स्वच्छ भारत
एक कदम स्वच्छता की ओर

CIN No.: L01111GJ2011PLC068414

# JIYA ECO-PRODUCTS LIMITED

Office : F/11, Ruturaj Complex, Opp. A. V. School Ground, Crescent Road, Bhavnagar-364001. (Gujarat) INDIA.
Ph.: 9898859191 Web : www.jiyaeco.com E-mail : cfo@jiyaeco.com

**Date: January 17, 2019**

To,
Department of Corporate Services
BSE Limited
P.J. Towers,
Dalal Street,
Mumbai-400 001

**Subject: Investor Presentation on Financial Results for Q3 & 9M FY 19.**

Dear Sir/Madam,

With reference to the above mentioned subject and pursuant to the Regulation of 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, find the enclosed Investor Presentation on Financial Results for quarter and nine months ended on December 31, 2018.

The details of the same are attached herewith.

Kindly take the same on record.

Thanking You,

Yours faithfully,

**For Jiya Eco Products Limited**

Y. C. Patel

JIYA ECO. PRODUCTS LIMITED BHAVNAGAR *

**Yogesh Patel**
**Managing Director**
**DIN: 05147701**

# JIYA Eco Products Limited

***Step Towards Green World***

Jiya Eco

STEP TOWORDS GREEN WORLD

## Result Presentation

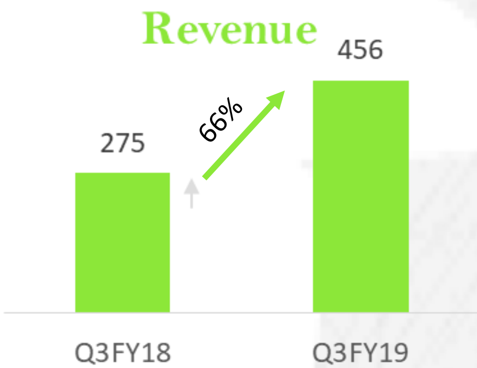
**January 2019**

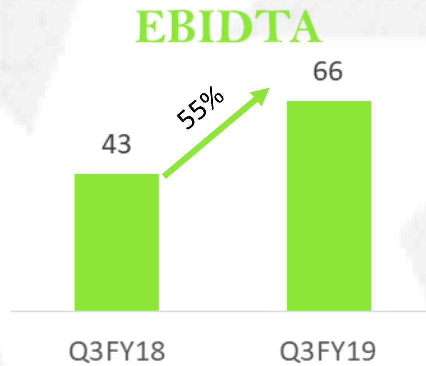
# Content

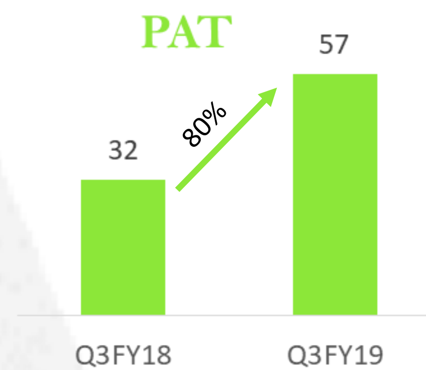


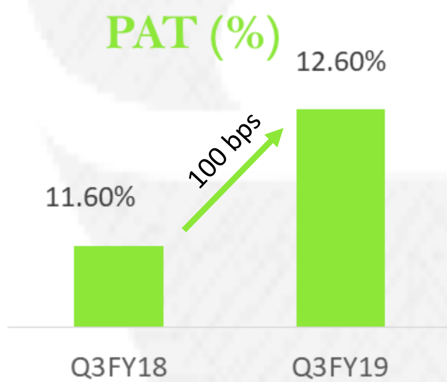
# Performance Highlights – Q3FY19 Standalone

