

21st October, 2024
GIL/2024-25/163

To,

The BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001 Fax No.: 022- 22721919 Ref: Company Code- 533282	The Listing Department The National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block-G, Bandra - Kurla Complex, Bandra(east), Mumbai- 400 051 Fax No.: 022-2659 8120 Company Code: GRAVITA
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Dear Sir/Madam,

Subject: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015

In Compliance of Regulation 30 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Investor Presentation on the Unaudited Financial Results of the Company for the Quarter and Half-year ended 30th September, 2024.

Yours Faithfully

For **Gravita India Limited**

Nitin Gupta
(Company Secretary)
FCS: 9984

Encl.: As Above

Regd. Office:

'SAURABH', Chittora Road, Diggi-Malpura Road
Tehsil: Phagi, JAIPUR- 303 904, Raj. (INDIA)
Phone: +91-141-2623266, 2622697 FAX : +91-141-2621491
Email: companysecretary@gravitaindia.com

INVESTOR PRESENTATION

OCT 2024



 We recycle to save environment

*Towards
Clean, Green
& Sustainable
Future*

**GRAVITA, Started In 1992 by First
Generation Entrepreneur
RAJAT AGRAWAL at JAIPUR**

We are on an AMAZING JOURNEY



Building a **Green** World through **Recycling**

Unwavering commitment to sustainability- driven values continues to light the growth path.

Vision

To be the most valuable company in the recycling space globally.

Mission

Rank among the top five global recycling companies by 2026, driven by

- ♻️ *Diversification*
- ♻️ *Sustainable growth*
- ♻️ *Eco-friendly innovation*
- ♻️ *Stakeholder value creation*

Core Values

- ♻️ *Fairness*
- ♻️ *Trust*
- ♻️ *Respect*
- ♻️ *Passion*
- ♻️ *Nurturing Relationship*

Social Responsibility

- ♻️ *Community development*
- ♻️ *Advance education*
- ♻️ *Combat hunger*
- ♻️ *Safeguard the environment*

Business Verticals

Existing:

- ♻️ *Lead*
- ♻️ *Aluminium*
- ♻️ *Plastic*
- ♻️ *Rubber*
- ♻️ *Turnkey Solutions*

Upcoming Diversifications:

- ♻️ *Lithium-ion*
- ♻️ *Steel*
- ♻️ *Paper*

Management Commentary & **Business Outlook**

“Gravita has **delivered strong H1FY25 performance** paving the way for a promising year ahead. Walking the talk on its goal to increase the capacity to over 5 Lacs+ MTPA by FY27 and to grow its global footprints, **Gravita has entered Europe** with an MOU to acquire a tyre recycling company in Romania. Gravita is steadily heading towards achieving its **Vision 2028** of expanding capacities in existing and new verticals, having volume CAGR and profitability growth of 25%+ & 35%+ resp., ROCE 25%+, value added products 50%+ and non-lead business 30%+. Gravita remains dedicated to fulfilling its **ESG Roadmap** emphasizing the successful incorporation of ESG priorities into the company's strategy and decision-making processes. Further, Board has also approved Raising of funds to the extent of INR 1,000 Crs subject to approval of shareholders of the company.

Coming to **Q2FY25 performance**, Gravita recorded substantial growth in volumes, revenues, EBITDA, and PAT by 8%, 11%, 27%, and 24% respectively on Y-o-Y basis. Contribution from Value-added products stood at 47%, along with a 140% growth in the domestic availability of scrap on Y-o-Y basis. Robust Capex and capacity expansion plans, strict Government Regulations (BWMR, EPR, RCM), a global and nationwide presence, coupled with experienced management and stakeholder support, bode well for Gravita's growth..”



Yogesh Malhotra

Whole Time Director & CEO

VISION 2028

**New recycling
Verticals**

Lithium, Steel, Rubber & Paper



25% +

Volume CAGR



35% +

Profitability Growth



30% +

Renewable Power usage



**25%+
ROCE**



50%+

Value added products



30%+

Non-Lead business



10%+

**Reduction in Energy
consumption**



Our **Priorities**

- Shareholder value creation
- Return accretive growth
- Judicious use of capital

