



GANESHA ECOSPHERE LTD.

Formerly known as Ganesh Polytex Ltd.

Corporate Presentation

Ganesha Ecosphere Ltd

Turning **waste**



Ganesha Ecosphere Ltd

...into **Resources**



Ganesha Ecosphere Ltd

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 and environmental concerns.

Ganesha Ecosphere Ltd

Vision

- ❖ 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.
- ❖ Building relationships with stakeholders based on trust, transparency & ethical business conduct.
- ❖ To contribute to the cause of making our planet a better place to live in for the present and future generations.



Company Overview



Ganesha Ecosphere Limited

Company Overview

- ▶ GESL is India's largest waste recycling company (with 21% market share), primarily engaged in the recycling of Polyethylene Terephthalate (PET) bottles to produce Regenerated Polyester Staple Fiber (RPSF).
- ▶ It recycles more than 2 billion bottles annually and is one of the leading environmental friendly companies in India.
- ▶ The company was incorporated in 1988 to produce synthetic yarn at Kanpur, Uttar Pradesh, India.
- ▶ It diversified into the manufacture of producing RPSF from PET bottles and plastic waste in 1995.
- ▶ The company's corporate office is in Kanpur, while its manufacturing plants are located at Kanpur and Rudrapur (Uttaranchal, India).
- ▶ GESL is having the most modern pet waste washing and recycling facilities, which ensure the recycling of waste in environment and people friendly manner.
- ▶ GESL is having all environmental clearances from concerned departments for its facilities.

Awards and Accolades



GESL was conferred with the coveted “Silver Shield” for Excellence in Financial Reporting by the Institute of Chartered Accountants of India for the year 2009-10



GESL has also been awarded the Best SME award by BusinessToday-Yes Bank recently in January 2012

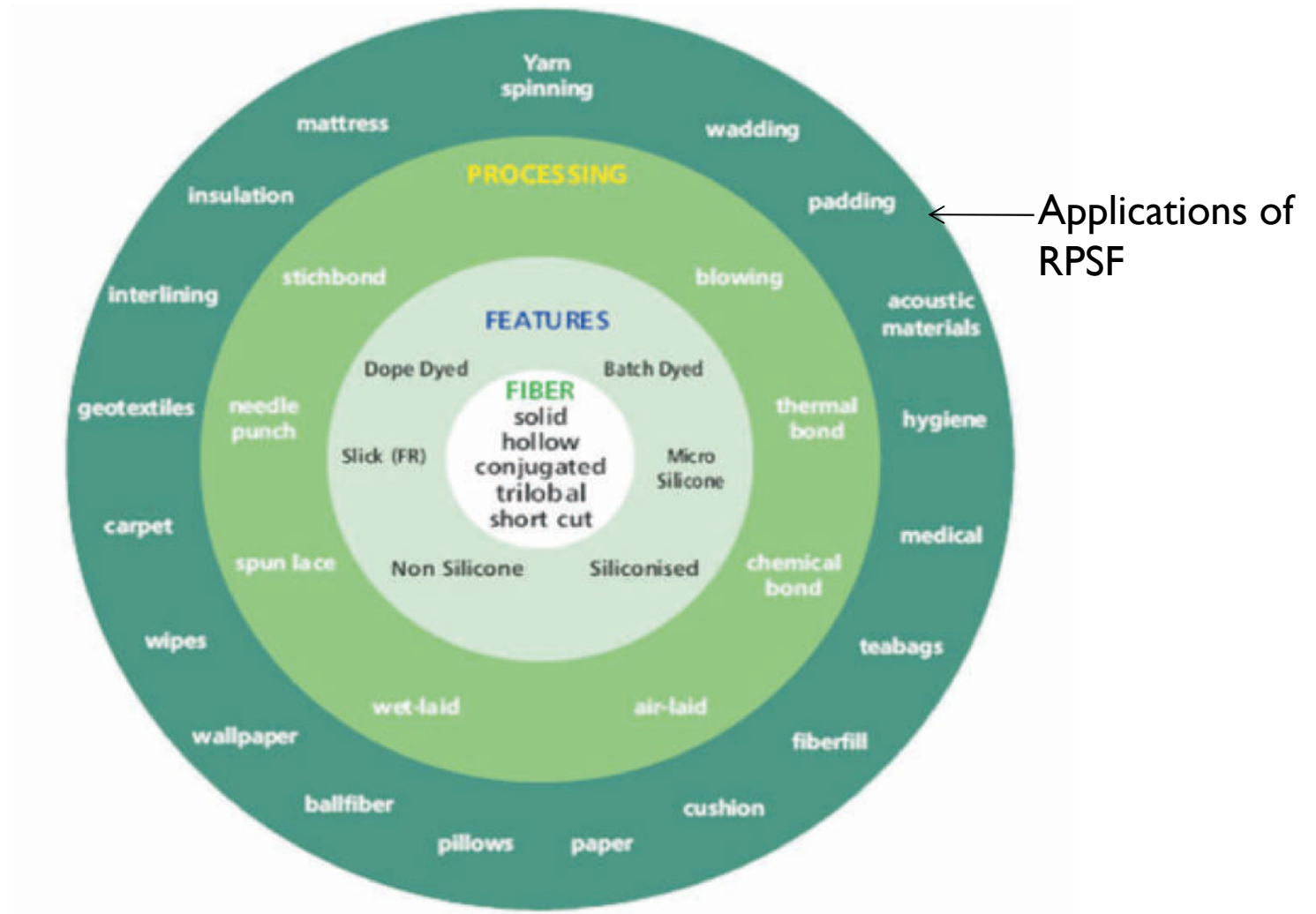
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- ▶ As a reflection of our International Quality Standards, GESL holds **ISO 9001:2008, ISO 14001:2004, OHSAS 18001:2007 certification** for the manufacture and supply of RPSF.