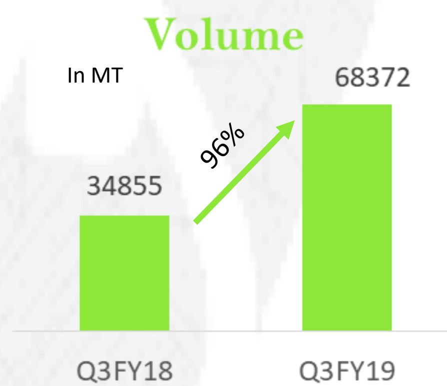
**Rs. mn**



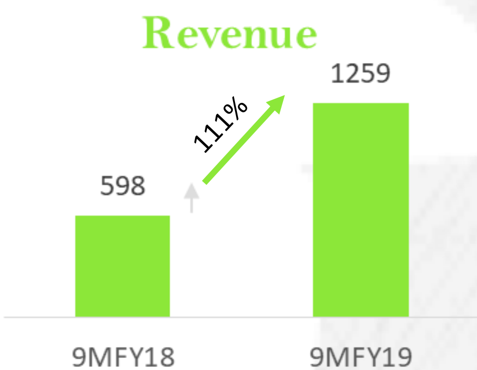



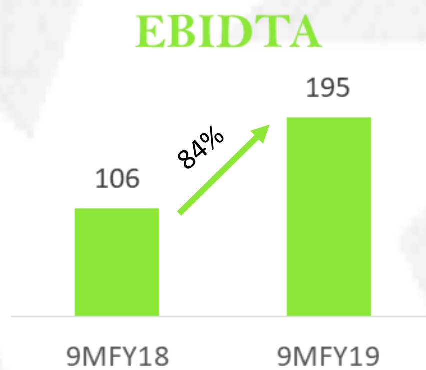

Note: revenue inclusive of other income

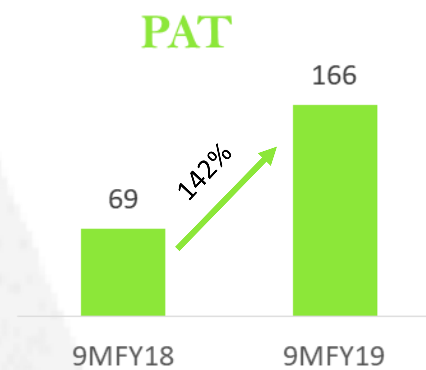
# Performance Highlights – 9MFY19 Standalone

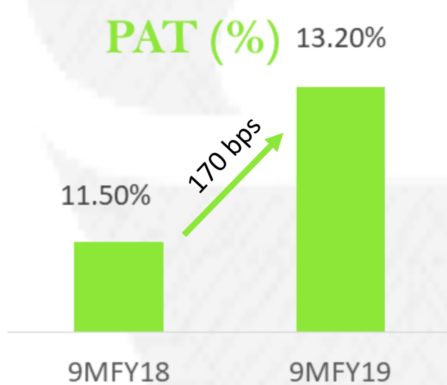
Jiya Eco
STEP TOWORDS GREEN WORLD

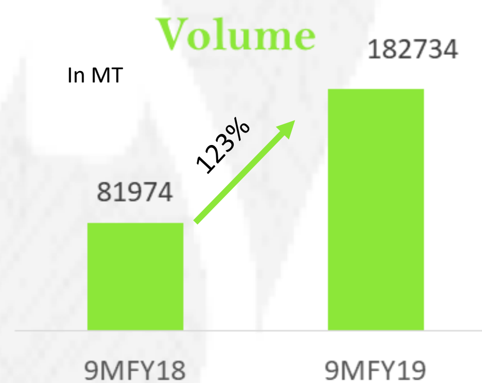
**Rs. mn**



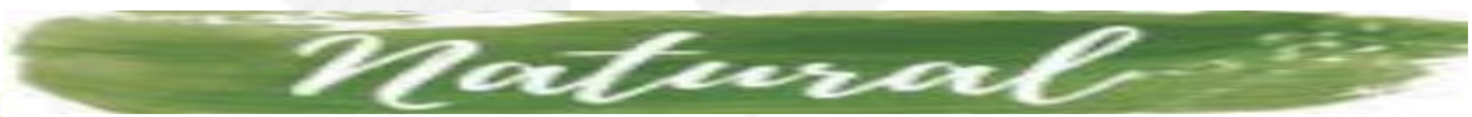

Note: revenue inclusive of other income

# Performance Highlights – 9MFY19 Consolidated

Jiya Eco
STEP TOWORDS GREEN WORLD

**Rs. mn**

| | | |
|---|---|---|
| Revenue | Rs. 1,583 | 165% |
| EBIDTA | Rs. 240 | 127% |
| PAT | Rs. 195 | 183% |
| PAT (%) | 12 % | |



# Key Developments till date

- **New industry application – Ceramics manufactured by using pellets**
  - In continuation with our efforts to widen the usage of our products and reduce dependency on specific industries, we constantly keep working on solutions and conduct pilot test with various industry applications
  - Our R&D team is currently is working with manufacturers of ceramic tiles (Morbi, Gujarat), to reduce their fuel cost by replacing their existing boilers with pellet fired boilers. While pilot tests are underway, it is interesting to note that there are more than 500 hundred small and medium manufacturers of ceramics in this city alone

- **Progress on application developed earlier: Brass manufacturers**
  - Subsequent to the success of our pilot tests conducted during Q2FY19, we had earlier updated investors of having supplied 20 burners to a single manufacturer of Brass in Jamnagar
  - Buoyed by the fuel savings achieved by the client, we have been able to make inroads in that industry now. We have now received an order for installation of 25 burners at another client site. We expect this to be installed in the coming quarter
  - Jamnagar is home to over 5000 small and medium Brass units and 90% of them are small units.

- **Bonus Share**
  - Company issued bonus share in the ratio of 1:1

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# Key Developments till date

- **Korkia (Finland) – Joint Venture**
  - Korkia as an company based in Finland, with a 70 member team spread across 9 locations globally. Korkia's main focus is the development of sustainable business models across the globe, helping new and existing clients grow their environment friendly solutions. Korkia has experience in developing new business ideas, bringing them to fruitiion and scaling them. With offices, experts and network around the globe, Korkia has demonstrated abilities of opening doors in Europe, Middle East and Asia.

