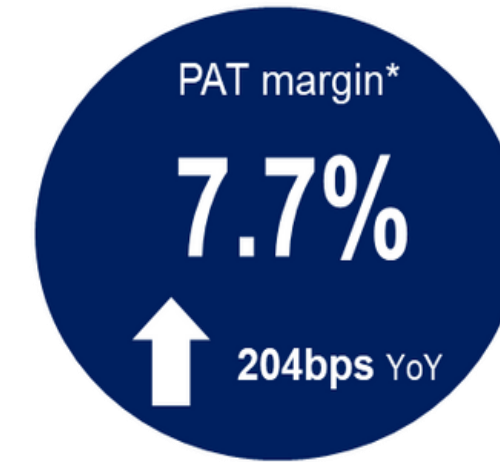
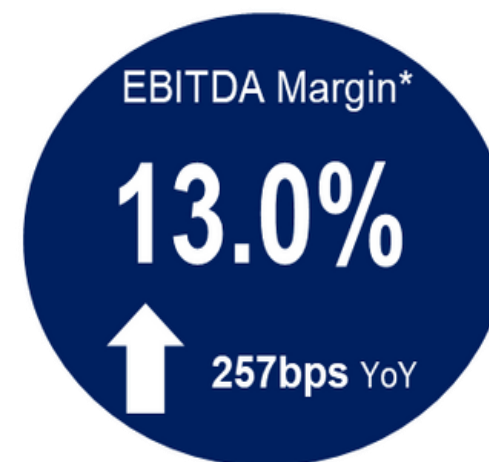
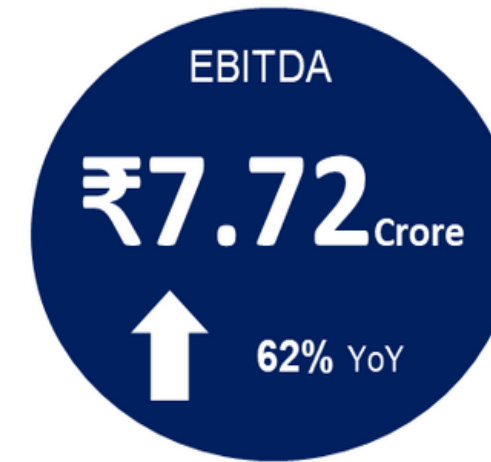
This is the number of hand tool units that we have sold PAN India during FY23, registering a growth ~ 24% YoY. With market size of around **INR 10,000 cr**, and the emerging trend for DIY (Do it Yourself!) culture in India, we envision to become a household name in coming years.



HALF YEARLY FINANCIAL HIGHLIGHTS (H1 FY2024)