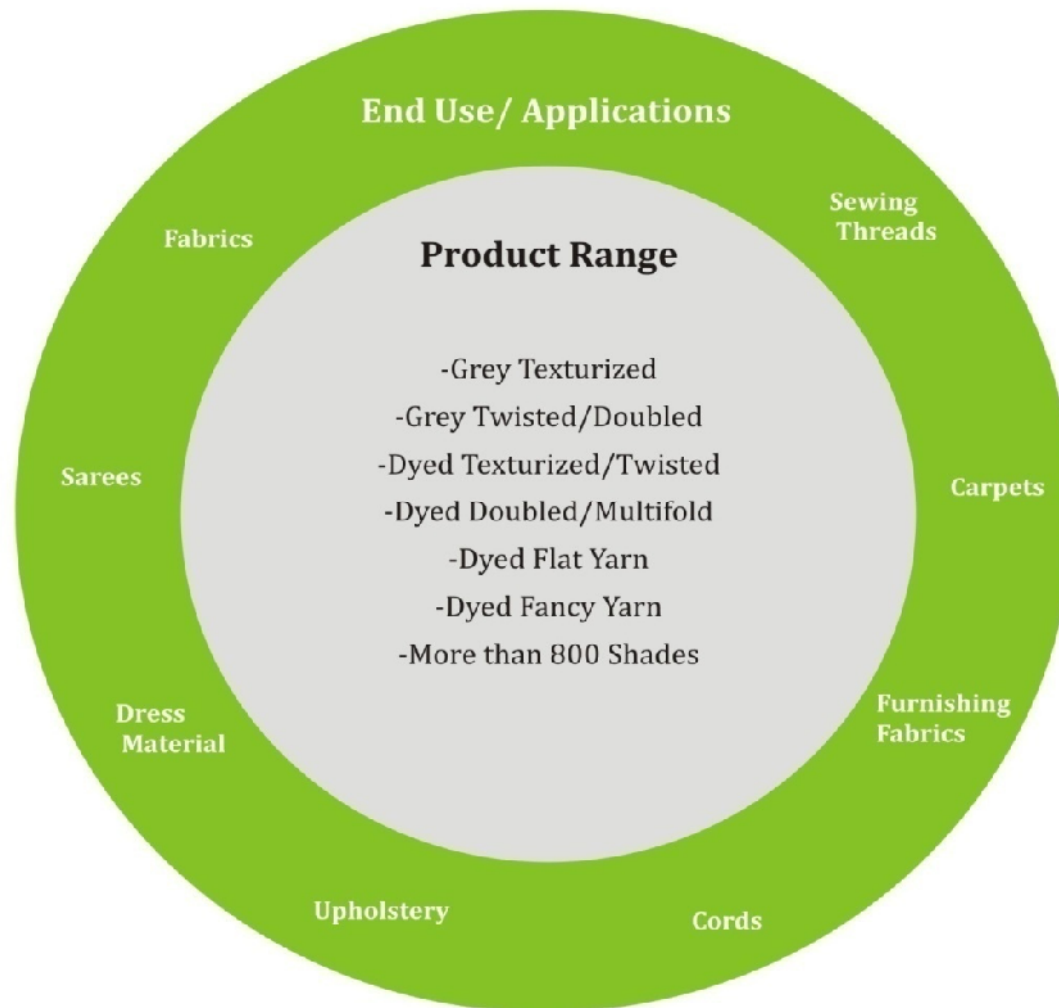


- ▶ GESL is having pet bottle waste import license from the Ministry of Environment, which is provided after rigorous testing of waste processing facilities and very few companies are able to secure that license.
- ▶ GESL has also holds the prominent **Global Recycling Standards (GRS) certification.**
- ▶ GESL is having the most modern pet waste washing and recycling facilities, which ensure the recycling of waste in environment and people friendly manner.
- ▶ GESL is having all environmental clearances from concerned departments for its facilities.

Products



Products



Products Line

Present Capacities

Division	Capacity
Recycled Polyester Staple fiber (RPSF)	39,600 TPA at Rudrapur
	18,000 TPA at Kanpur
Dyed Texturized / Twisted Filament Yarn	2,400 TPA at Kanpur

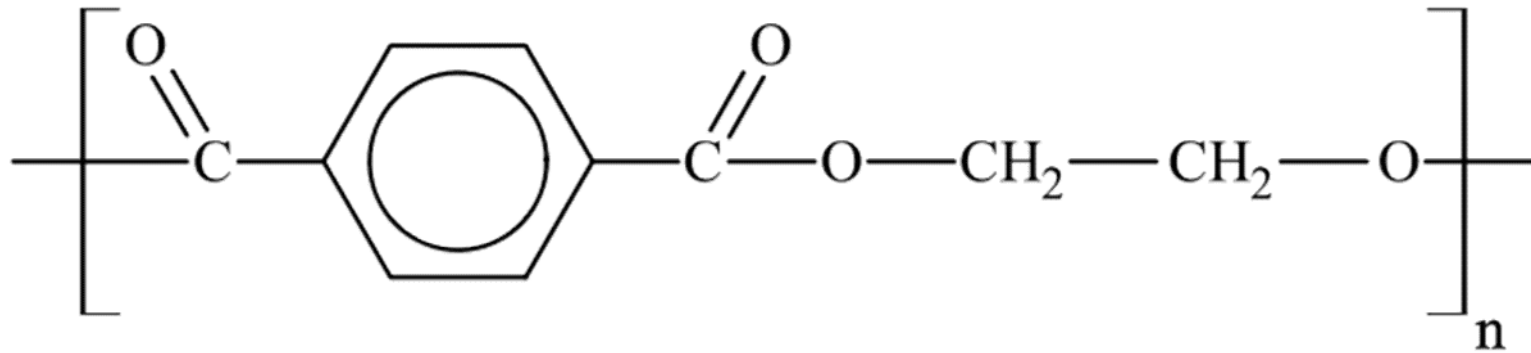


Industry



Ganesha Ecosphere Limited

PET



PET, is a thermoplastic polymer resin of the polyester family and is used in synthetic fibres; beverage, food and other liquid containers; thermoforming applications; and engineering resins.