- **Update on Gandhidham Plant**
  - The machinery had already been installed at the Gandhidham site in previous quarter. However, commercialisation of the plant continued to witness delays, thanks to delays in receiving the necessary utility approvals. We now estimate this problem to get resolved over the next few weeks, thereby helping the production at this plant to commence in February ’19

- **Jiya Eco India Limited – incremental burners deployed**
  - JEIL has installed ~200 burners and stoves in the region of Gujarat.
  - In line with our proposed plans to ramp up our distribution reach to 1000 retail touch points over the next few years

# Profit & Loss Statement - Consolidated

| Rs. mn | Q3FY19 | Q3FY18 | YoY | Q2FY19 | QoQ | 9MFY19 | 9MFY18 | YoY |
|---|---|---|---|---|---|---|---|---|
| **Total Income from Operations** | **572.5** | **275.3** | **108%** | **534.6** | **7.1%** | **1583.4** | **598.2** | **165%** |
| Cost of Raw material Consumed | 344.3 | 194.4 | | 351.0 | | 955.7 | 399.9 | |
| Purchased of Stock in trade | 116.4 | 0.0 | | 82.7 | | 282.8 | 0.0 | |
| Changes in Inventorsy | -13.3 | 0.6 | | -24.7 | | -24.9 | 2.1 | |
| Total Raw material Consumed | 447.4 | 195.0 | | 408.9 | | 1213.6 | 402.0 | |
| Employee Cost | 3.7 | 3.1 | | 3.2 | | 9.9 | 8.3 | |
| Other Cost | 39.0 | 34.3 | | 42.9 | | 121.3 | 82.2 | |
| Total Expenditure | 490.1 | 232.4 | | 455.0 | | 1344.8 | 492.5 | |
| **EBITDA** | **83.6** | **42.9** | **95%** | **79.6** | **5%** | **238.6** | **105.7** | **127%** |
| **EBITDA Margin%** | **15%** | **15.5%** | | **15%** | | **15%** | **17%** | |
| Interest | 5.2 | 6.5 | | 6.1 | | 17.1 | 23.2 | |
| Depreciation | 4.2 | 4.7 | | 4.2 | | 12.8 | 13.6 | |
| Other Income | 1.1 | 0.0 | | 0.1 | | 1.2 | 0.1 | |
| Exceptional Item | 0.0 | 0.0 | | 0.0 | | 0.0 | 0.0 | |
| Profit Before Tax | 74.0 | 31.7 | | **69.4** | | **209.9** | **69.0** | |
| Tax | 5.7 | 0.0 | | 4.7 | | 15.0 | 0.0 | |
| PAT | **68.2** | **31.7** | **115%** | **64.7** | **7%** | **194.9** | **69.0** | **183%** |
| PAT Margin% | **12%** | **11.5%** | | **12%** | | **12%** | **11.5%** | |
| EPS in Rs. | 3.55 | 2.98 | | 5.49 | | 10.14 | 6.42 | |

# JIYA ECO PRODUCTS LIMITED

# Overview

Jiya Eco
STEP TOWORDS GREEN WORLD

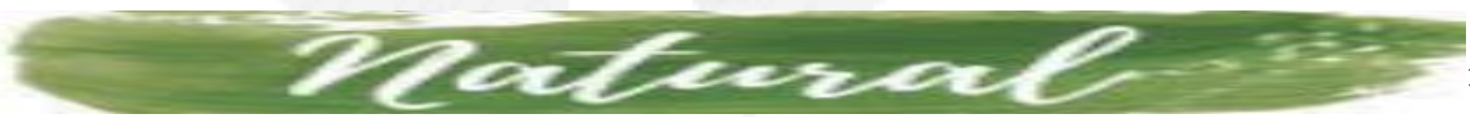
India's First company to produce **Bio Fuel** by agriculture and forest waste

Leading suppliers of **Pellets and Briquettes**

Products are **Substitute** for Coal, Lignite, Kerosene, LPG, Diesel etc..

**State of Art Manufacturing** facility in Gujarat

Tie up with **52 Villages** for raw material



# Journey So far

Jiya Eco
STEP TOWORDS GREEN WORLD

2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018

## New Business (2012)

- Incorporation of company
- Started with brequettes product with 12,400 MTPA capacity

## Customer Understanding (2013)

- Entered Gujarat with plastic manufacturer and chemical factory

## Increase in Manufacturing (2014)

- Added 3 machine of Briquettes ( Total capacity with Total 37,200 MT Capacity
- Started Manufacturing of Pellets with Semi Automatic Machinery with capacity of 12,400 MTPA Capacity

## Listing of Jiya Eco (2015)

- Public issue of Rs. 4.58 crore
- 24 lacs shares at price of Rs. 19 per equity share of Face value 10
- Tax incentives from Gujarat Government

## Top Line Growth (2016)

- Added fully automatic machine of Pellets with capacity of 74,400 MTPA
- Added one machinery for Briquette manufacturing (Total capacity of 4 machines is 49,600 MTPA)
- Growing at CAGR of 36%

## Fund Raising (2017)

- Raised Rs. 27 cr through preferential warrants

## Focus on Expansion (2018)

- Acquired 100% Stake in JEIL
- Migrated on Main Board
- Pellet Plant Expansion in Gandhidham
- 1:1 bonus issuance of shares

# Key Management Profile

**Bhavesh Kakadiya**
**Managing Director**

- Young energetic entrepreneur, In-charge of finance, overall administration
- More than 8 years of Experience in production of Briquettes & pellets

