



GANESHA ECOSPHERE LIMITED

GESL/2020-21

August 8, 2020

To,
The BSE Limited,
Corporate Relationship Department,
1st Floor, New Trading Wing,
Rotunda Building,
PJ Towers,
Dalal Street, Fort,
Mumbai-400 001.
Fax No.: 022-22723121, 22722037
Scrip Code: 514167

To,
National Stock Exchange of India Limited
Exchange Plaza,
Bandra- Kurla Complex,
Bandra (East),
Mumbai-400051.
Tel No.: 022-26598100-8114/ 66418100
Fax No. : 022-26598237/38
Scrip Symbol: GANECOS

Sub.: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/ Ma'am,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the presentation on the Unaudited Financial Results of the Company for the quarter ended 30th June, 2020.

In compliance with Regulation 46 of the aforesaid Regulations, the presentation is also being hosted on the website of the Company at www.ganeshaecosphere.com.

Kindly take the above on record and oblige.

Thanking you,

Yours faithfully
For Ganesha Ecosphere Ltd.

(Bharat Kumar Sajnani)
Company Secretary-cum-Compliance Officer

Encl.: As above



Ganeshha Ecosphere

Q1FY21 EARNINGS PRESENTATION



Disclaimer

Except for the historical information contained herein, statements in this presentation and the subsequent discussions, which include words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", seek to", "future", "objective", "goal", "likely", "project", "should", "potential", "will pursue", and similar expressions of such expressions may constitute "forward-looking statements". These forward looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

Q1FY21 Highlights

IN SPITE OF CAPACITY UTILISATION AT 37% **COMPANY WAS POSITIVE AT EBITDA LEVEL**

COMMITTED TO **GROWTH** WITH
NEW UPCOMING CAPACITY AT WARANGAL, TELANGANA

MAINTAINED WORKING CAPITAL CYCLE. ENOUGH LIQUIDITY AND CASH AVAILABLE

POWER COST REDUCTION MEASURES THROUGH **INSTALLATION OF 4MW ROOFTOOP SOLAR PANELS** WHICH WILL YIELD **SAVING OF Rs 3.5 CRORE ANNUALLY** ON POWER COST

TAKING OVER A PET BOTTLE WASHING UNIT IN NEPAL AT Rs 10 CRORE WITH AN
ESTIMATED PAYBACK PERIOD OF 2.5 YEARS

CORE TOPICS

1. Business background

The journey of a company, started in 1987, and emerging over the years as a leading PET recycled RPSF manufacturer in India.

2. Well diversified

Well diversified operational mix of products, capacities, customers, suppliers and collection centers.

3. Products & Services

Our range of products under Recycled Polyester Staple Fiber and Recycled Polyester Spun Yarn.

4. Q1FY21 Highlights

Key takeaways from the performance for the quarter.

5. Financial Summary

Key annual performance highlights for your reference.

6. Quarterly performance

Key performance variables, earnings table and operational metrics.

OUR VISION & MISSION



TO BECOME A **GLOBAL CORPORATE CITIZEN**, COMMITTED TO **RECYCLE EVERY PET BOTTLE** WHICH IS THROWN INTO WASTE WITH **WORLD CLASS RECYCLING FACILITIES** AND TO CREATE **WEALTH FOR OUR STAKEHOLDERS** THROUGH CONDUCTING BUSINESS AROUND SOCIAL & ENVIRONMENTAL CONCERNS



OUR MISSION IS :

- To be a high-performance organization by making the best use of resources and empowering people.
- To be the preferred choice of our customers by providing world class customer services.
- To maintain high levels of quality in our products through innovative research and technology development in our processes, products and applications.
- To build relationships with stakeholders based on trust, transparency and ethical business conduct.
- To contribute to the cause of making our planet a better place to live in for the present and future generations.

CHAIRMAN'S MESSAGE

“We reinforced relationships through various marketing initiatives, enhancing our share of customer's wallets”

BUSINESS BACKGROUND

“Without environment sustainability, economic stability & social cohesion cannot be achieved”

Who we are?

- Entered into business in 1987
- Over the years, emerged as a leading PET-recycled RPSF manufacturer in India.
- Pioneered the manufacture of Recycled Polyester Staple Fibre (RPSF) and Recycled Polyester Spun Yarn (RPSY) from pre and post consumer pet bottle scrap.
- Aim to collect maximum PET waste through pan India network of scrap dealers.
- **Cumulative capacity of 118800 TPA**

What we do?

- We recycle discarded PET bottles into user friendly polyester staple fibre and polyester spun yarn having versatile applications.
- Source raw material through a network of scrap dealers & contractors who in turn work through rag pickers for supply of PET.
- PET waste is crushed & baled at collection centers & sent to factories for further processing.
- **Collection of approximately 350 TPD of PET waste.**

1

108800 TPA of RPSF

2

7200 TPA of RPSY

3

3000 TPA of Dyed & Texturised / Twisted Filament Yarn

4

Approx. 350 TPD of raw material scrap sourced from pan India network of scrap dealers

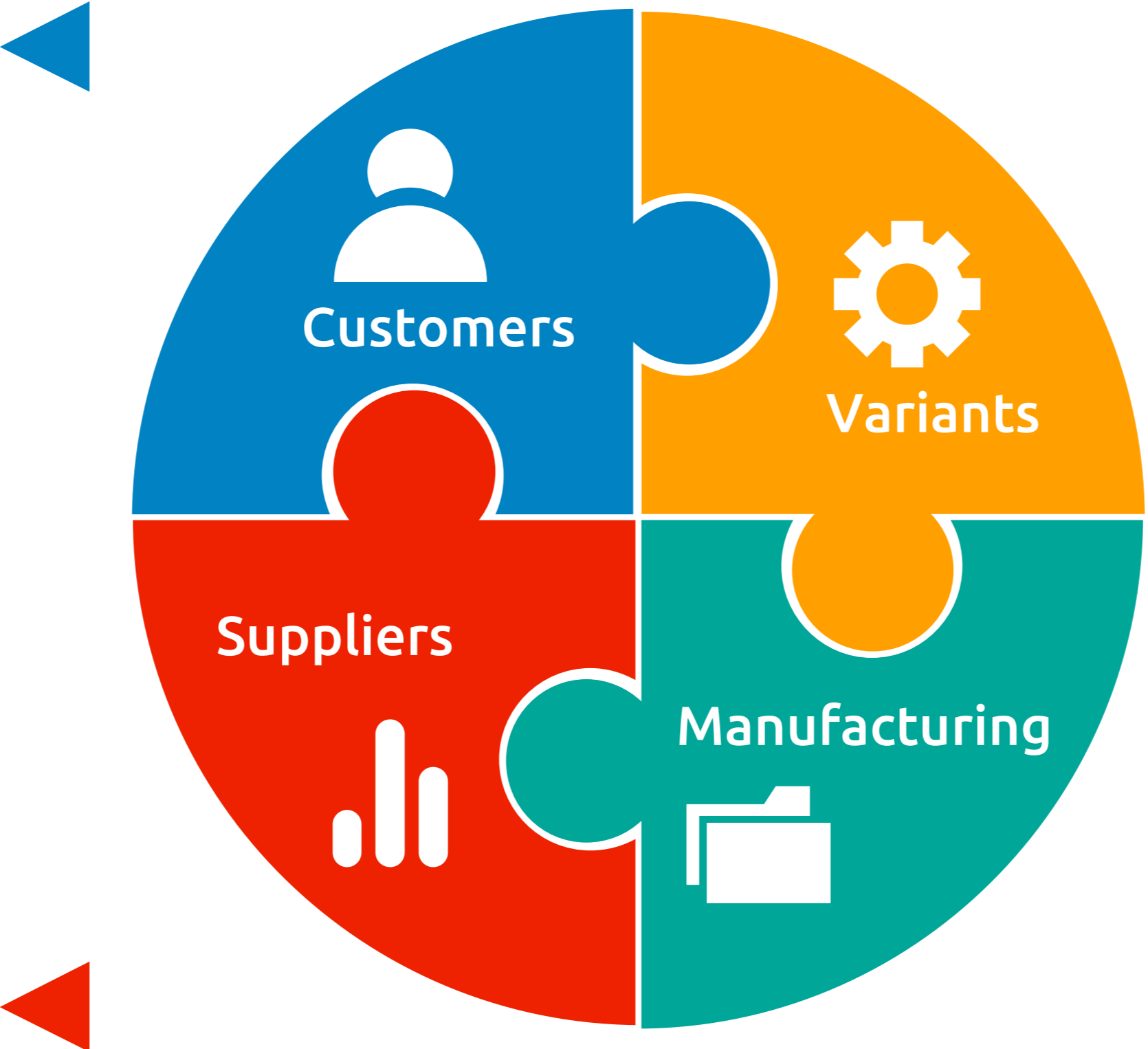
WELL DIVERSIFIED OPERATIONS

300+ Customers

Company has a 300+ customer base across key sectors which consume the yarn and fiber such as manufacturers of garments, carpets, upholstery, cords, fabrics, sewing thread, etc

Company has 250+ supplier base which sources the raw materials through pan India network of scrap dealers.

