



Regd. Office:

2nd Floor, A-3 Shree Ganesh Nagar Housing Society,
Ramakaka Temple Road, Chhani, Vadodara-391740
Ph. : 0265 - 2773672, 2773535

Factory:

F-86 to F-90, RIICO Industrial Area,
Swaroopgunj, Dist. Sirohi, Rajasthan - 307023



E-mail : info@kotyark.com, kipl7722@gmail.com,
Website : www.kotyark.com

CIN : U24100GJ2016PLC094939 • GST : 08AAGCK3927K1Z7

Date: February 12, 2022

To,

LISTING DEPARTMENT
NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Exchange Plaza, C-1, Block-G
Bandra Kurla Complex,
Bandra (E), Mumbai-400051

Dear Sir/Madam,

Subject: Investor Presentation and Performance Note for Investors

Ref: Kotyark Industries Limited (Symbol/ISIN: KOTYARK/INE0J0B01017)

Pursuant to the provisions of Regulation 30 read with Para A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are pleased to enclose herewith the Investor Presentation and Note for Investors on Performance of Company.

Further, the above information is also available on the Company's website at www.kotyark.com under the head of Investor.

You are requested to kindly take the aforesaid information on record.

Thanking you,

Yours faithfully,

FOR, KOTYARK INDUSTRIES LIMITED

Gaurang Rameshchandra Shah
Managing Director
DIN: 03502841



Encl:- A/a

KOTYARK INDUSTRIES LIMITED

India's only
pure play listed
Biodiesel company

INVESTOR PRESENTATION



FEBRUARY 2022



Inside the Presentation

- 01.** Company Overview
- 02.** Industry Scenario
- 03.** Strategic Overview
- 04.** Financial Statements
- 05.** Q3FY22 Highlights
- 06.** Get in Touch

01

Company Overview

Snapshot **04**

Corporate Ethos **05**

Products **06**

Core Competencies **07**

Management Team **12**





Snapshot

Kotyark Industries Limited, incorporated in 2016, is engaged in the manufacturing of biodiesel and its by-products, and is one of the key players across the state of Rajasthan in India. The Company focuses on **green energy** and sustainable development of **renewable resources (biofuel)** through the adoption of environmentally friendly technology. It's manufacturing unit at Swaroopganj, District Sirohi, RICCO, Rajasthan has a capacity of producing 500 KL of biodiesel per day from multi feedstock.



1,82,500 KL

Annual Production Capacity



NSE Emerge

Listed via IPO in 2021



Only Pure Play Listed

Biodiesel Company in India



38

Total Team Strength



Diversified

Revenue Streams



Zero Effluent Discharge

Company



Indigenously Designed

Manufacturing Facility





Corporate Ethos



Our Vision

Is to become a responsible and impactful leader in the manufacturing of biofuels.



Our Mission

Is to become a leading biodiesel manufacturing company in India with a keen focus on R&D, deploying state-of-the-art facilities to achieve a varied product mix enabled with latest technology, catering to countries worldwide.



Kotyark is positioned as a **socially responsible entity** with zero effluent discharge. The Company's sharp focus on R&D and technological enhancement coupled with its strong relationships with various stakeholders enables it to become one of the **leading producer of green biofuels in India.**



Products

Our core product is Biodiesel and in the process of manufacturing the same, the Company also produces Crude Glycerin.



Biodiesel

It is a liquid fuel, often referred to as B100 or neat biodiesel, in its pure and unblended form.

- Any vehicle that has a diesel engine can be powered by biodiesel easily, without any modifications. It is just like petroleum diesel, which can be used to fuel compression-ignition engines.
- Biodiesel meets both the biomass-based diesel and overall advanced biofuel requirement of the Renewable Fuel Standard.



Crude Glycerin

Crude glycerin is a major by-product in the biodiesel manufacturing process. On average, for every 100 liters of biodiesel produced, approximately 14 liters of crude glycerin is produced as a by-product.

- On further processing, it finds application in food, pharmaceutical and cosmetic industries.
- However, Kotyark's crude glycerol is usually sold to large refineries for upgradation, who in turn supply the refined version to the end-industries.

Core Competencies

Within its six years of existence, Kotyark Industries has carved out a niche for itself in the Indian biofuel industry, by riding on its strengths and capabilities. The Company believes that its ability to solve problems innovatively sets it apart from its peers.



Raw Material Sourcing
Slide 08



Indigenously Designed
Manufacturing Plant
Slide 09



Diverse Clientele
Slide 11



Raw Material Sourcing



- Kotyark prides itself on its ability to source quality raw materials in a cost-competitive manner from across the country.
- Raw material availability, particularly of non-edible vegetable oil, is a critical aspect in biodiesel manufacturing.
- Vast inter-generational experience of the promoters of the Company in the vegetable oil trading industry, serves as critical know-how for the Company.