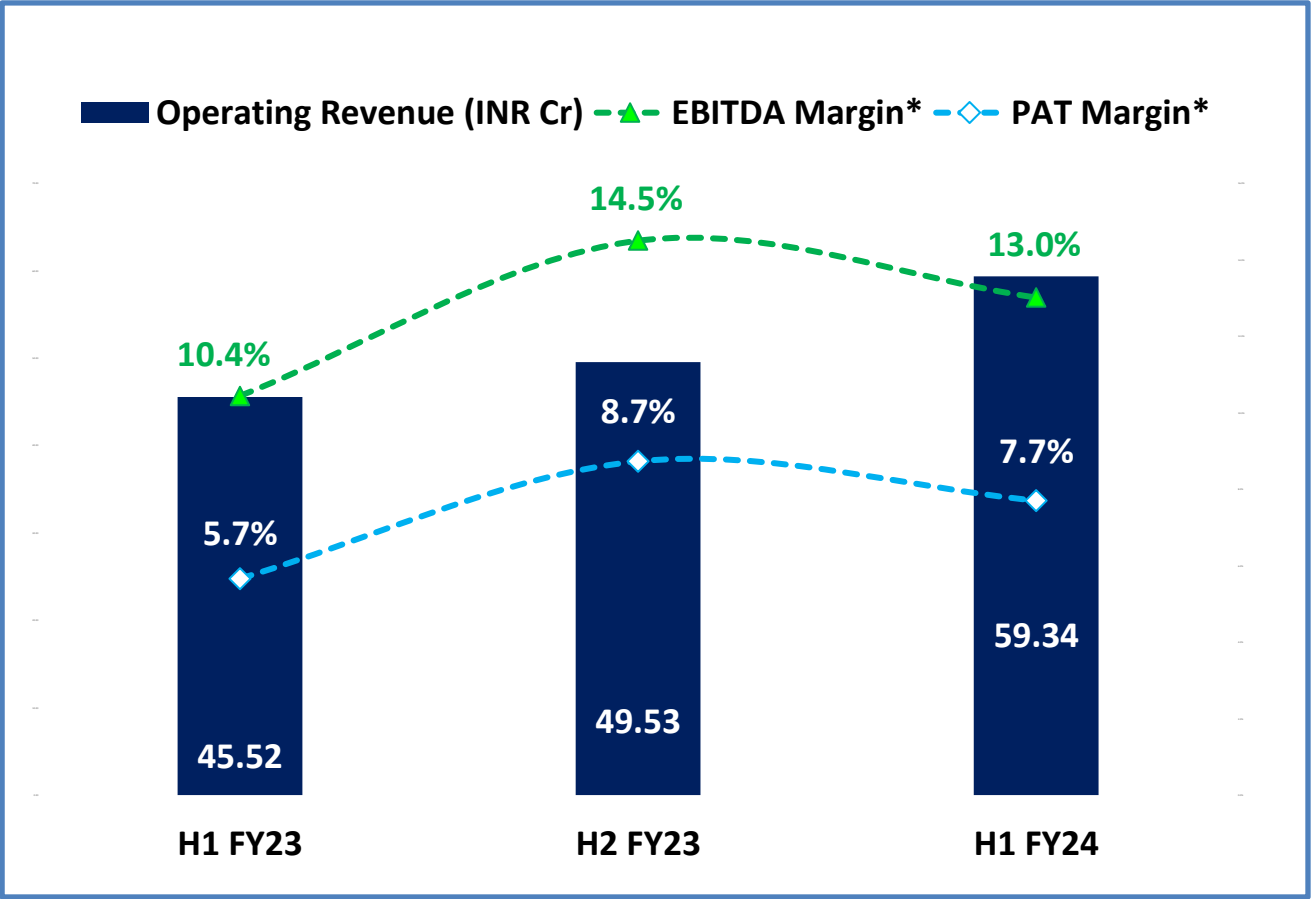


Capitalizing on our growing trajectory, we are determined to carry forward this momentum in the years to come



HALF YEARLY INCOME STATEMENT

INR Crore	H1 FY24	H2 FY23	H1 FY23
INCOME STATEMENT			
Revenue from Operations	59.34	49.53	45.52
Operating Costs	51.62	42.35	40.77
Operating Profit (EBITDA)	7.72	7.18	4.75
Other Income	0.00	0.05	0.01
Finance Costs	1.21	1.09	0.84
Depreciation and amortisation	0.41	0.43	0.35
Profit Before Tax (PBT)	6.10	5.71	3.56
Less: Tax expense	1.53	1.35	0.98
Profit After Tax (PAT)	4.57	4.36	2.58



We have summarized the financials here.

BALANCE SHEET

INR crore	As at 30.09.2023	As at 31.03.2023
BALANCE SHEET		
Share Holder's Funds		
Net Worth	61.09	33.54
Non-Current Liabilities		
Long term Borrowings	33.59	34.62
Other Non-current Liabilities	0.12	0.12
Current Liabilities		
Short Term Borrowings	20.61	26.15
Trade Payables	23.95	37.04
Other Current Liabilities	3.50	3.15
Total Equity & Liabilities	142.86	134.61
Assets		
Non-Current Assets		
Fixed Assets	2.22	2.53
Other non-current assets	0.83	0.59
Current Assets		
Inventories	81.02	87.73
Trade Receivables	47.69	33.60
Loans & Advances	6.77	2.91
Cash & Cash equivalents	0.19	0.11
Other current assets	4.15	7.15
Total Assets	142.86	134.61

We have summarized the financials here.