250+ Suppliers



500+ variants of products

500+ variant of products across Recycled Polyester Staple Fiber and Recycled Polyester Spun Yarn

Manufacturing capacity of 118800 TPA at Kanpur (UP), Bilaspar (UP) and Rudrapur (Uttarakhand)

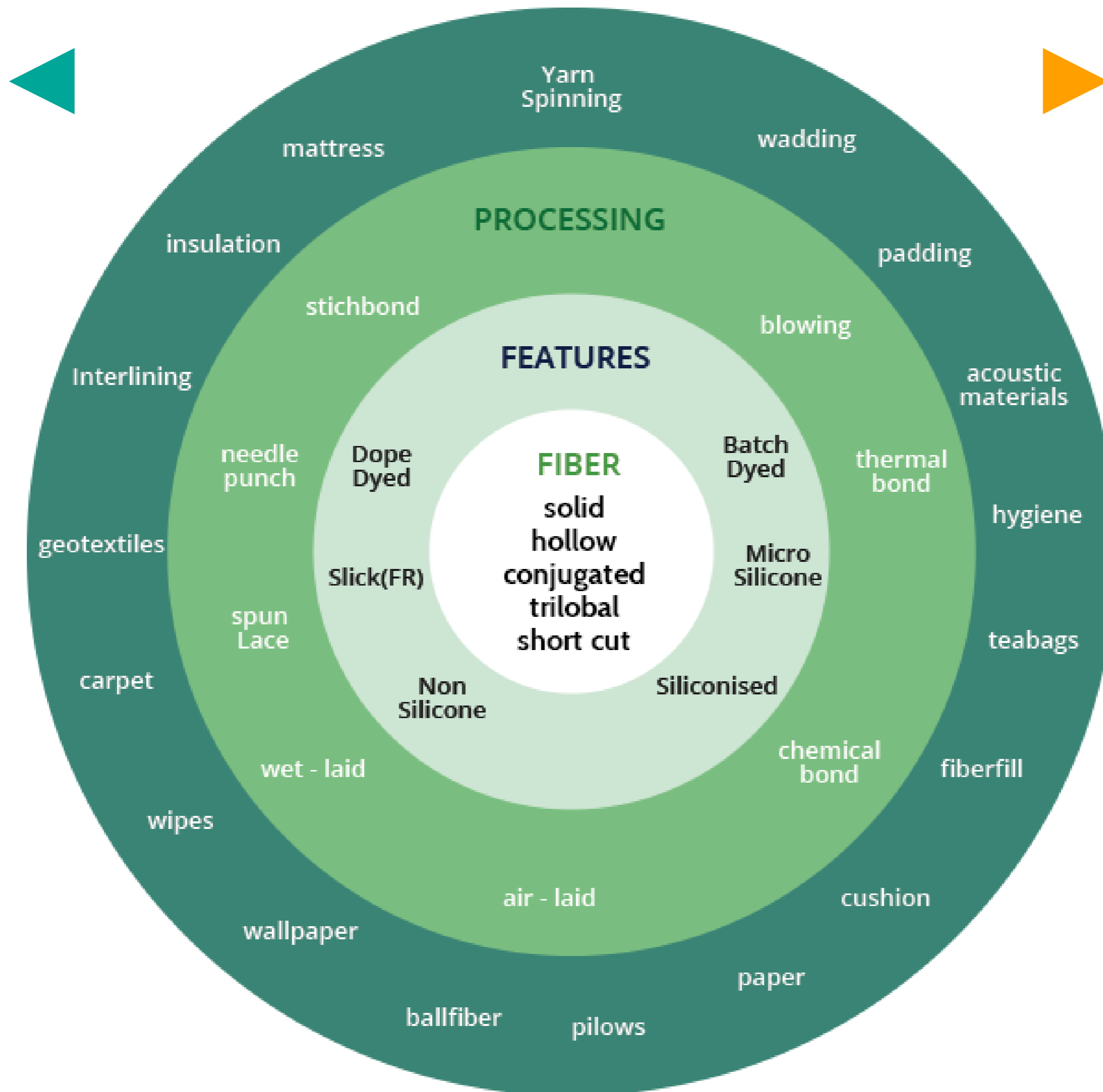
New upcoming capacities at Warangal (Telangana) – to be fully operational by Q4FY22

3 Manufacturing Locations. 4th plant coming up at Telangana

PRODUCTS & SERVICES

RECYCLED POLYESTER SPUN YARN

- **Spun yarn products**
 - Grey
 - Solid dyed
 - Melange
- **Filament yarn products**
 - Texturized
 - Twisted & Doubled
 - Solid / Injection
 - Dyed Fancy Yarn
 - More than 800 shades
- **Product application:**
 Fabrics, Sarees, Dress material, Upholstery, Thermal Wear, Cords, Furnishing fabrics, carpets, sewing thread, Hosiery



RECYCLED POLYESTER STAPLE FIBRE

- Yarn spinning
- Non woven fabric/ carpets / felts
- Non woven carpets / scrubbers
- Non woven carpets / felts
- Fibre filling

Product application:
 Needle punch non woven
 Fillings (pillows, etc)
 Ball fibre
 Padding
 Insulation
 Cushions / Pillows / Quilts

PRODUCTS & SERVICES



FIBER

Solid, Hollow, Conjugated,
Trilobal, Short Cut



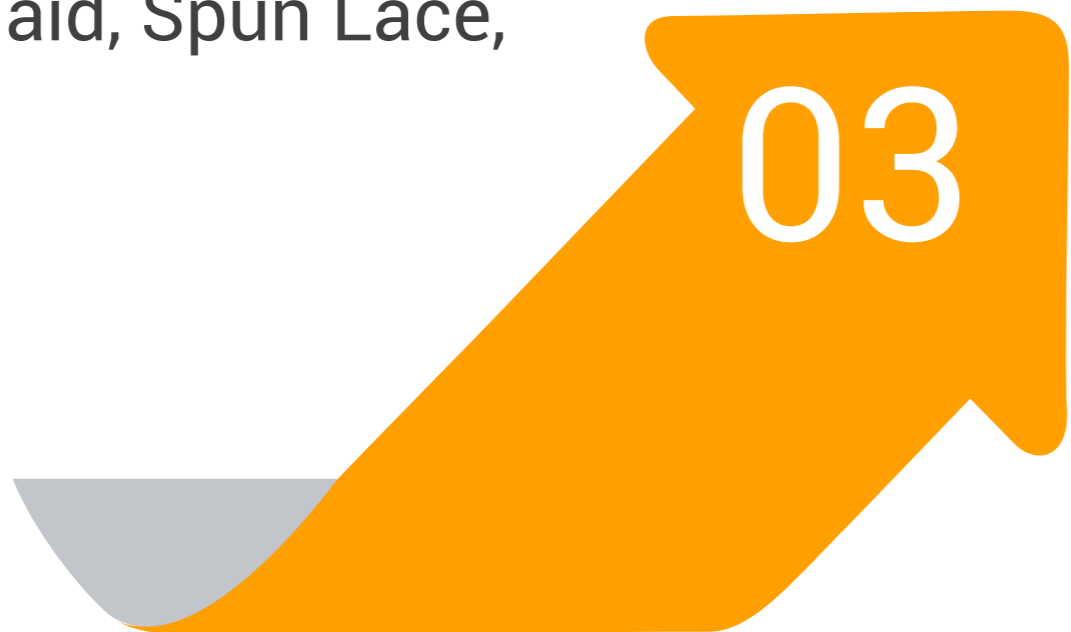
FEATURES

Dope Dyed, Batch Dyed,
Slick (FR), Non Silicone,
Siliconised, Micro Silicone

Ganesha Ecosphere Ltd. has emerged as one of the leading PET- recycled RPSF manufacturers in India. We pioneered the manufacture of Recycled Polyester Staple Fibre (RPSF) and Recycled Polyester Spun Yarn (RPSY) from pre & post consumer PET Bottle.