Vegetable Oil

Non-edible vegetable oils are the primary raw material



Alcohol

Such as Ethanol, Methanol, Isopropyl or Butanol



Catalysts

To initiate reaction Sodium Hydroxide and Potassium Hydroxide are used





Indigenously Designed Manufacturing Plant



10,000 Sq. Mt.

Manufacturing unit is located at Sirohi, Rajasthan on a plot admeasuring 10,000 Sq. Mt



State-of-the-art facilities

Equipped with state-of-the-art facilities, capable of conducting all steps, such as

Feedstock
Pre-treatment

Transesterification
& Separation

Washing

Drying



Indigenously designed

Indigenously designed unit, featuring one of the highest asset-turns and output productivity across the industry



1,82,500 KL

Annual production capacity of 1,82,500 KL.



10-12%

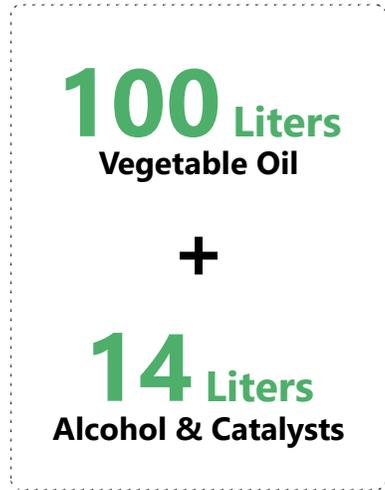
Currently operating at 10-12% utilization levels, providing significant headroom to grow from existing plant



Manufacturing Process



Inputs



**METHANOL
& CATALYST**

OIL & FATS

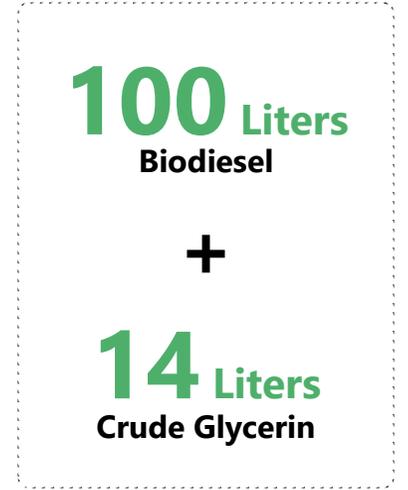


GLYCERIN

BIODIESEL

Output

(Yields up to 99%)





Diverse Clientele



Oil Marketing Companies



OMC's procure biodiesel for blending in diesel and premium category speed-diesel. At present **blending in biodiesel less than 1%**, with Indian Government setting a goal to **take this level to 5% by 2030**.

Tender based business, requiring government approval to participate

Receivable cycle is ~45 days

Bulk Buyers



Bulk buyers include transport contractors, mining companies and industries. Traditionally, biodiesel trades cheaper than diesel in India, offering bulk buyers an opportunity to cut costs. Further, since biodiesel falls under The GST Act, 2017, **input credit of 12%** can be availed by buyers.

Company supplies biodiesel to bulk buyers in its vicinity

Receivable cycle is ~15 days

Mobile Retail Outlets



The Company operates mobile & static retail outlets of biodiesel under its brand 'Green N Green'. It has been operating 17 outlets for now, via a dealership model, hence remaining asset-light. These outlets are primarily located on highways in Rajasthan.

The Company has **approvals to operate 25 units**, and plans to take this to **250 units in the coming years**

Receivable cycle is ~15 days



Management Team



**Mr. Gaurang
Rameshchandra Shah**

CHAIRMAN AND MANAGING
DIRECTOR

Mr. Gaurang Shah was appointed on the Board of the Company on December 12, 2018 and was further designated as the Chairman and Managing Director of the Company on August 09, 2021. He holds a Graduate degree in Commerce from MS University.

He spearheads the leadership team and manages the Company's operations. His contributions to the Company has been noteworthy, and it is his ability to proficiently research and learn about new concepts, that make him a huge asset to the Company.



Mrs. Dhruti Mihir Shah

WHOLE TIME DIRECTOR

Mrs. Dhruti Shah was appointed on the Board of the Company on December 30, 2016 and was further designated as the Whole Time Director of the Company on August 09, 2021. She holds a Masters' degree in Commerce and an MBA degree.

She has been associated with the Company from its initial days of conceptualization and planning. Her knowledge of the operations, biofuels industry, and her invaluable business acumen makes her an incredible asset to the Company.