The majority of the world's PET production is for synthetic fibres (in excess of 60%), with bottle production accounting for around 30% of global demand.

In discussing textile applications, in general PET is referred to as simply "polyester" whereas "PET" is used most often to refer to packaging applications.

Because PET is an excellent barrier material, plastic bottles made from PET are widely used for soft drinks.

PET facts

Accounts for 40% of Global packaging mix

PET is fast replacing glass and aluminum in packaging market

Glass and aluminum containers yield 230% and 175% more atmospheric emissions vis-à-vis PET

Contribute 68% and 18% less solid waste by weight vis-à-vis glass and aluminium containers

India has low per capital consumption of PET (0.3 kg) as compared to global average of over 2 kgs

Recycling each plastic bottle can conserve enough energy to light a 60W light bulb for up to 6 hours

Recycling 1 ton of PET containers saves 6 cubic meters of landfill space

Recycling each plastic bottle can conserve enough energy to light a 60W light bulb for up to 6 hours

Recycling 1 ton of PET saves 1.5 tons of Carbon Dioxide vs. land filling or incineration

“PET WASTE IS GROWING
SO ARE WE”

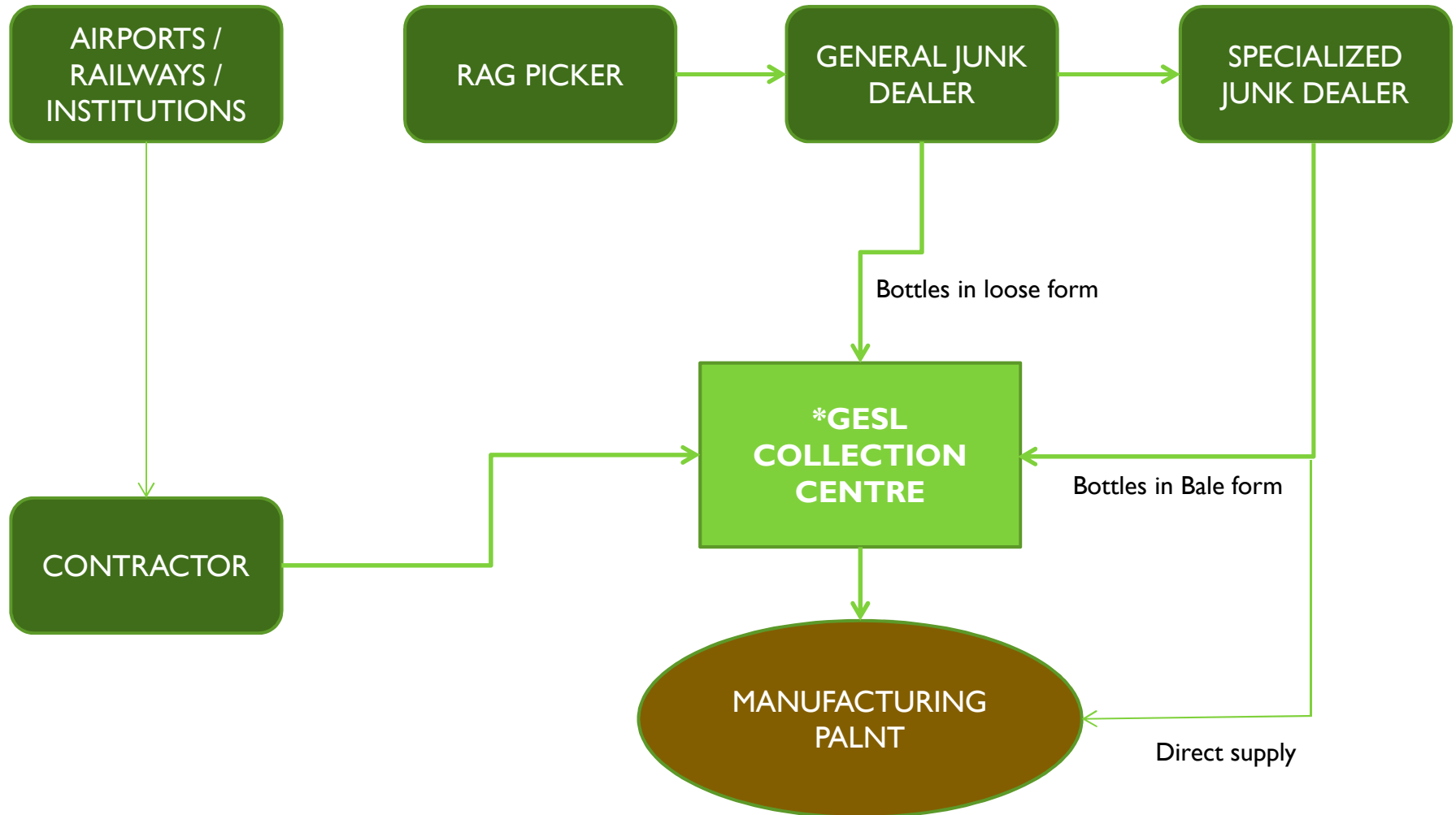
Raw material – PET waste

- ▶ The key raw material required for Recycled PSF is post- consumer PET bottle waste.
- ▶ PET is one of the fastest growing segments in plastics providing a hygienic, food grade, durable and user friendly packaging solution for all kind of bottled drinks, beverages, pharmaceuticals, liquor, chemicals, and other liquid products.
- ▶ Pet bottle waste is non bio-degradable in nature (takes thousands of years in decomposing) and hence, poses a serious threat to soil, water sources and forests and thus harmful for human being and other living creatures. Therefore, to save the landfill space and avoid littering, recycling of pet bottle waste is inevitable.
- ▶ Global PET resin capacity is over 20.0 million tonnes and demand is 16.5 million tonnes. India has a PET resin capacity of 0.80 million tonnes of which domestic demand during 2010 was 0.55 million tonnes.