PROCESSING

Stichbond, Blowing, Needle Punch,
Thermal Bond, Chemical Bond,
Air-laid, Wet-laid, Spun Lace,



APPLICATIONS

Yarn Spinning, Wadding, Padding,
Acroscopic Materials, Hygiene,
Teabags, Fiberfill, Cushion, Paper,
Pillows, Ballfiber, Wallpaper, Wipes,
Carpet, Geotextiles, Interlining,
Insulation, Mattress

Q1FY21 HIGHLIGHTS

Plant availability

- Plant shut down from 24 Mar'20 to 5 May'20. Re-started in a phased manner with approvals.
- In May'20 allowed to operate only with limited number of workers.
- Operations resumed only by end of June 2020.
- One major production line of Temra operational only by 10 July'20.
- Capacity utilization was at 37% in Q1FY21 versus 95% pre lockdown.

Financial metrics

- Total Income dropped by 63.9% vs Q4FY20 and 70% vs Q1FY20.
- **However, in spite of drop in turnover, EBITDA margin was positive at 0.88% even at 37% capacity utilisation.**
- However, owing to lower turnover and existing finance cost & depreciation, loss seen at PBT level during the quarter to the tune of Rs 7.99 cr
- Q2FY21 offers positive hope of revival to operations.

Industry impact

- Major yarn consuming centers were under lockdown throughout the quarter
- Key demand drivers like marriages, festivals, events, schools, etc were completely affected due to lockdown.
- Lack of manpower impacted faster revival of textile spinning and garmenting units.

Way forward

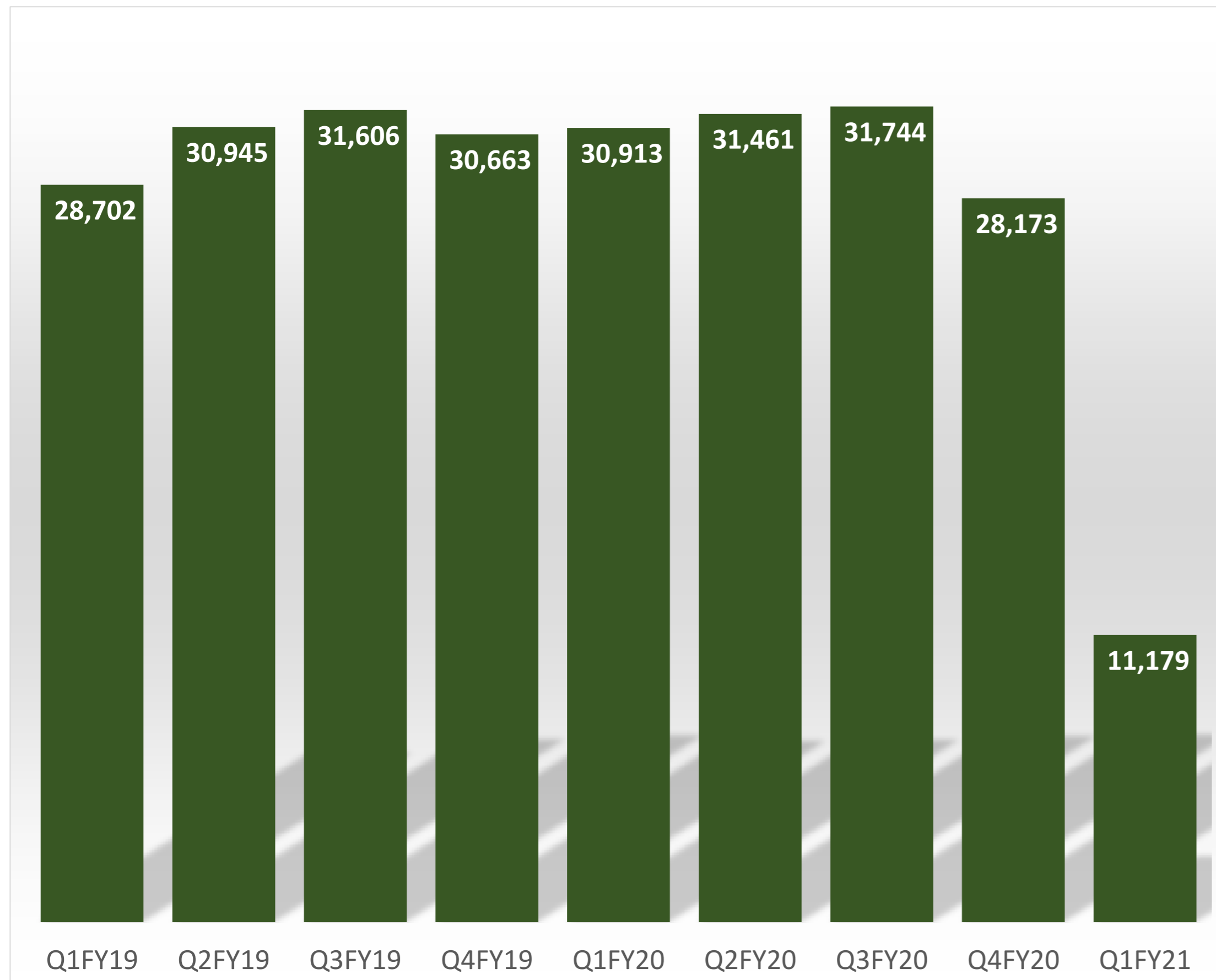
- **Maintained working capital cycle.**
- **Ample liquidity** and cash available.
- Capacity utilization improvement being witnessed as seen in July'20.
- Supply chain has also resumed.
- Operations expected to be back on track in Q2 partially and fully in Q3.
- **Installing roof top solar power panel saving Rs 3.5 cr annually on power cost.**
- **Acquiring a PET bottle washing unit in Nepal with payback period of 2.5 years**