02

Industry Opportunity

Global Biodiesel
Opportunity **14**

Indian Biodiesel
Opportunity **15**

Indian Government
Policy on Biodiesel **17**

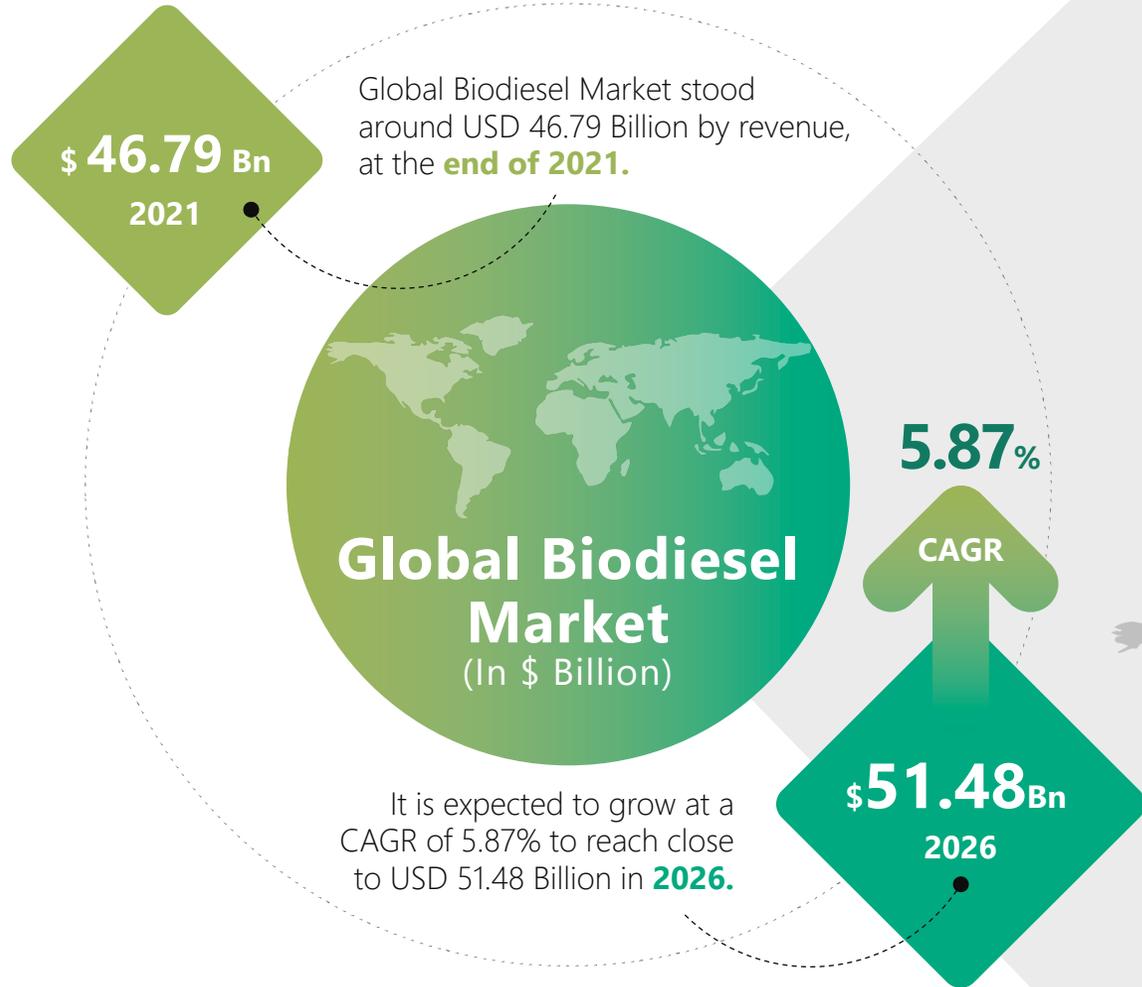
Rajasthan Government
Policy on Biodiesel **18**

A use case for Biodiesel
in India **19**





Global Biodiesel Opportunity



Fuel application accounts for majority of biodiesel consumption, in categories such as marine, automotive, railway and agriculture industries.



The majority of biodiesel is made from vegetable oils like Soyabean, Palm, Jetropha, Mahua among others. The feedstock used in a country is dependent on crop availability.



• Globally, **Europe** is the leading market of biodiesel.

• **Asia-Pacific** is projected to be the fastest-growing biodiesel market in the next decade.



Indian Biodiesel Opportunity



India's Biodiesel

Figures (in Million Tonnes)



Biodiesel procurement by OMCs

Figures (in crores litres)



Biofuel Production

Figures (in %)



India's biofuel production accounts for only 1% of the global production.

- India's Production
- Global Production



Transportation Sector

The transportation sector is one of the major consumers of biodiesel, followed by the energy and construction sector, where it is used in operations.

Source: Chemanalyst India Biodiesel Market



Indian Biodiesel Opportunity (cont.)