**Yogeshbhai Patel**
**Executive Director**

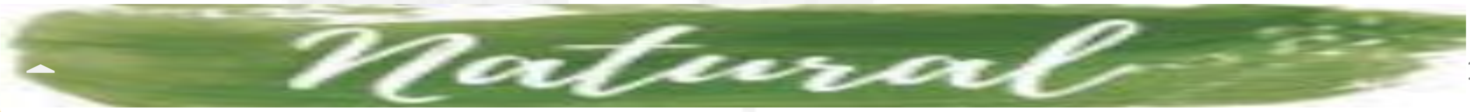
- In charge of factory administration and carefully supervising raw material sourcing
- More than 6 years of Experience in production of Briquettes & pellets

**Vipul Vora**
**CFO**

- Hold Bachelor degree in Commerce and Diploma in Taxation Laws
- More than 10 years of Experience as tax consultant

**Gautam**
**Head R & D**

- Hold Bachelor degree in Mechanical Engineering
- More than 10 years of Experience
- Previously worked with Radhe Machinery in Rajkot



# Products

Briquettes

Processed Agri-waste

Pellets

# Bio Mass- Briquettes

**01** 90 mm in Diameter & Cylindrical in shape

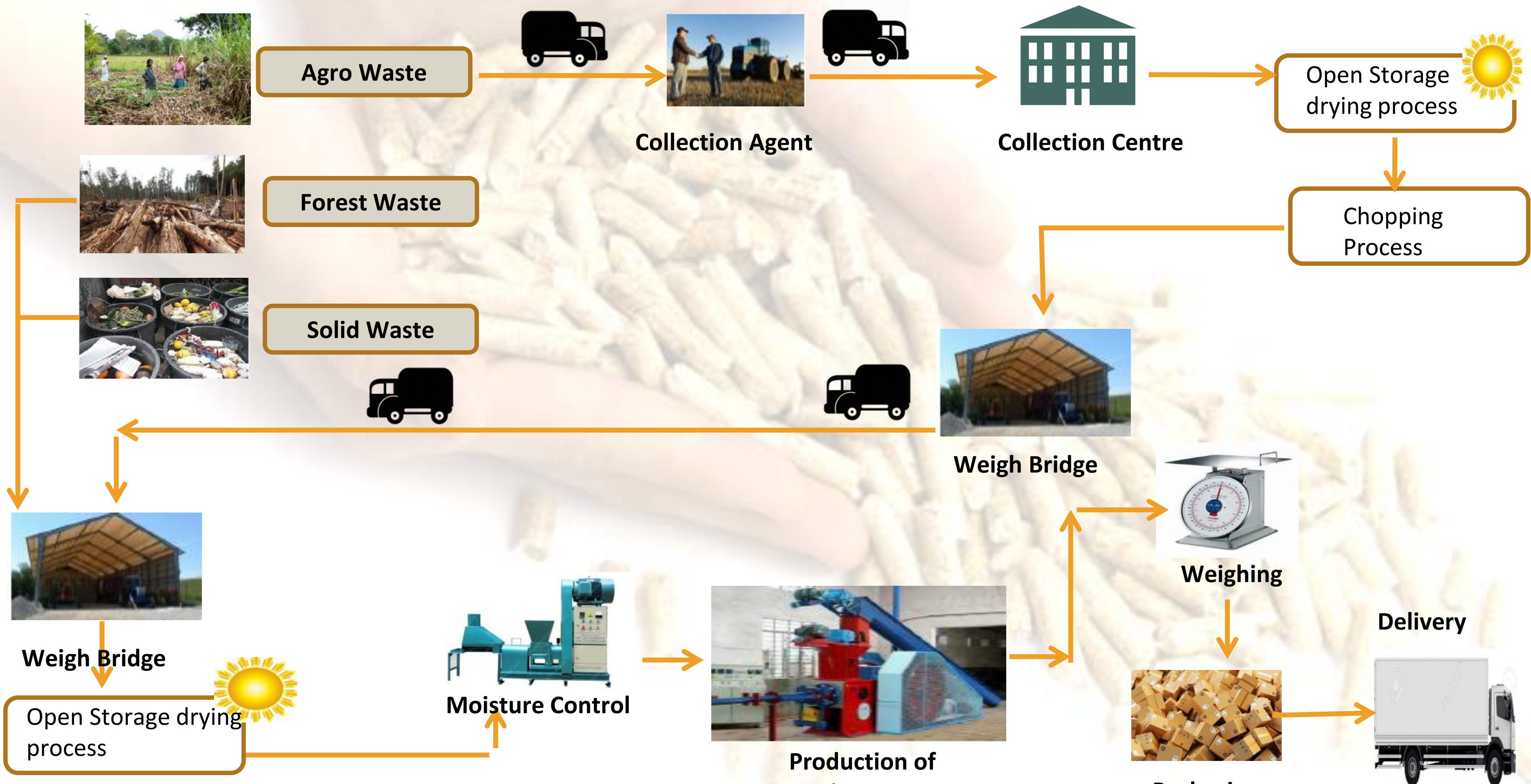
**02** Substitute of solid fuel like coal, charcoal & Firewood