- ▶ Domestic demand of PET resin grew by 22.2% during 2010 and is expected to grow to 0.80 million tonne by 2012.
- ▶ With life style changes and higher disposable income, demand of Pet bottles is set to grow at much faster pace as the per capita PET consumption in India is 0.37 kg. as compared to the world average of 2.2 kg. in 2010.
- ▶ As per industry estimates, about 65%-70% of PET resin is available in the form of waste for recycling. As such, indigenous availability of PET bottle waste is presently around 3.0 – 3.50 lac tonne, which is much more than the overall requirement of entire domestic recycling industry (aggregate installed capacity of about 2.75 lac tonne per annum) in the country.
- ▶ As the consumption of pet bottles is expected to grow to 0.80 million tonne by 2012, availability of waste will also increase correspondingly. **Therefore waste availability is not a bottleneck for the company.**

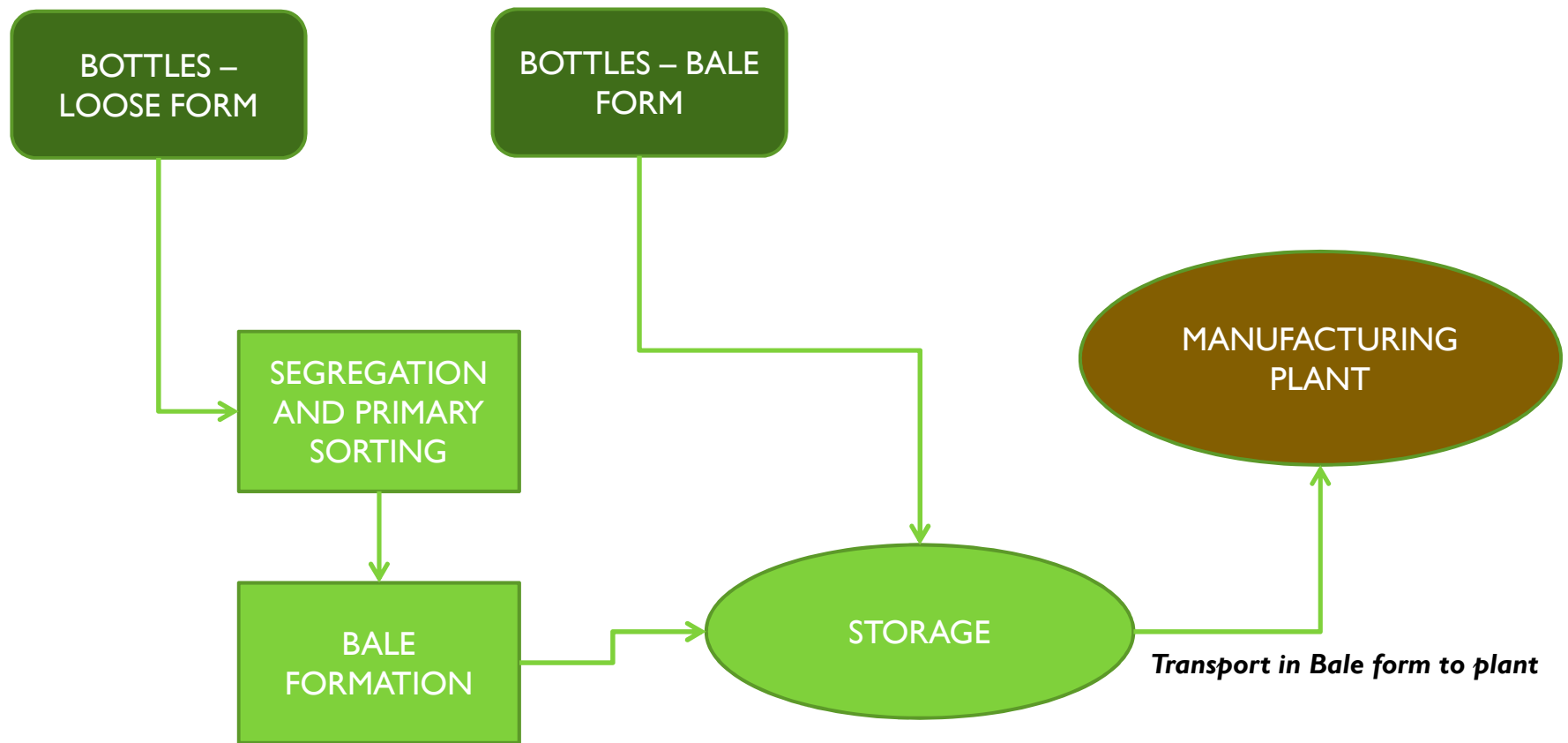
Sourcing of PET waste

- ▶ Company is having unique sourcing solution.
- ▶ It has developed over the period a network of 26 collection centres distributed mainly in northern and eastern part of the country.
- ▶ These collection centres are being run on franchisee model and fed about 60% of raw material requirement.
- ▶ Rest of the raw material is fed through the network of scrap dealers, situated at different part of the Country, not represented by collection centres.
- ▶ Company is in the process of further adding the collection centres to met its future raw material requirement.
- ▶ Company is targeting bulk consumers and institutions like Hotels, Malls, Restaurants, Exhibition Centres, Railway station, Airports, Large Housing Societies, etc. To collect the bottles at source shall reduce the collection cost and availability of relatively better quality of waste.
- ▶ Company is also targeting to shake hands with beverage giants like Coca Cola, Pepsi etc. by offering them to meet their extended product liability and in turn leverage their consumer network for collection of bottles.