Growth Drivers

- 01 As India's primary energy demand is all set to double in the next two decades, the usage of cleaner fuel alternatives will continue to push the sales of biodiesel.
- 02 Increasing crude oil import bills made the Indian government switch to domestic fuel alternatives, with biodiesel being the frontrunner.
- 03 Initiation of the National Policy on Biofuels in 2018 will push the demand for Biodiesel in the coming years.

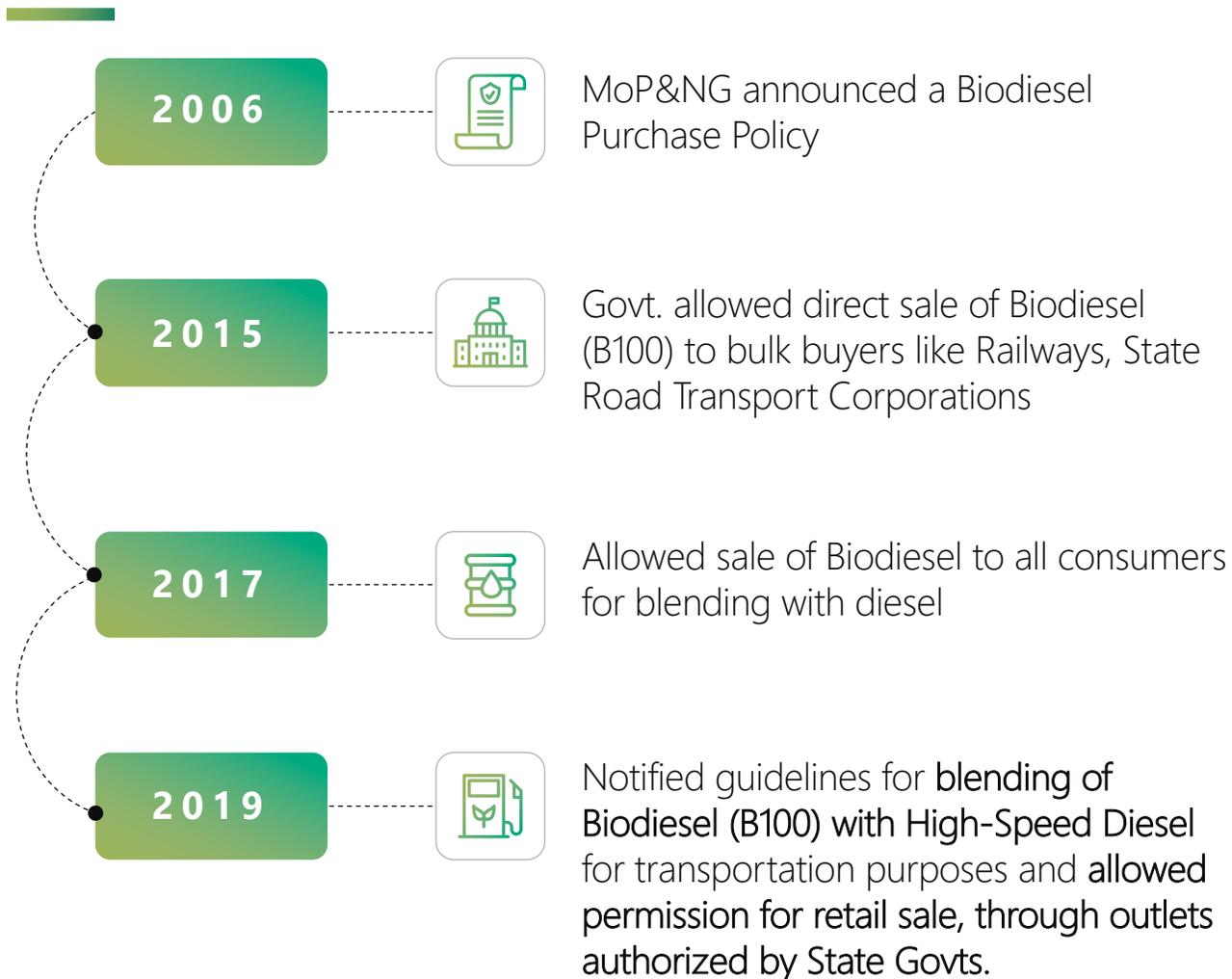


Raw Material Sourcing

- 01 Presently, biodiesel is being produced in the country primarily from imported palm stearin oil.
- 02 In order to phase-out palm stearin, and as a measure towards import substitution, it has been decided to promote domestically available used cooking oil (UCO) as the feedstock.
- 03 UCO has been identified as a potential raw material for biodiesel production in National Policy on Biofuels, 2018. It can be collected from bulk consumers such as hotels, restaurants, canteens, etc. for conversion.



Indian Government Policy on Biodiesel



- The Indian Government has emphasized on improving energy security by, among other measures, reducing import dependence, with a target of decreasing fossil fuels use by 10% from current levels by the year 2022; it also targets reducing the country's carbon footprint by 30-35% by the year 2030.