**03** Provides higher calorific value per rupee than coal for firing Industrial boilers

**04** Saves 30-40% of Boiler Fuel Cost

**05** Used in Pharmaceuticals, Chemicals, textiles, refractory units etc.

# Briquettes- Manufacturing Process



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# Bio Mass- Pellets

6-8 mm in diameter & cylindrical in shape

Fuel for Electric Power Plant Homes & Other Appliances

Substitute of Industrial Fuel like Diesel, Kerosene LPG

Used in Food & Confectionery Industries , Hotels, Cafeterias etc

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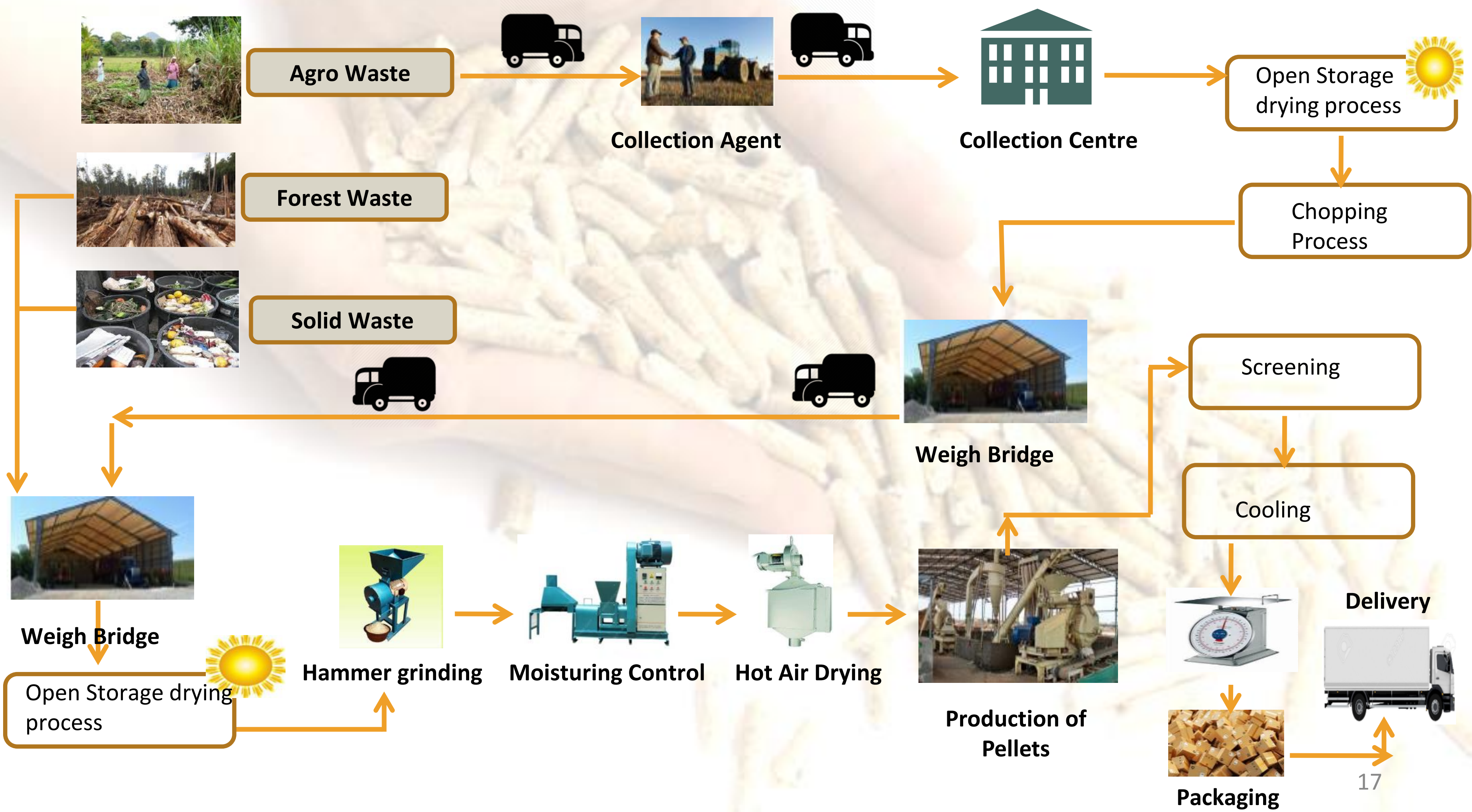
# Pellets- Manufacturing Process



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# Processed Agro- Waste

- Processed Agro – Waste, was developed by the company upon observing that some of their industrial clients were resorting to crushing products, purchased from us, by hiring extra labour.

- The logic: a crushed product offers larger surface area for burning and hence proves to be more efficient as compared to a briquette or pellet.

- Benefits of Processed Agro-Waste
  - Agro waste processing is first stage in manufacturing briquette and pellets
  - Selling processed agro-waste directly to client saves company conversion cost as well as time
  - Company sell this product at a lower cost to its clients, while helping blended margins to improve.
  - Clients benefits by saving time and money

# State of Art Manufacturing facility

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- Manufacturing unit situated at Navagam approximately 40 kms from Bhavnagar City
- Infrastructure facilities spread across 14963 sq. mtrs of land
- Capacity of 1,19,860 MT for briquettes and 1,19,860 MT for pellets
- Plant has location advantage , surrounded by acres of farm land which facilitates easy access to raw materials at very cheap rates

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# Gandhidham: Greenfield expansion

- Leased land of ~ 3 acres for 15 years at Village Chudva, Taluka Gandhidham
- Abundant access to raw material and a reduction in transit cost are key parameters in finalisation of location
- The plant would have 6 machine of pellet with rated capacity of ~2,60,000 MTPA;
- Proximity to Kandla port is added advantage; export opportunity increases
- The pellet manufactured would be catered to Retail (SME) Segment
- The plant is expected to be commercially operational by February'19