Q1FY21 FINANCIALS

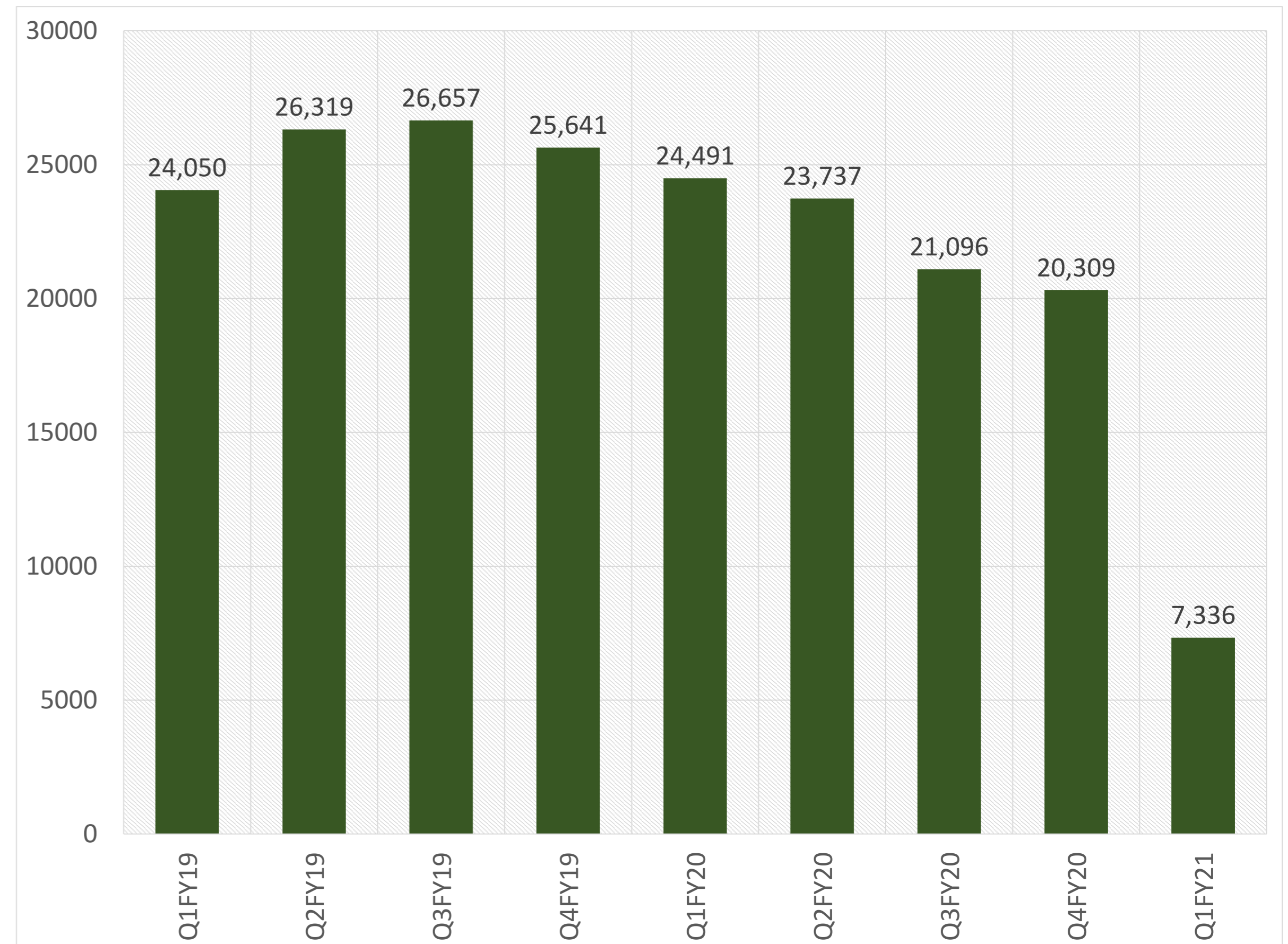
Particulars (Rs lacs)	Q1FY21	Q4FY20	Q1FY20	FY2020	FY2019
Gross Production (MT)	11,179	28,173	30,913	122,291	121,916
Net Income	7,335.9	20,309.3	24,490.9	89,633.0	102,667.1
EBITDA	64.2	1,940.5	3,400.7	11,930.1	13,355.7
<i>EBITDA margin (%)</i>	<i>0.88%</i>	<i>9.55%</i>	<i>13.89%</i>	<i>13.31%</i>	<i>13.01%</i>
Depreciation	656.7	703.5	693.1	2,805.4	2,579.6
EBIT	-592.5	1,236.9	2,707.6	9,124.8	10,776.1
Finance cost	206.3	167.8	229.5	777.4	1,048.8
PBT	-798.8	1,069.2	2,478.1	8,347.4	9,727.3
Tax (Current + Deferred)	195.5	(556.6)	869.1	1,959.3	3,531.8
PAT	-603.2	1,625.8	1,609.0	6,388.2	6,195.5
Other comprehensive income	2.9	25.1	-4.42	11.8	-17.7
PAT as per Ind AS	-600.3	1,650.8	1,604.6	6399.9	6,177.8
<i>PAT margin (%)</i>	<i>-8.18</i>	<i>8.13%</i>	<i>6.55%</i>	<i>7.14%</i>	<i>6.02%</i>
Exports Sales	1,120.3	1,570.4	1,253.2	5,895.9	7,117.2

QUARTERLY PERFORMANCE (1/3)

Gross Production (in MT)

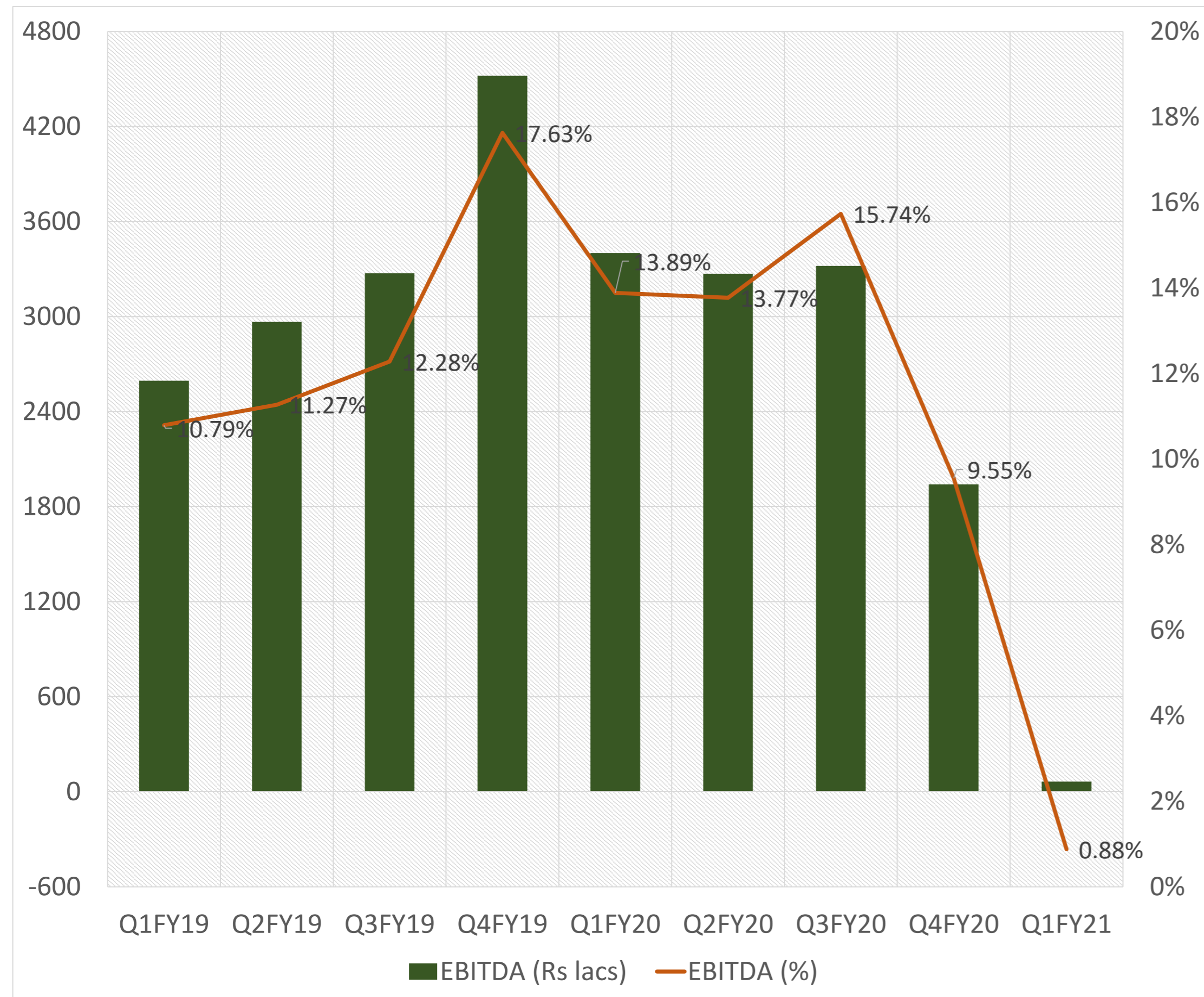


Net Income (Rs lacs)