These targets will be achieved through a five-pronged strategy which includes:

1. Increasing domestic production
 2. Adopting biofuels and renewables
 3. Implementing energy efficiency norms
 4. Improving refinery processes
 5. Achieving demand substitution
- The Indian government, in its National Policy on Biofuels, 2018, has proposed a target of 20% blending of ethanol in petrol and **5% blending of biodiesel in diesel by 2030.**
 - These strong tailwinds from the Indian government is enabling many domestic and international players to enter the biofuel industry in India.



Rajasthan Government Policy on Biodiesel

Rajasthan was the first state in India to adopt the National Policy and created an implementable framework for Biodiesel production and manufacturing.

The state has decided to:



Focus on increasing **production of oilseeds**



Establish a Centre of Excellence in Udaipur to **promote research** in the fields of alternative fuels and energy resources



Promote **marketing of biofuels** and raise awareness about the same



Encourage **setting up of supply chain** mechanisms for biodiesel production from non-edible oilseeds, used cooking oil and short gestation crops



Moreover, the State Rural Livelihood Development Council aims to encourage **women's self help groups** to explore the scope for additional income through the supply of biodiesel

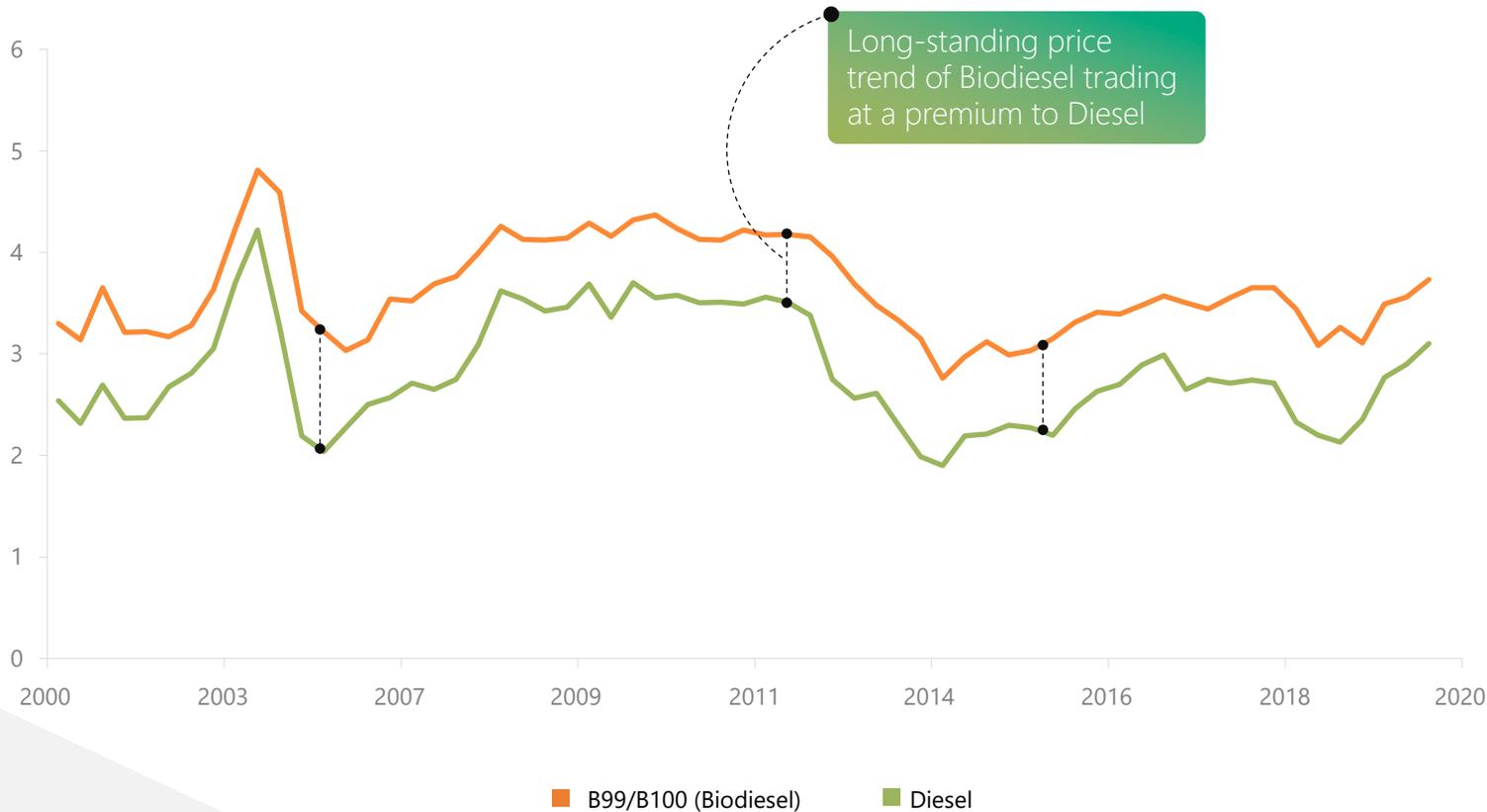




A use case for Biodiesel in India

Average Retail Fuel Prices in the United States

\$ per GGE



Source: Clean Cities Alternative Fuel Price Reports (AFDC)