# Raw Material Used

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STEP TOWORDS GREEN WORLD

**01**

## Agriculture Waste

- Cotton Stalk, Cumin waste, Mustard waste

**02**

## Forest Waste

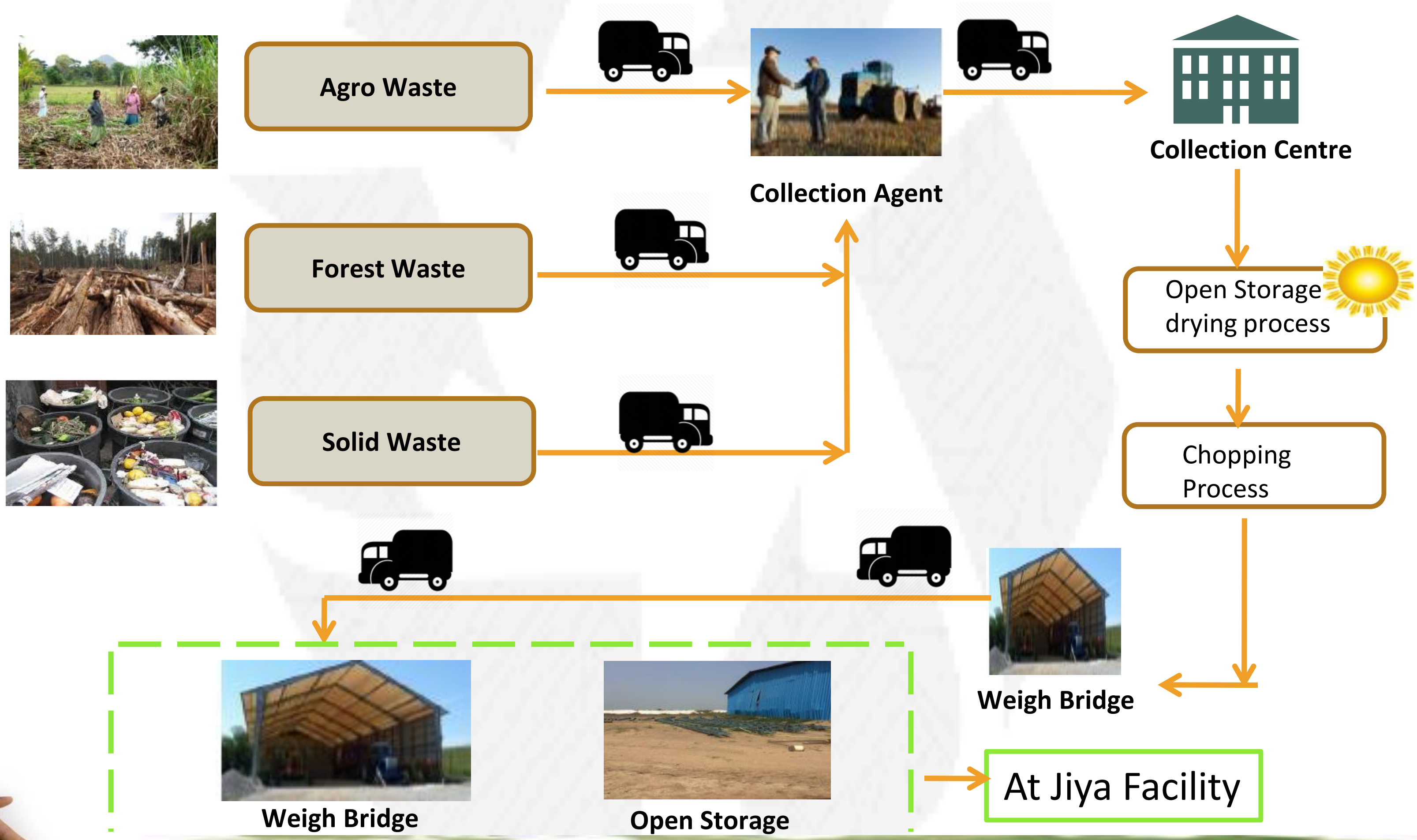
- Forest Leaves, Juri Flora (Babool), Leaves & Trash

**03**

## Solid Waste

- Household waste
- Sourced from 52 villages

# Processing of Raw Material



# Jiya Eco India Limited


# Jiya Eco India Limited (JEIL)

- Jiya Eco India Limited is a 100% subsidiary of Jiya Eco Products Ltd.
- B2C venture of the parent, JEPL


## **Jiya Eco India Limited (JEIL)**

- The company provides bio-fuel pellet fired burners and stoves
- Pellet stoves and burners have extremely low particulate emissions due to their high burn efficiency and the density of fuel
- They install burners and stoves, at user site, in exchange for a contractual tie up with users to procure pellets for three years at a fixed rate from JEIL
- Users of Pellet stoves and burners are manufacturers of Namkeen, Sweets, Bakery, Thermic fluid heater , micro industries like dying and chemical units

# Why Jiya Eco India Limited (JEIL)

Jiya Eco
STEP TOWORDS GREEN WORLD

## De-risk client concentration

- Shifting focus from Industrial customers to Retail ( SME)
- Targeting more than 1000 SME Customers in next 18-24 months.