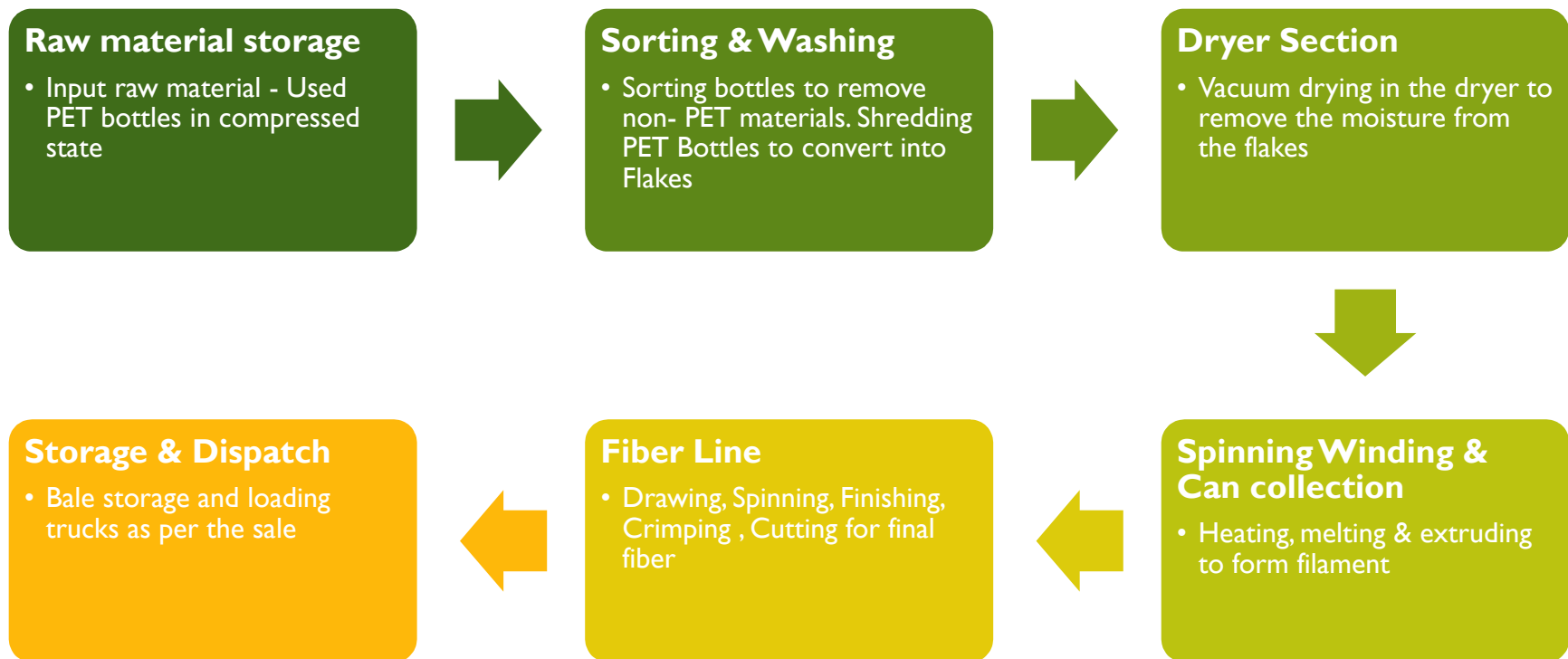
Current Business model – PET collection



Processes at the Collection Centre



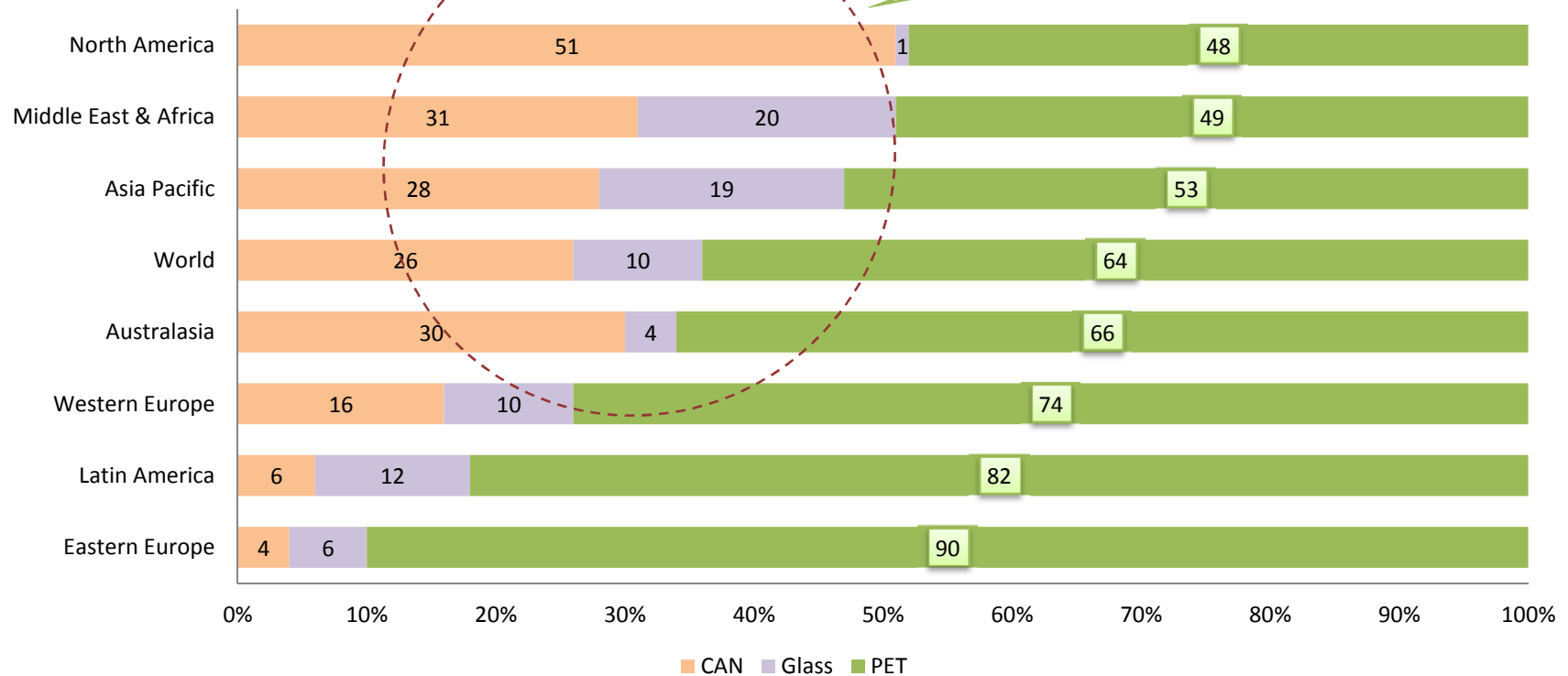
Production Process - RPSF



Global PET usage

Huge recycling opportunity as
recycling rate in US 27%, EU 46%

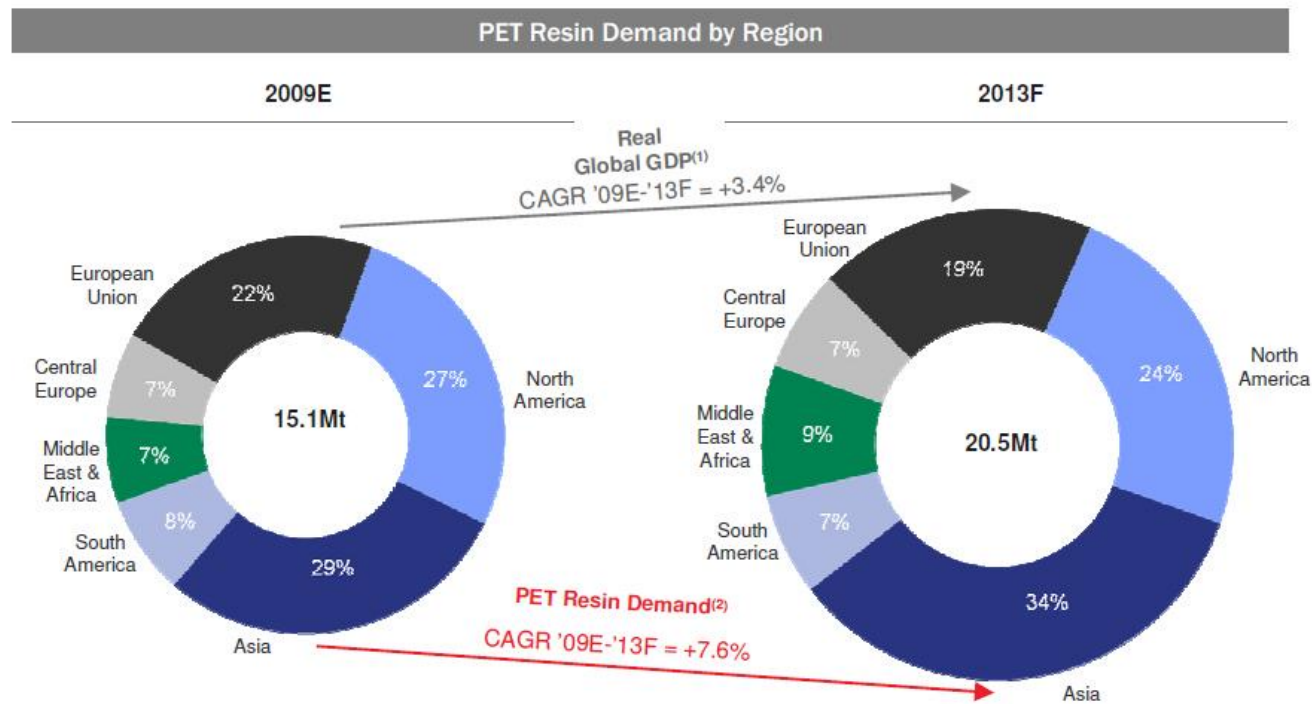
Usage pattern set to go up in PET's favor for cost,
convenience, energy saving benefits



PET demand growth

Spectacular PET Demand Growth