- Globally, in markets like US & EU, Biodiesel (B100) trades at a premium to Diesel
- Despite premium prices there is a decent consumers acceptance to support environment friendly green fuels
- In India, as of 2022, Biodiesel still trades roughly at a 15-20% discount, whilst not including the 12% GST input credit advantage available to commercial buyers
- This creates a strong use case for growing biodiesel demand in the country

03

Strategic Overview

Strategic Priorities 21

SWOT Analysis 22

Investment Case 23





Strategic Priorities



Increasing capacity utilization

The company intends to reach optimum capacity utilization in coming 3 years.



Growing retail outlet network

The company intends to grow static/mobile retail outlet network to a total of 250 in the coming 3 years, from the current 17.



Addressing raw material availability

The company has evaluated and is working on implementing projects that address the long-term raw material sourcing for its biodiesel feedstock. A **MoU has been signed with the Rajasthan Government** to explore potential avenues for this project.



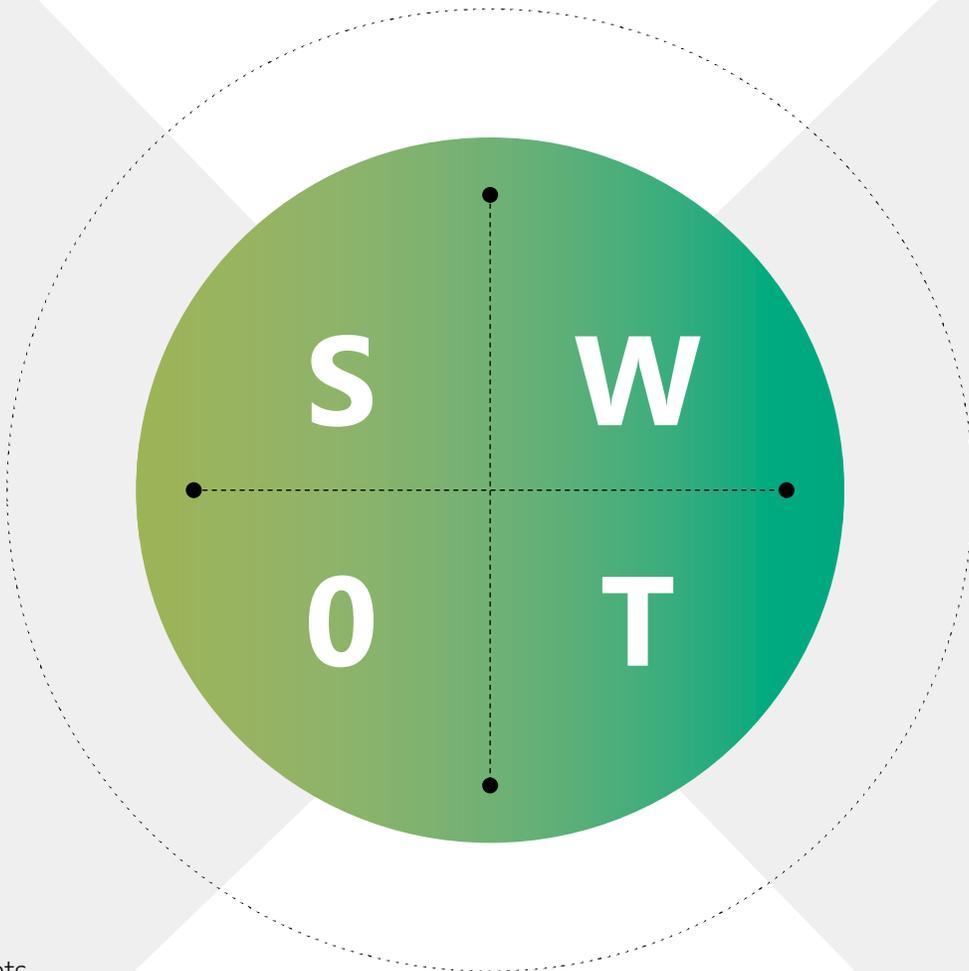
SWOT Analysis

Strengths

- Diversified revenue stream
- Indigenously designed manufacturing facility
- Experienced promoters with a knack for raw material sourcing