FINANCIAL Highlights

✓ **21 %**
Revenue CAGR - 5 Yrs

✓ **9-10%**
Consistent EBITDA margins

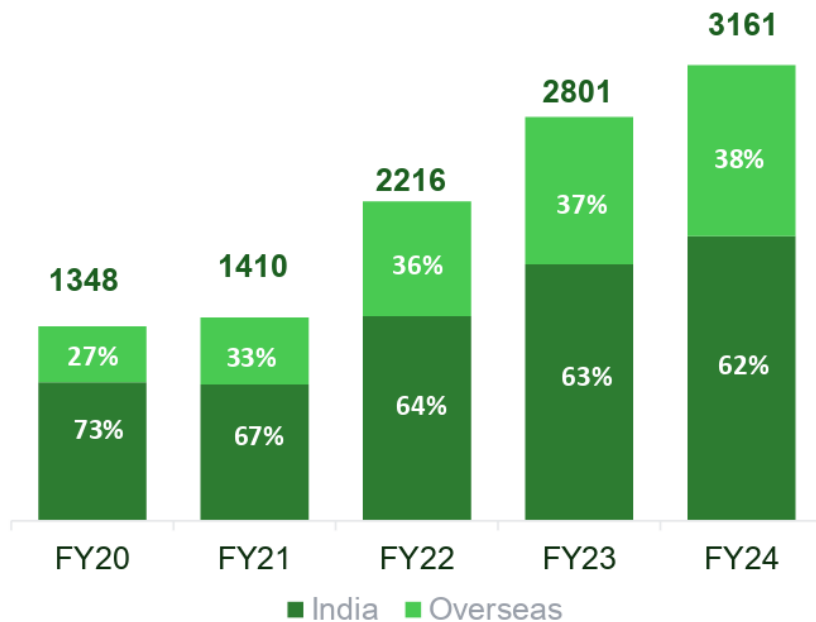
✓ **A+**
External credit rating from ICRA

✓ **74%**
PAT CAGR - 5 Yrs

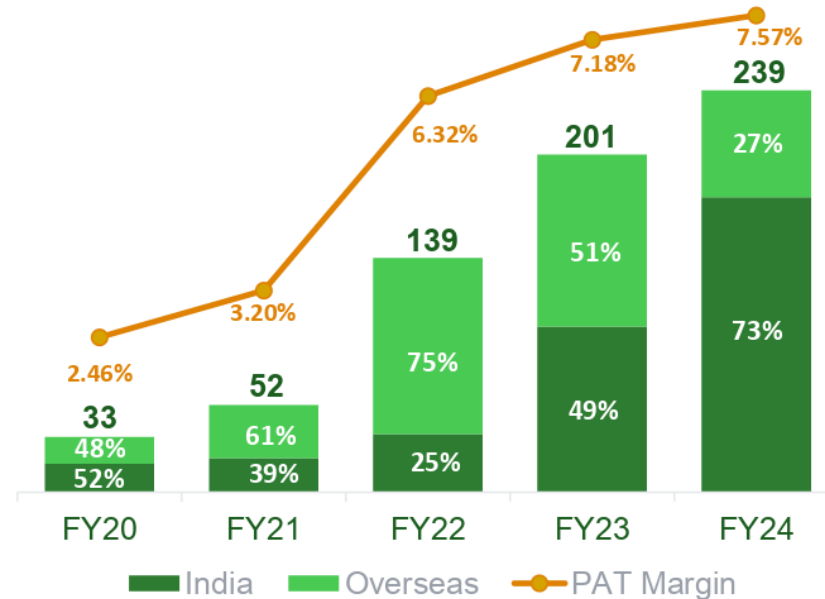
✓ **Locking the margins**
Back-to-back hedging mechanism in place

✓ **13 Years**
History of sustainable dividend payouts

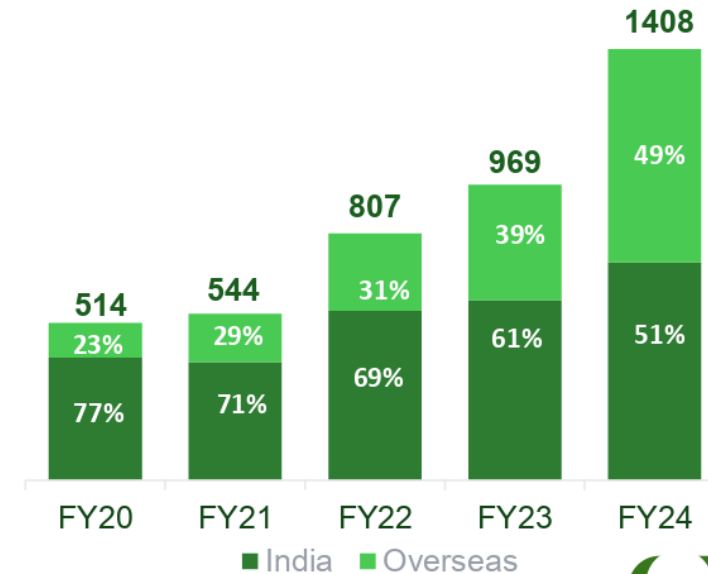
Revenue



PAT (Cr) and PAT Margin (%)