## Significant higher realization

- Retail pellet sales fetches much higher realization

## Revenue visibility

- Product sold by installing burners/ stoves, with a 3-year contract to procure their monthly pellet requirements from the company

## Improvement in W/C cycle

- Unlike industrial customers, retail customers have a lower working capital cycle of 45 days

## Lower Transit cost

- Proximity to end consumer would lower transit costs



Strengths

# Strengths

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### State of Art Manufacturing Facility

- Strategically located plant; easy access of raw material
- Adequate capacity to scale upwards

### First Mover Advantage

- Unique business model;
- Only company to produce bio fuel from agriculture and forest waste

### Experienced team

- Handled by first generation entrepreneurs
- Team strength 40 people

### Strong Research & Development

- The company have introduced variants of product pellets, which can be used by different industries
- Our R&D team constantly works towards developing newer products and applications.

### Environmental Friendly

- Products provide zero smoke & fly ash emission, high fuel efficiency
- Government has provided tax holidays, exemptions for helping villages go clean

# Cost Effectiveness of Pellets

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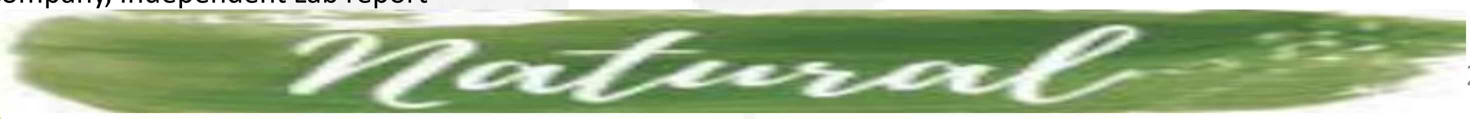
| Pellets- Cost Effective | Pellets | Diesel | LPG | LDO |
|---|---|---|---|---|
| Calorific - Value | 4,000 | 9,100 | 12,000 | 8,000 |
| Rate - Rs/Kg | 14 | 70 | 60 | 45 |
| Equivalent Pellet consumption - Kgs | 1 | 2.3 | 3 | 2 |
| Cost of Pellets | - | 33 | 42 | 28 |
| Savings | | 37 | 18 | 17 |
| Savings % | | 52% | 30% | 38% |

Source: Company, Independent Lab report




Opportunities

# Opportunity

Source: market reports

## Government Initiatives

- CEA Asks States to Use 5-10% Biomass Pellets for Power Generation
  - There are 116 power plants in India
  - if the industry switches to 10% (as proposed by CEA as alternate fuel) of its fuel requirement to Agri waste from current coal would imply a sourcing market opportunity of **USD 2.7bn** for biomass briquettes and pellets in the years to come

## Others

- Peripheral industry like pharmaceuticals, chemicals, textiles, refractory units which uses 30% of the total coal consumption of India, if convert to biofuel could be opportunity of USD 2.7bn
- Substitute market for cremation using wood is industry size of Rs. 38.6 bn
- Large manufacturer of Namkeen, fursan, bakery across India

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# Way Forward

# Business Strategy

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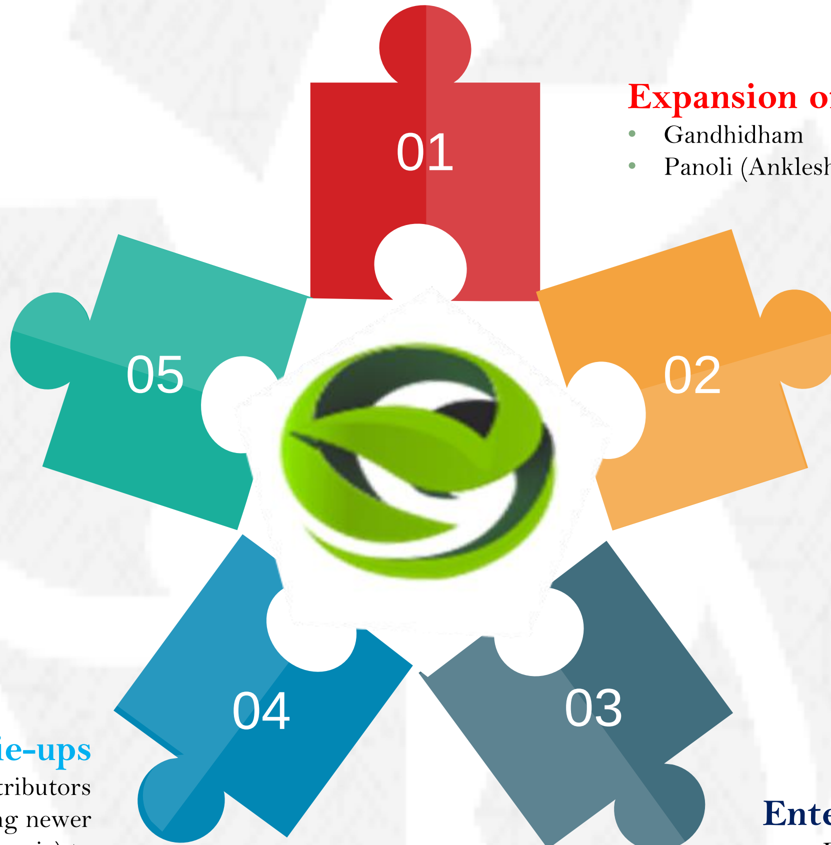
STEP TOWORDS GREEN WORLD