Opportunities

- Large unutilised manufacturing capacity
- Long-standing price arbitrage between diesel and biodiesel in India, offering consumer a chance for cost-savings
- Growing acceptance of biodiesel
- Higher blending targets (5% by 2030)
- Exploring the potential of leveraging carbon credits, initial research & expert estimates points to a potential of up to 4 Lakh units annually



Weakness

- Less entry barriers to the industry
- Un-defined state policies, and differing state laws for biodiesel
- Working capital intensive operations

Threats

- Change in government policy with regards to biodiesel blending, retail usage, raw material sourcing, etcetera
- Competition from other biofuels, renewable sources of energy



Investment Case



04

Financial Statements

P&L Summary 25

Cash Flow Summary 27

Balance Sheet Summary 26

Shareholding Pattern 28





P&L Summary

(in ₹ Lakhs)

Particulars	FY19	FY20	FY21	9MFY22
Revenue from Operations	3,756.70	2,575.41	6,520.61	11,420.56
Total Income	3,756.71	2,578.12	6,529.07	11,443.72
Operating Expenses	3,673.15	2,383.06	6,230.20	10,623.73
EBITDA (excl. OI)	83.55	192.35	290.41	796.83
EBITDA %	2.2%	7.5%	4.5%	7.0%
Finance Cost	0.11	50.22	71.87	35.99
Depreciation & Ammortization	9.19	76.82	87.79	72.27
Profit Before Tax	74.26	68.02	139.21	711.73
Profit After Tax	57.77	48.57	104.43	526.56
Earnings Per Share (₹)	2.00	1.68	3.61	9.43



Balance Sheet Summary

(in ₹ Lakhs)

Narration	FY19	FY20	FY21
Shareholders' Funds	165.43	214.00	318.43
Non Current Liabilities	279.77	1,033.53	1,033.16
Long Term Borrowings	278.40	1,033.53	1,033.16
Current Liabilities	403.10	665.03	450.41
Short Term Borrowings	0.00	316.59	336.55
Trade Payables	372.4	315.57	15.99
Total Equity and Liabilities	848.30	1,912.56	1,802.00
Non Current Assets	509.20	568.41	629.21
Tangible Assets	475.58	560.99	607.5
CWIP	33.50	0.00	0.00
Current Assets	339.10	1,344.15	1,172.79
Inventories	173.36	712.59	714.71
Trade Receivables	81.32	553.61	26.19
Cash & Bank Balances	13.59	1.69	30.09
Total Assets	848.30	1,912.56	1,802.00



Cash Flow Summary

(in ₹ Lakhs)

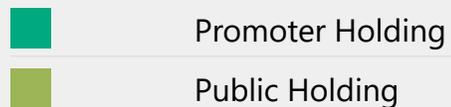
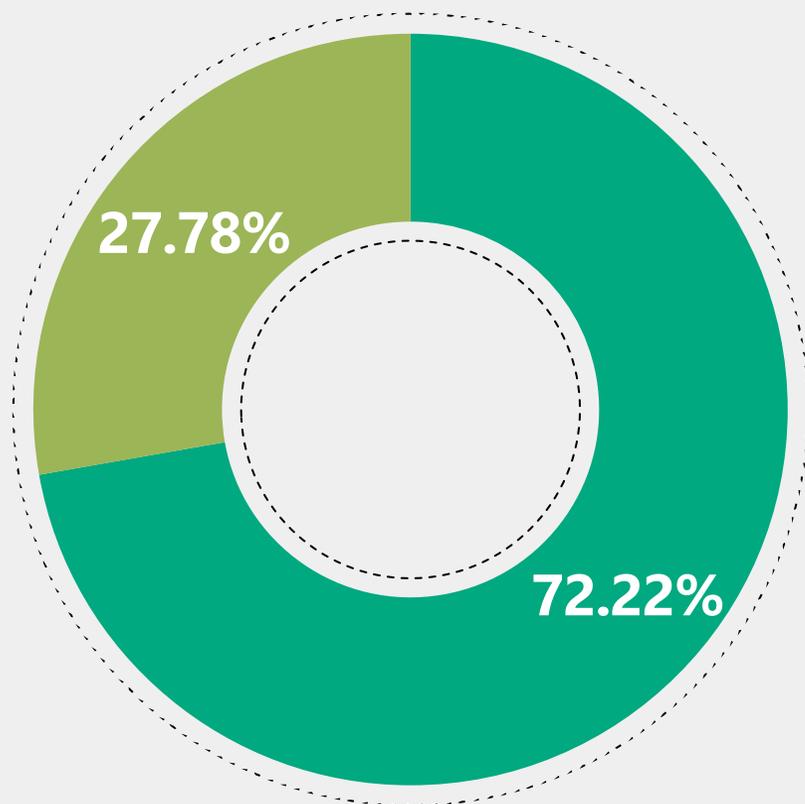
Narration	FY19	FY20	FY21
Cash from Operating Activities	86.94	(994.37)	199.31
Cash from Investing Activities	(367.54)	(135.00)	(151.17)
Cash from Financing Activities	278.31	1117.48	(26.34)
Net Cash Flow	(2.28)	(11.90)	21.79
Cash at the Beginning of Year	15.87	13.59	1.69
Cash at the End of Year	13.59	1.69	23.48