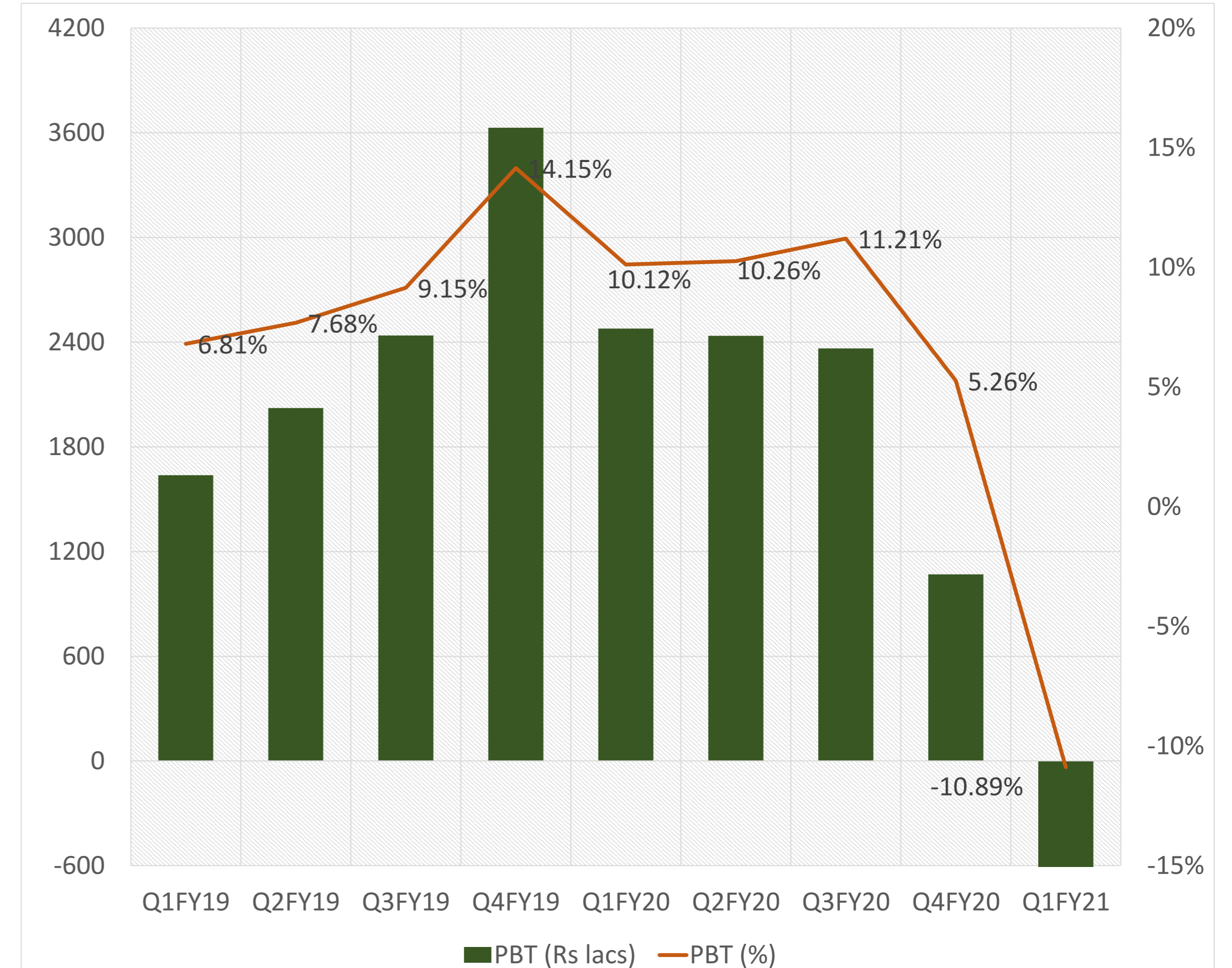


QUARTERLY PERFORMANCE (2/3)