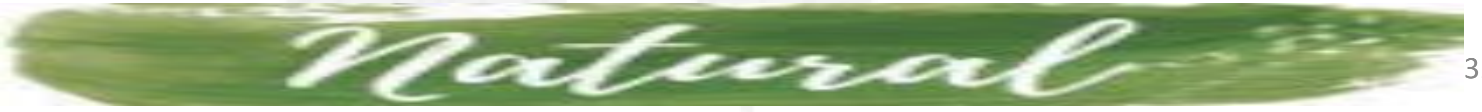

**Expansion of Plant**
- Gandhidham
- Panoli (Ankleshwar)

**Enhancing Existing Production & Product Quality**
- Automation by adding 4 silo's to reduce wastage
- Delivering quality service and products of global standards

**Entering New Geographies**
- Focus on states like Rajasthan and Madhya Pradesh

**Strategic tie-ups**
- In constant touch with our distributors and clientele and are exploring newer opportunities (organic or inorganic) to take the company to the next level

**New Product Development**
- Constant efforts in developing products to cater to new industries



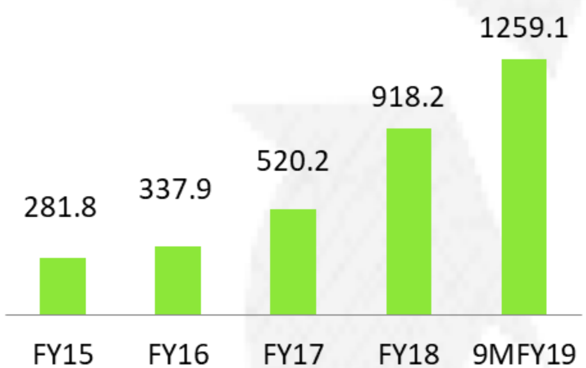
# Financial Highlights

# Financial Highlights – Standalone

Jiya Eco
STEP TOWORDS GREEN WORLD

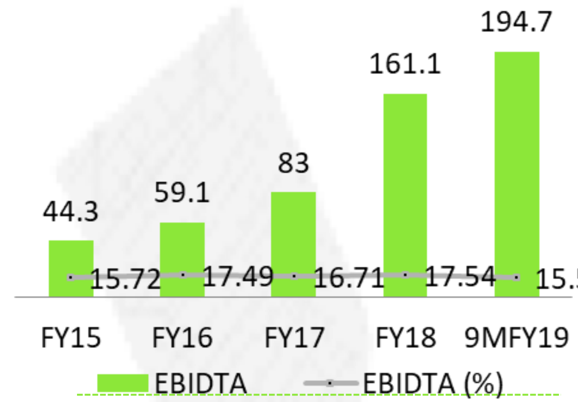
## Revenue

Rs. mn



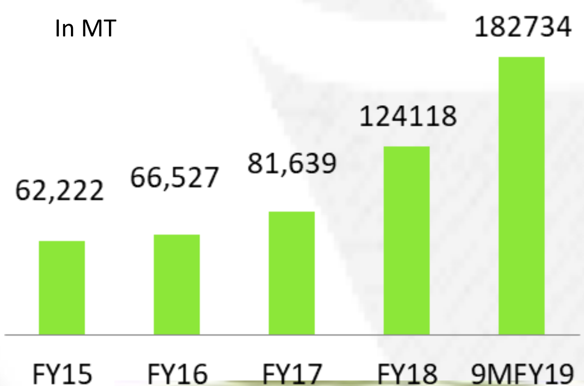

## EBDITA

Rs. mn



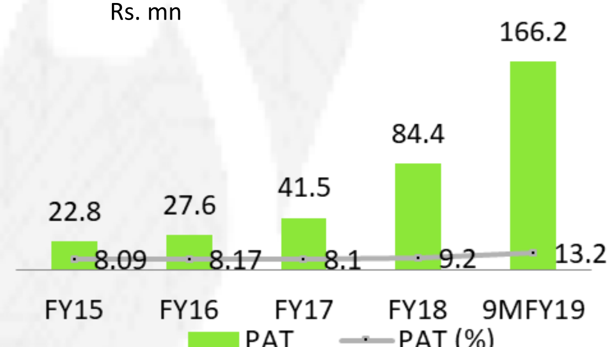

## Volume

In MT




## PAT

Rs. mn

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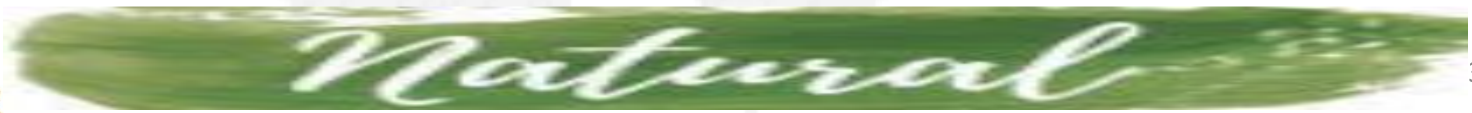

# Lets Connect

Jiya Eco
STEP TOWORDS GREEN WORLD

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