Shareholding Pattern

Shareholding Pattern

(As of October 29, 2021)



Current Market Price

354.40

52 Week High/Low

366.80/67.90

Market Capitalization

293.26 Crore

Shares Outstanding

0.83 Crore

NSE Scrip Code

KOTYARK

05

Q3FY22 Result Discussion

P&L Summary 30

Management Commentary 32





Profit & Loss Summary

(₹ in crores)

Particulars	Q3FY22	Q2FY22	Q3FY21	YoY %	QoQ %	9MFY22	9MFY21
Revenue from Operations	4,790.80	5,178.66	2,423.77	98%	(7%)	11,420.56	5,473.47
Total Income	4,791.13	5,203.91	2,423.85	98%	(8%)	11,443.72	5,478.50
Operating Expenses	4,310.62	4,889.11	2,397.41	80%	(12%)	10,623.73	5,330.41
EBITDA (excl. OI)	480.18	289.55	26.36	1722%	66%	796.83	143.06
EBITDA %	10.0%	5.6%	1.1%	894 bps	443 bps	7.0%	2.6%
Finance Cost	11.00	13.15	17.16	(36%)	(16%)	35.99	53.76
Depreciation & Ammortization	24.97	23.65	25.26	(1%)	6%	72.27	69.15
Profit Before Tax	444.54	278.00	(15.98)	2882%	60%	711.73	25.18
Profit After Tax	329.17	206.93	(15.08)	2283%	59%	526.56	16.53
Earnings Per Share (₹)	5.90	4.95	(0.52)	1235%	19%	9.43	0.57

98%

Q3FY22 Revenue from Operations at 4,790.80 Lakhs compared to 2,423.77 Lakhs in Q3FY21

1,722%

Q3FY22 EBITDA at 480.18 Lakhs compared to 26.36 Lakhs in Q3FY21

2,283%

Q3FY22 PAT at 329.17 Lakhs compared to -15.08 Lakhs in Q3FY21



Management Commentary



**Mr. Gaurang
Rameshchandra Shah**

CHAIRMAN AND
MANAGING DIRECTOR



I am happy to announce that our performance this quarter has exceeded our expectations, as we have recorded a revenue of INR 4790.80 Lakhs as compared to INR 2423.77 Lakhs in the corresponding quarter of previous financial year. This growth can be attributed to our monumental volume growth of about 299% on a Y-o-Y basis, along with an overall improvement in our realizations to the tune of 28%. Our EBITDA has subsequently increased as well, from INR 26.36 Lakhs in Q3FY21 to INR 480.18 Lakhs in this quarter, charting a growth of 1722% on a Y-o-Y basis. Our EBITDA margins grew from 1.1% in Q3FY21 to 10.0% in Q3FY22, an increase of 894 basis points.

I am also happy to report that currently we are in the advanced stage of exploring the potential of carbon credits in our business. Our internal team aided by consultants, are of the understanding that as per our current

scale of operations, we are eligible for approximately ~4 lakh units of carbon credit annually. We will be happy to share more details on this front, as and when we have further clarity.

As we set out to revolutionize the fuel industry by engaging in sustainable alternative energy, we are pleased with the direction that has been accorded by the Indian government. We are certain that policy changes such as the envisaged 5% blending targets of biodiesel in diesel by 2030, will augment our performance in the coming years and will enable us to realize our goal of becoming the leading biodiesel manufacturer in India. Furthermore, our positive performance in this quarter and the previous ones add legitimacy to our goals and we are confident that we will be able to deliver on our promises.



~4 Lakh Units

Potential Carbon Credits Opportunity

Get in Touch

NIKITA BOONLIA

Company Secretary & Compliance Officer
KOTYARK INDUSTRIES LIMITED

info@kotyark.com

Safe Harbor

This document which has been prepared by Kotyark Industries Limited (the "Company", "Kotyark"), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This document has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Document. This Document may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Document is expressly excluded.

Certain matters discussed in this Document may contain statements regarding the Company's market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company's ability to successfully implement its strategy, the Company's future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company's market preferences and its exposure to market risks, as well as other risks. The Company's actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Document. The Company assumes no obligation to update any forward-looking information contained in this Document. Any forward-looking statements and projections made by third parties included in this Document are not adopted by the Company and the Company is not responsible for such third-party statements and projections.

Please note – some images used in the presentation are for illustrative purposes and may not represent actual images of the assets of the Company.