A global demand CAGR of 7.6% from 2009-2013, well above GDP

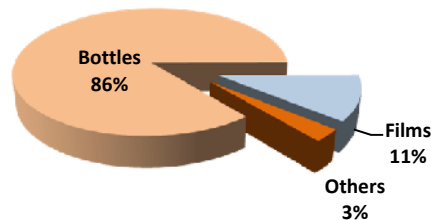


1. Real GDP, US\$-based, Constant 1998 Prices. Source: IMF

2. SBA-CCI (February 2010)

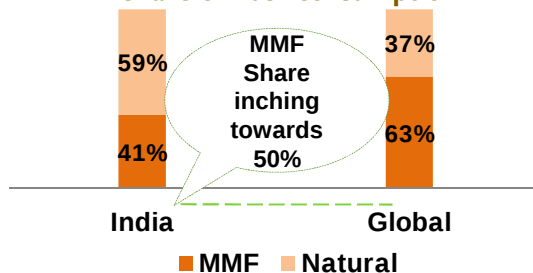
Business Strengths

Global Consumption of PET Packaging



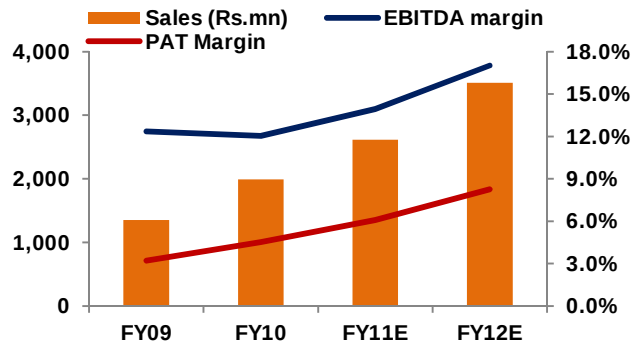
Point 1: Proliferation use of PET bottle on the back of 7-8% CAGR growth coupled with low scale of recycling (about 30-40%) to yield abundant feed stocks to be recycled