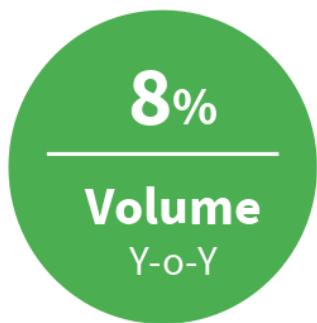


Capital Employed (Cr)



QUARTERLY HIGHLIGHTS - Q2 FY25

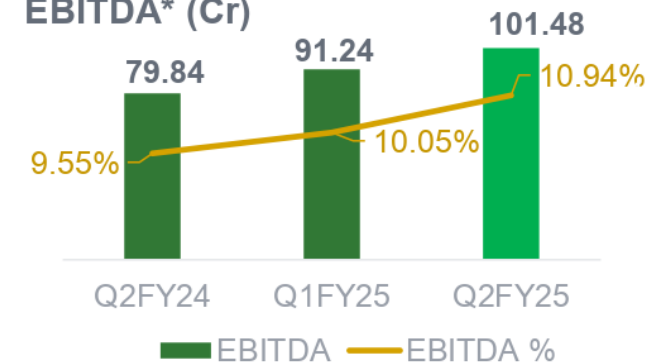
Breaking Barriers - VISION 2028



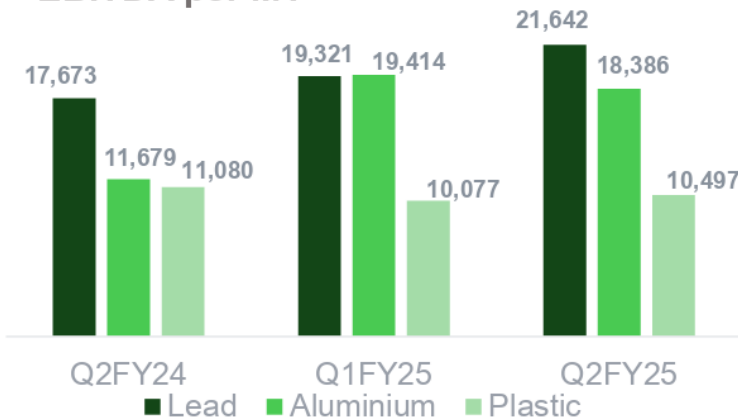
REVENUE (Cr)



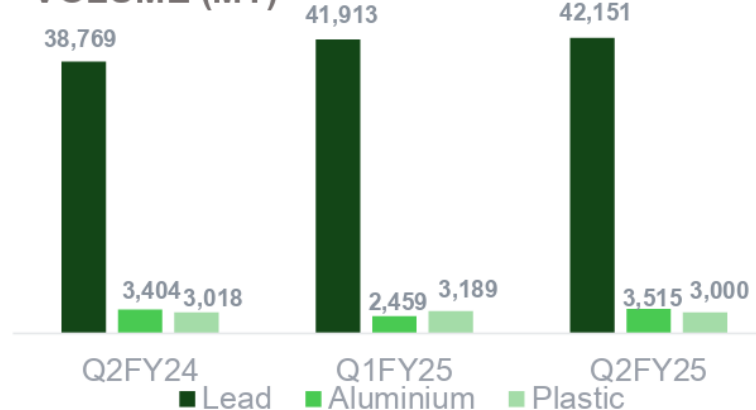
EBITDA* (Cr)



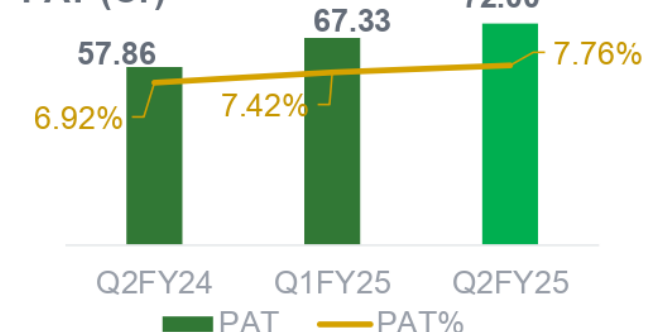
EBITDA per MT



VOLUME (MT)