EBITDA

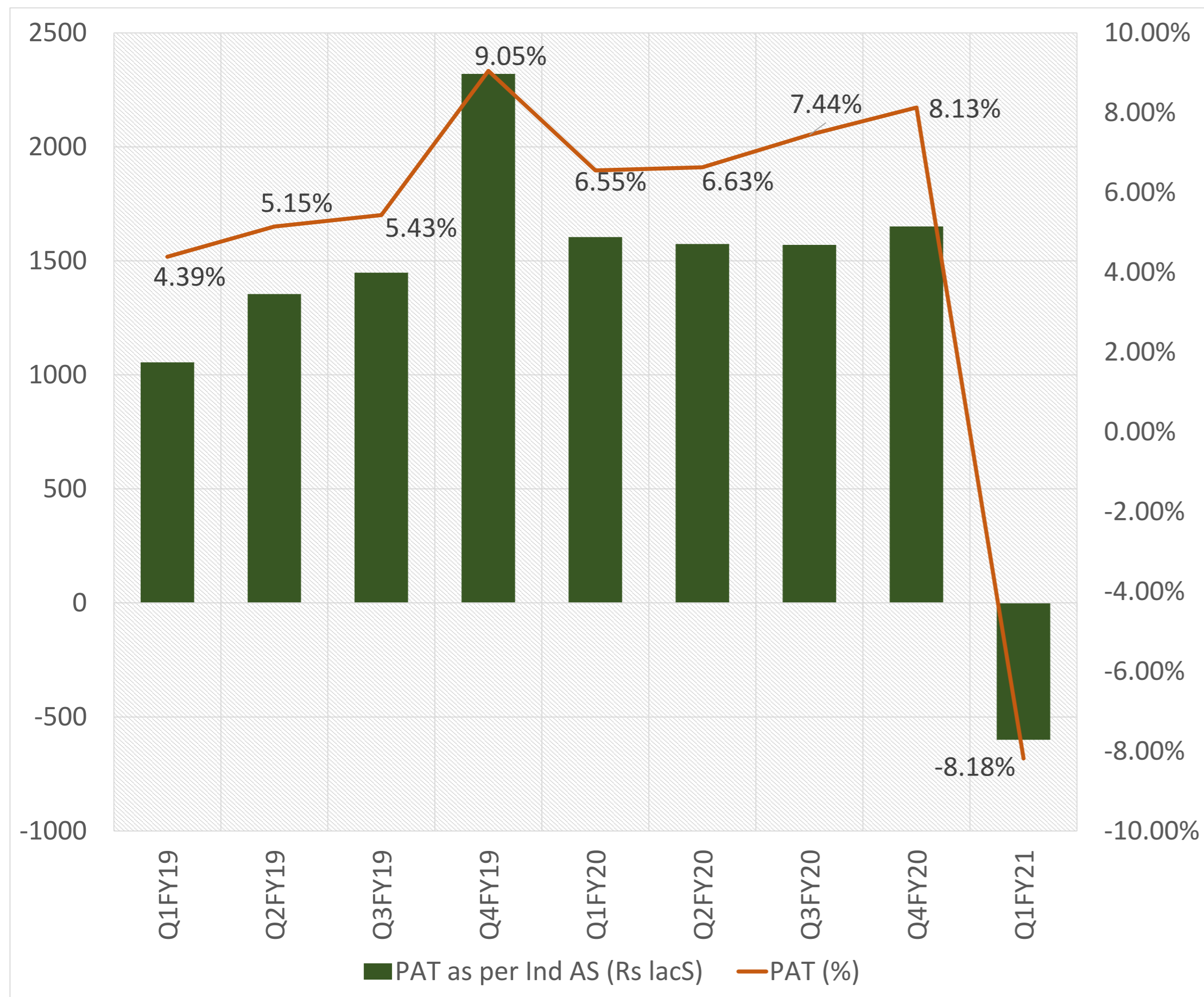


Profit before tax

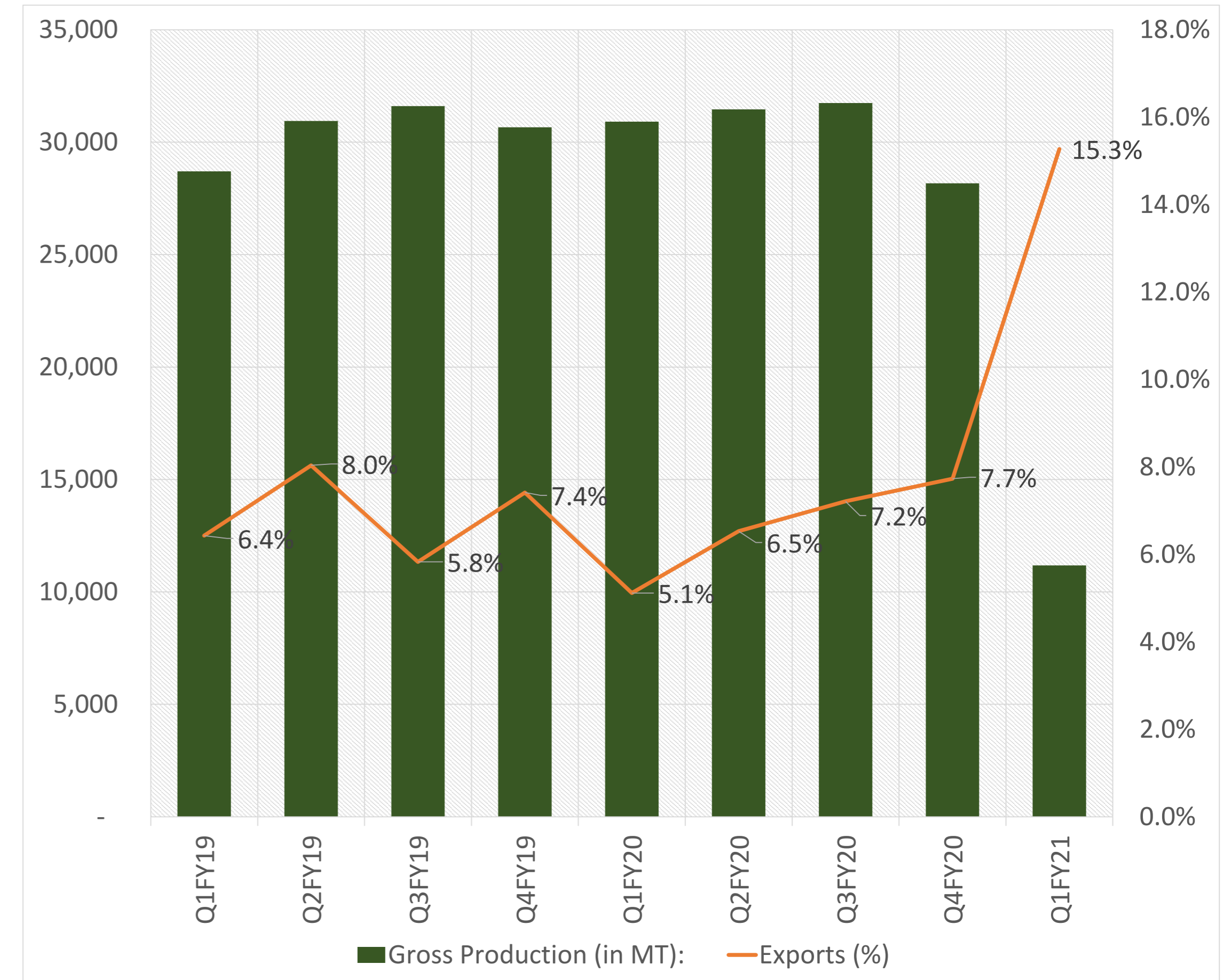


QUARTERLY PERFORMANCE (3/3)