Share of fiber consumption



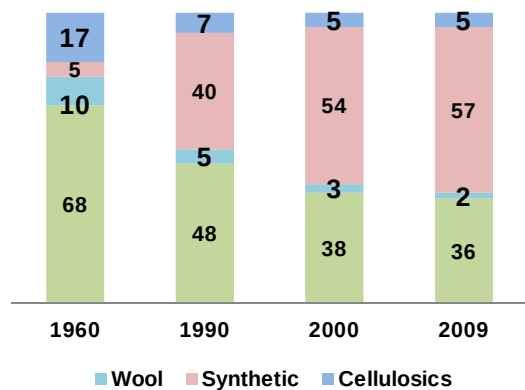
Point 2: Indian **Man Made Fiber(MMF)** : **Natural fiber** ratio of 41:59 to align to global ratio of 63:37 consumption

GNPL's past and projected financials



Point 3: Raw material price for recycled PSF insulated from volatility unlike virgin PSF which is linked to crude prices (PTA and MEG) thereby ensuring stable margins with scale up of business

Business Strengths



Point 4: Changing life styles and cost effectiveness led to innovative applications of the MMF. This has clearly helped to expand its market share. Such trend is likely to continue. Some of the notable ones are winter clothes, Disposables, Non-woven technical textiles etc . Expanding market lends growth visibility

Point 5: GESL's cost of Recycled PSF, which is otherwise 15% competitive to virgin one, is further supported by concessional CST, Excise Duty Holiday and full IT exemption for first 5 years and 30% for subsequent 5 years at Rudrapur. Such fiscal benefits would help GESL to combat competitive pressures and bolster profitability margin.

Point 6: To address the environmental issues, Government, in line with developed countries practices, may introduce incentives for recycling. Industry, which is at present having low profile status will attract massive funds for expansion. GESL to enjoy early bird mover advantage.



Financials



Ganesha Ecosphere Limited

Financials- Profit & Loss

Particulars	FY13 (in Lacs)	FY12 (in Lacs)
Total Income from operations	43528.93	38550.61
Total Exp.	39964.06	35480.5
EBITDA	4818.76	4338.84
Interest	1025.50	1103.13
Depreciation	1146.40	1098.92
PBT	2646.86	2136.79
Tax Expense	(234.88)	(66.91)
PAT	2411.98	2069.88
EPS		
Basic (Rs.)	15.52	14.10
Diluted (Rs.)	15.52	14.10

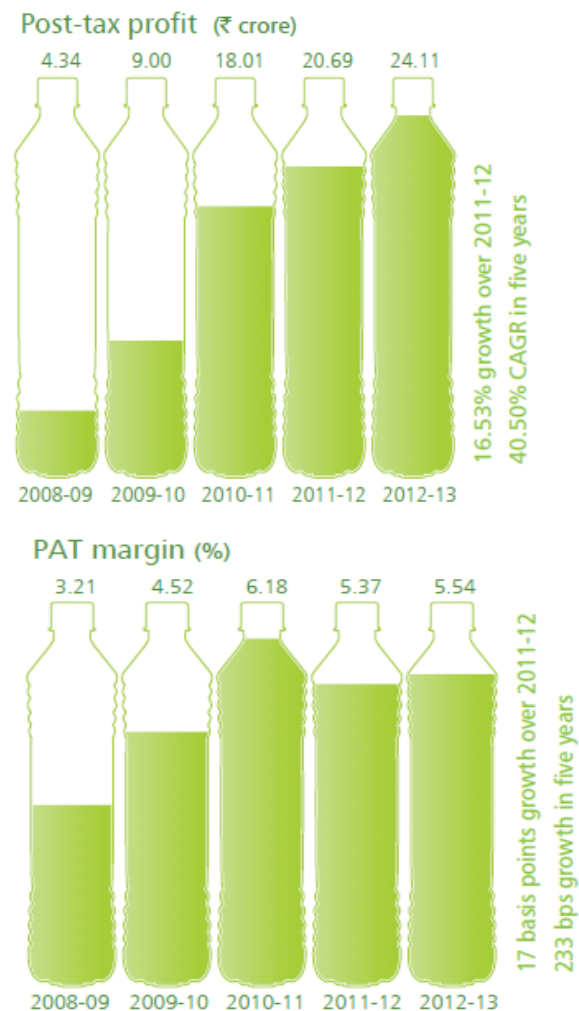
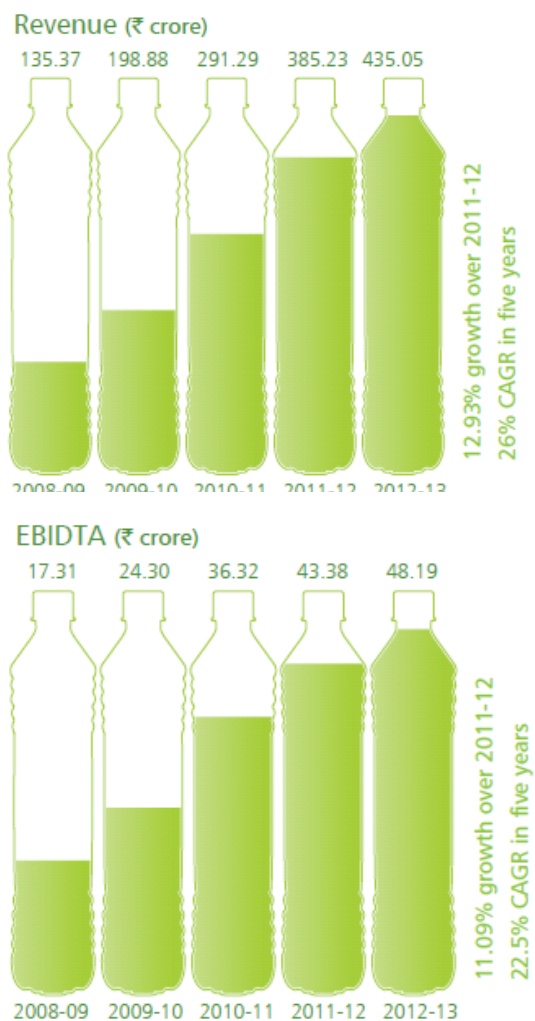
Financials- Balance Sheet