RECENT DEVELOPMENTS

ALLIANCE WITH OEMS

Recently our company has formed an exclusive alliance to supply premium hand tools to major Indian companies specifically targeting OEMs.

In the 2023-2024 period, we will provide:

- 5,000 tool kits to Havells
- 20,000 tool kits to Apollo Pipes
- 25,000 tool kits to Polycab Cables.

These strategic alliances aim to enhance operational efficiency and service excellence by providing premium hand tools to the esteemed teams of electricians, plumbers & mechanics across these organizations in India.



HAVELLES



POLYCAB



APOLLO PIPES
LIMITED

TAKING OUR BRAND GLOBAL

In pursuit of establishing **global presence** and achieving **international brand recognition**, our company is actively **exploring numerous export opportunities**. To provide further insight, we've outlined several of our initiatives below.

Exploring Business expansion opportunity in Middle East

- Considered as hub for oil refineries, Middle Eastern countries pose an enormous opportunity for our hand tool supplies.
- With thorough market research as our foundation, we are actively investigating the feasibility of expanding our business into the Middle East.

EEPC India Registration

- To enhance our global trade and market presence, our company has recently obtained registration with the **Engineering Export Promotion Council of India (EEPC India)**

International Exhibitions

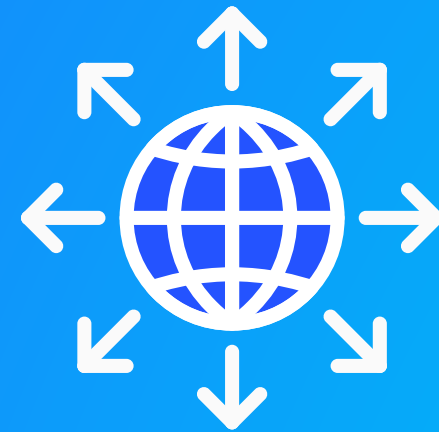
- Our company has successfully enrolled for the **Cologne exhibition**, an event with a **70-year legacy**, and recognized as the **world's largest business exhibition**. This prestigious event attracts corporations from around the world, providing us with a substantial opportunity to exhibit our products and expand our global visibility.
- We have also registered for the upcoming **International Hardware Fair India**, scheduled for next month in December.
- To support our business expansion efforts, we are actively exploring participation in **business exhibitions** in the **Middle East**.

FUTURE ROADMAP



Brand Building

Developing branding & marketing strategies: Focusing on building “De Neers” brand.



Geographic Expansion

To strengthen our PAN India presence with deeper penetration going forward



Working Capital Optimization

Optimizing working capital requirement, improving the usage of existing capital & hence improving ROI



Organic Growth

Planning business growth via multiple avenues like:

- Dealer/distributor network
- Direct OEM-sales
- Export opportunities
- Adding SKUs

OUR PROMOTERS



Mr. Neeraj Kumar Aggarwal
Promoter and Managing Director

- Mr. Neeraj Kumar Aggarwal completed his Honours degree in Commerce from Shri Ram College of Commerce (SRCC), Delhi University in the year 1994
 - With over 30 years of experience in industry and with a vision to commence a quality and high-end brand, Mr. Neeraj formed De Neers
 - At De Neers, he manages Business Development and procurement.
-
-



Mr. Kanav Gupta
Promoter, Whole Time Director and CFO

- He has completed his Bachelors in Commerce degree from Delhi University.
- Further attended a course in strategic management from London School of Economics in UK.
- Mr. Kanav began widening his grass root industry view early on in his career specifically focusing on tools industry.
- At De Neers, he is managing Finance, all India sales and is keen to make De Neers a global name.

Thankyou



www.deneerstools.com