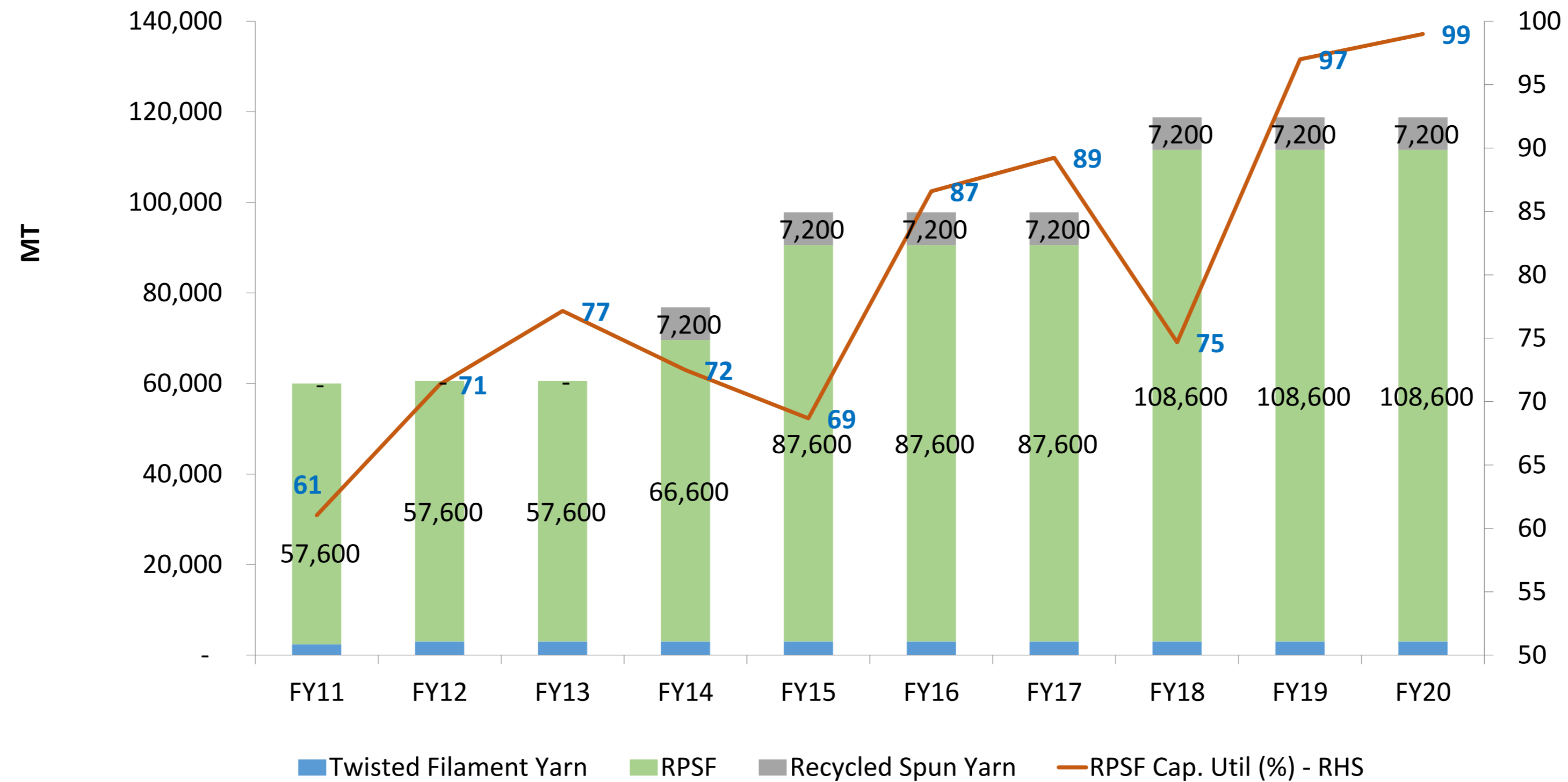
Profit after Tax



Production & Exports



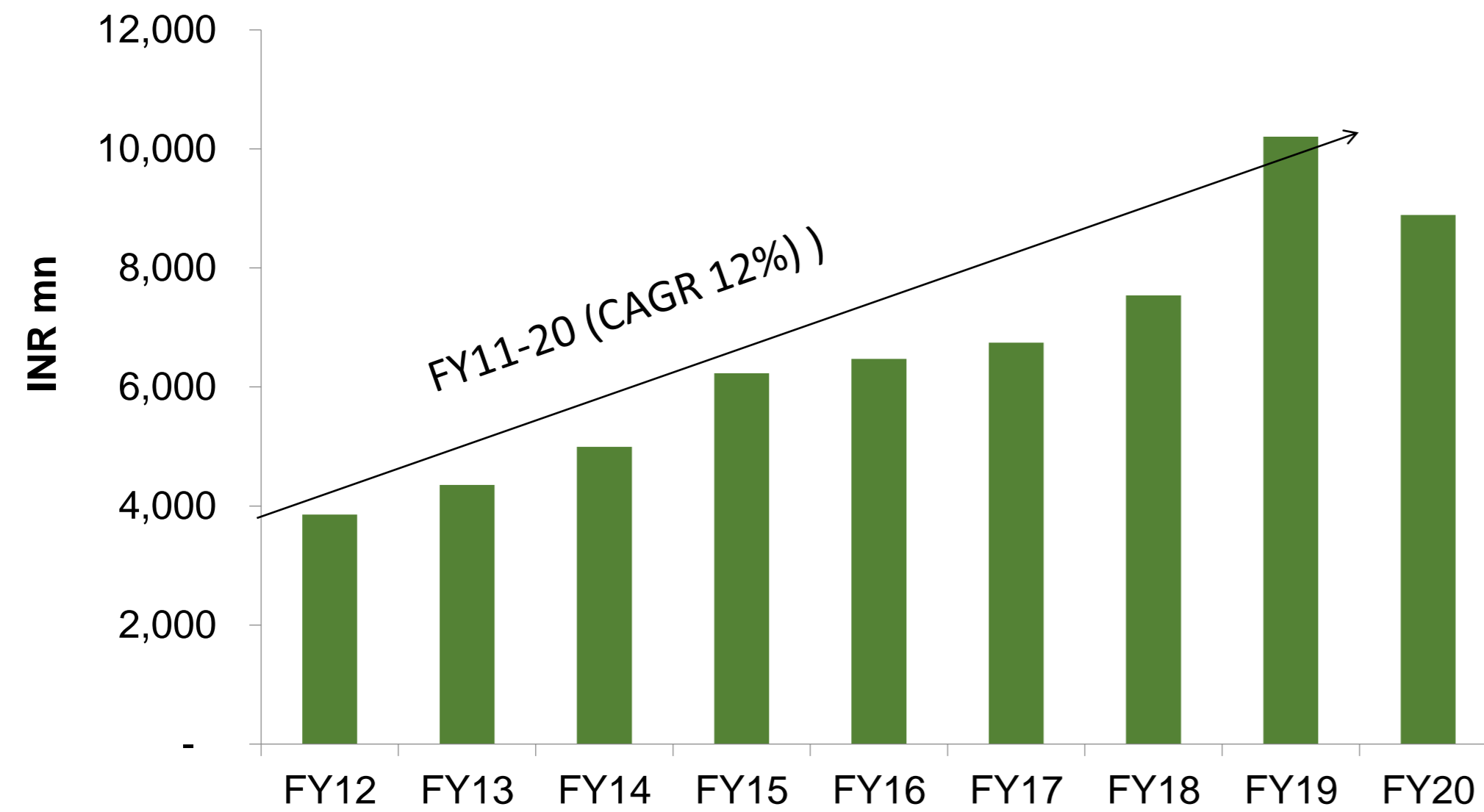
CONSISTENTLY INCREASED CAPACITY



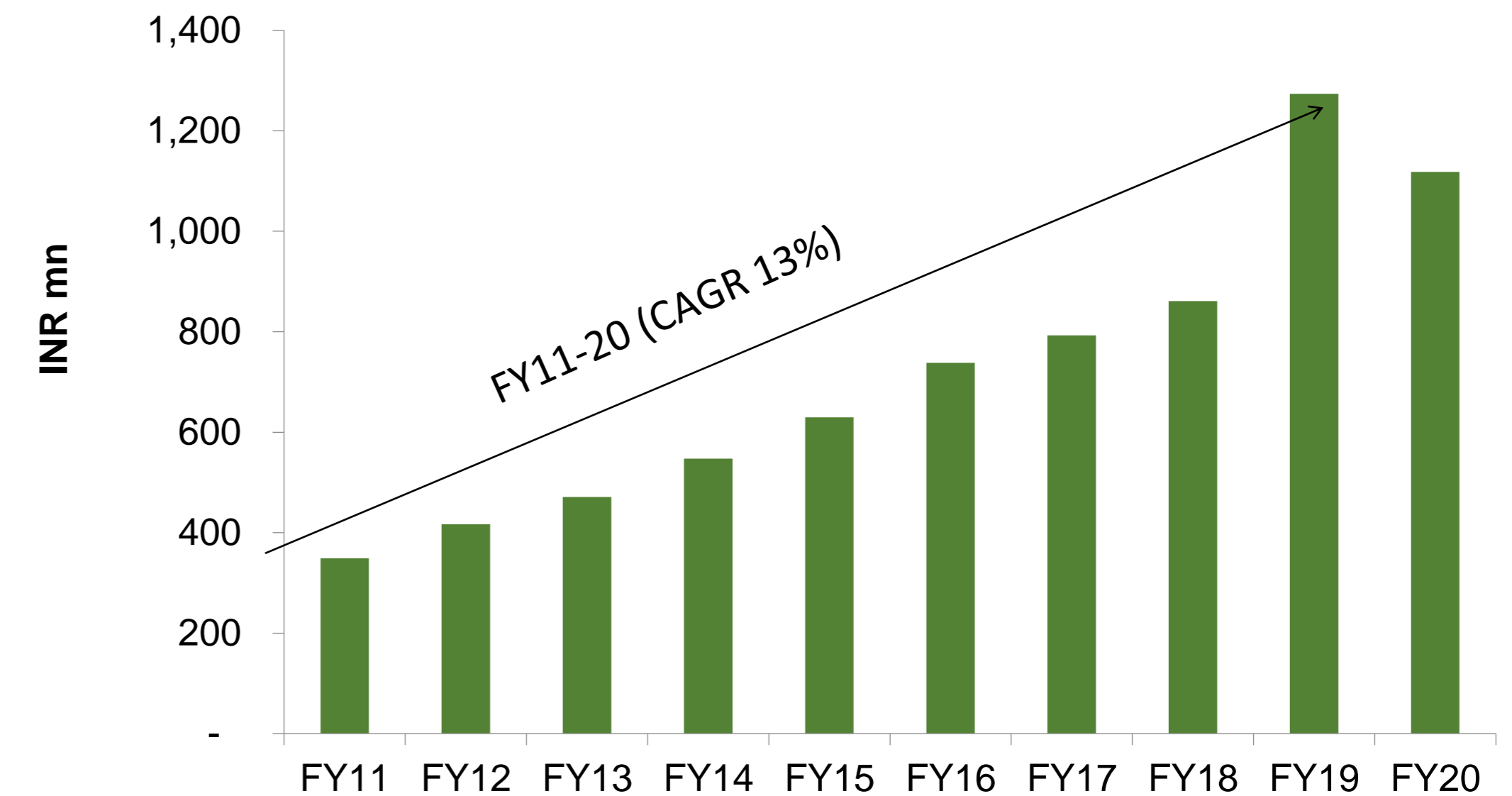
- Manufacturing units at Kanpur, Rudrapur, and Bilaspur, with a cumulative manufacturing capacity of 118,800MT of recycled polyester staple fibre (RPSF) and yarn.
- This installed capacity is bifurcated into 108,600MT of RPSF, 7,200MT of recycled spun yarn, and 3,000MT of dyed and texturized/twisted filament yarn.
- The new capacities, part of our South project, will be operational fully by 4QFY22.