EQUITIES & LIABILITIES:	As on 31.03.2013 (in Lacs)	As on 31.03..2012(in Lacs)
1.Shareholders' Funds		
Share Capital	1568.60	1968.60
Reserves and Surplus	8573.82	6429.81
Sub Total	10142.42	8398.41
2. Non current Liabilities		
Long term Borrowings	10682.67	3603.59
Deferred Tax Liabilities	499.08	502.69
Other long term Liabilities	296.61	37.31
Long term provisions	142.44	122.48
Sub Total	11620.80	4266.07
3. Current Liabilities		
Short Term Borrowings	5383.93	4139.60
Trade payables	1521.88	1549.40
Other Current Liabilities	3168.95	2771.03
Short term Provision	325.70	540.56
Sub Total	10400.46	9000.59
Total	32163.68	21665.08

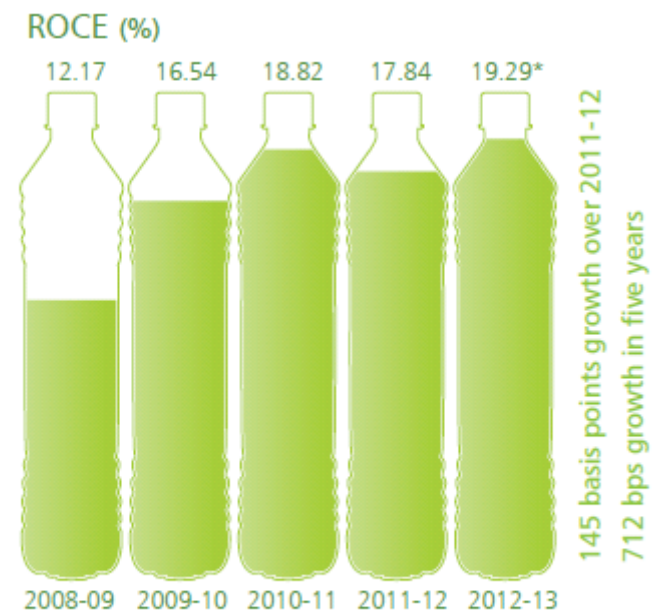
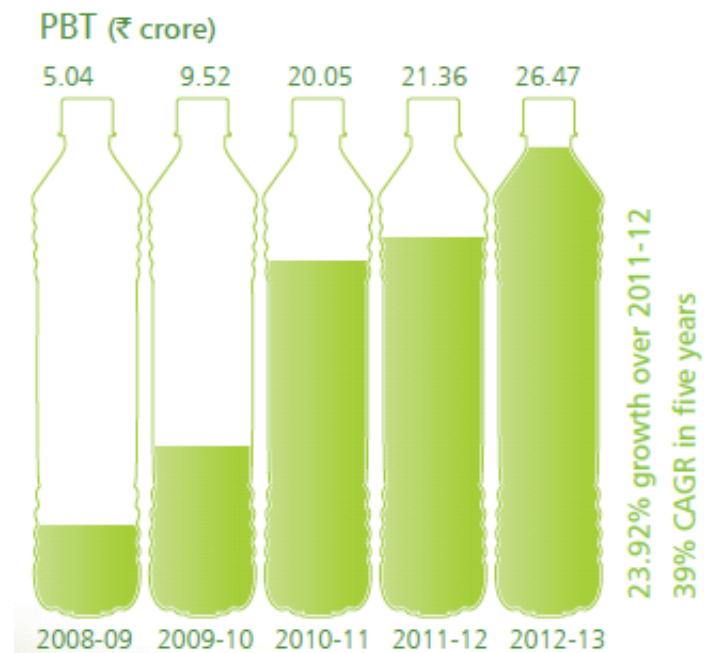
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ASSETS	As on 31.03.2013 (in Lacs)	As on 31.03..2012(in Lacs)
1.Non-current Assets		
Fixed Assets	18778.17	10808.40
Long term loans & Advances	1345.81	371.36
Other Non-Current Assets	1090.46	789.60
Sub Total	21214.44	11969.36
2. Current Assets		
Inventories	0.00	4731.77
Trade Receivables	3907.06	3112.00
Cash & Bank Balances	3440.48	1017.63
Short Term Loans & Advances	2560.22	426.72
Other current Assets	379.53	407.60
Sub Total	10949.24	9695.72
Total	32163.68	21665.08

Key Financials



Key Financials



*Excluding capital employed to the ongoing expansion project, which would be operational in the next financial years.

THANK YOU



The possibilities are endless.