REVENUE & EBITDA CAGR

Double digit Revenue CAGR



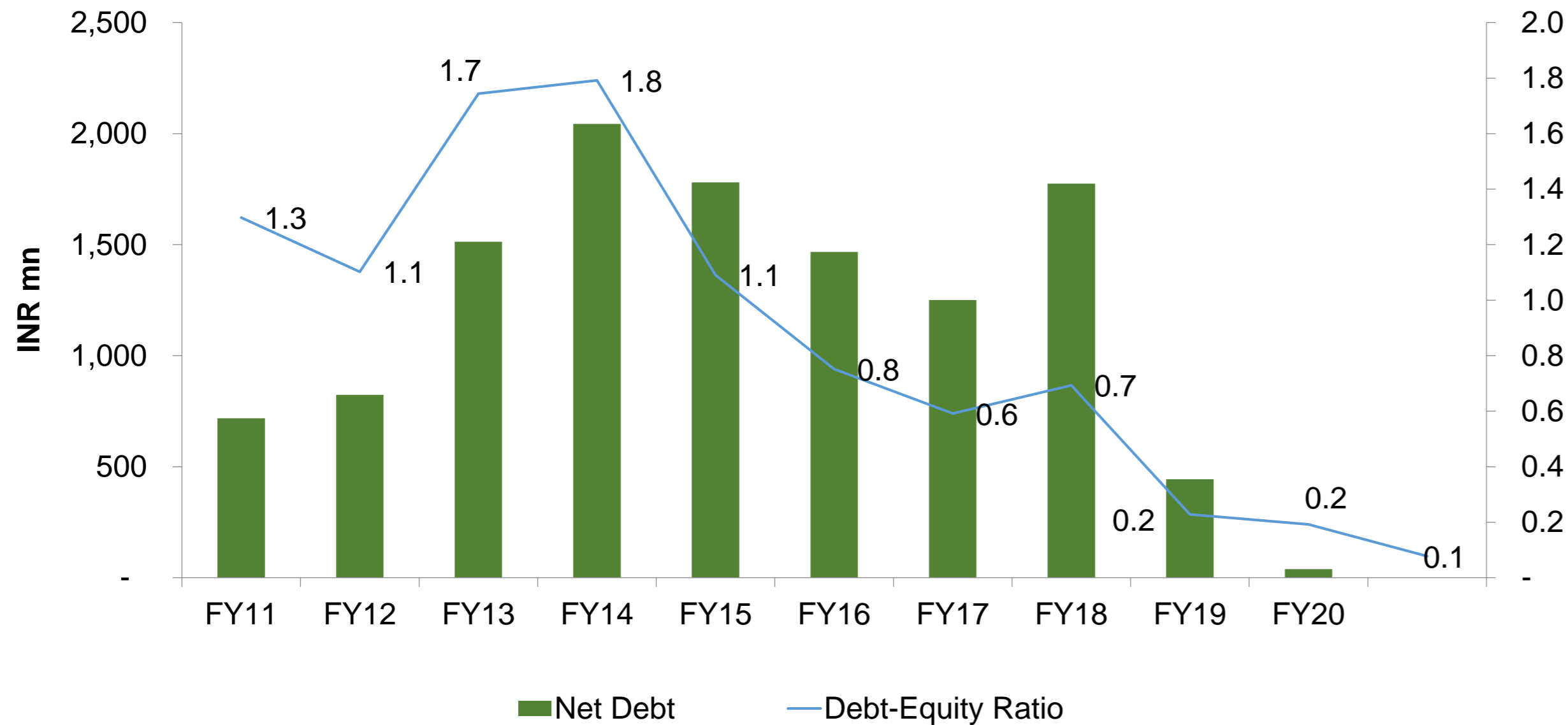
Double digit Ebitda CAGR



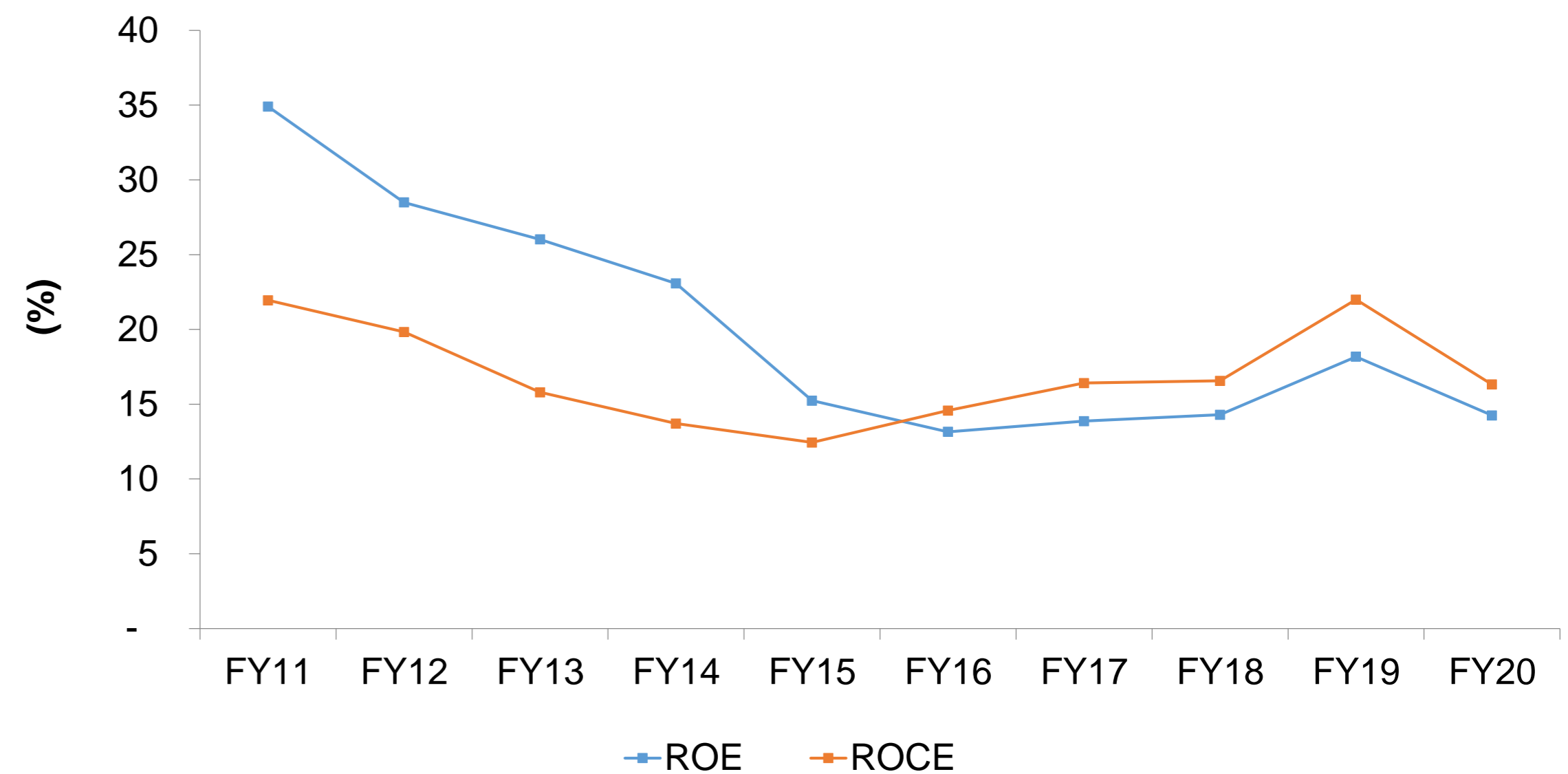
- GESL's superior revenue growth over the years was led by improving utilization levels across the plants
- The EBITDA CAGR of 13% during FY11-20 was driven by improving the product mix and protecting the profitability despite volatility in raw material prices.

NET DEBT & RETURN RATIOS

Consistently reducing debt



Return ratios stabilizing at mid-teen levels



- GESL’s net debt has been coming down with the increased free cashflow being used to pare down the debts
- Return ratios are normalising to mid-teens levels from earlier highs on account of tax benefits getting lapsed and delay in implementation of new capacities due to some unavoidable reasons.

Thank You

For further details kindly contact:

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GO **GREEN** GO GANESHA