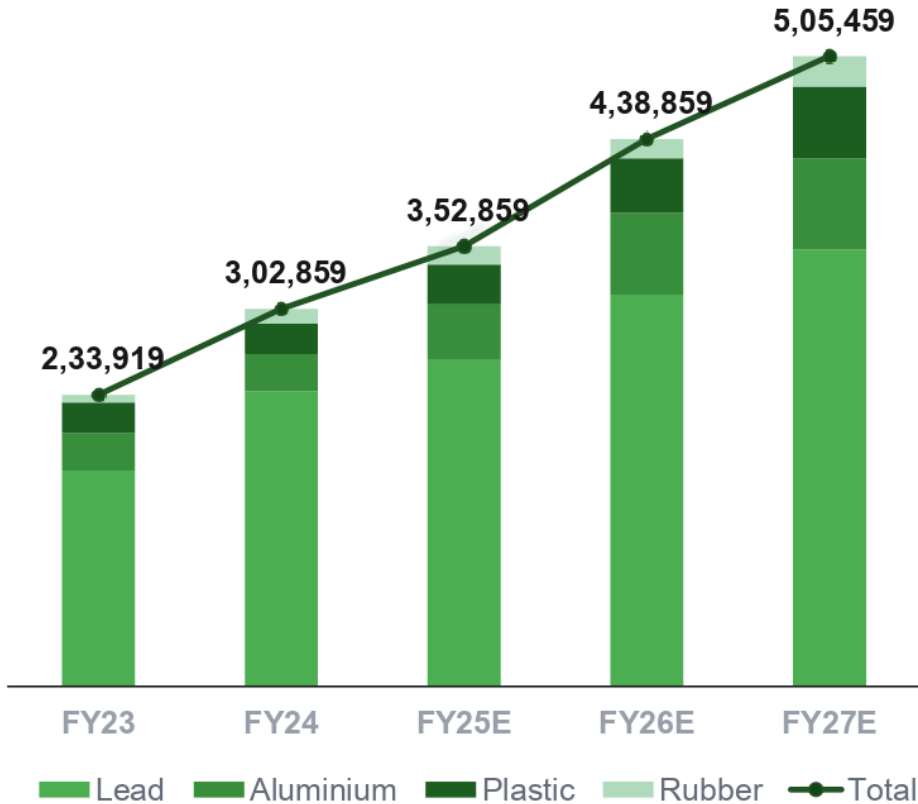
PAT (Cr)



*EBITDA after adjustment of income/loss from Currency & Metal hedging

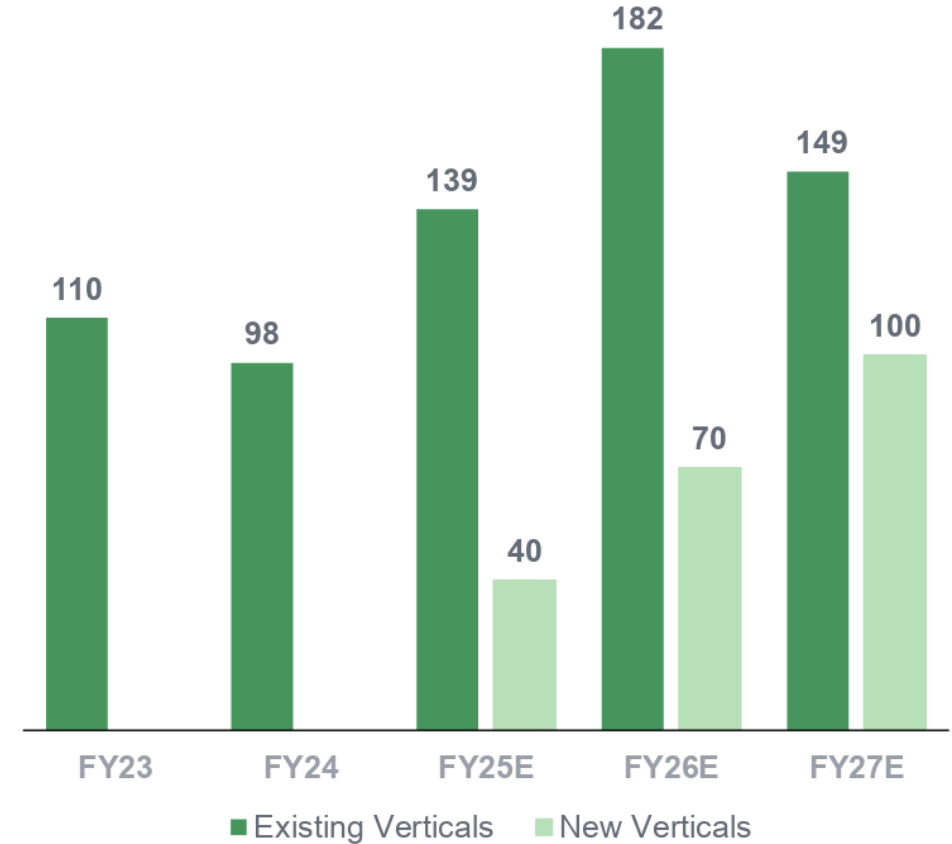
Capacity Expansion & CAPEX over the Years

Capacity (MT)



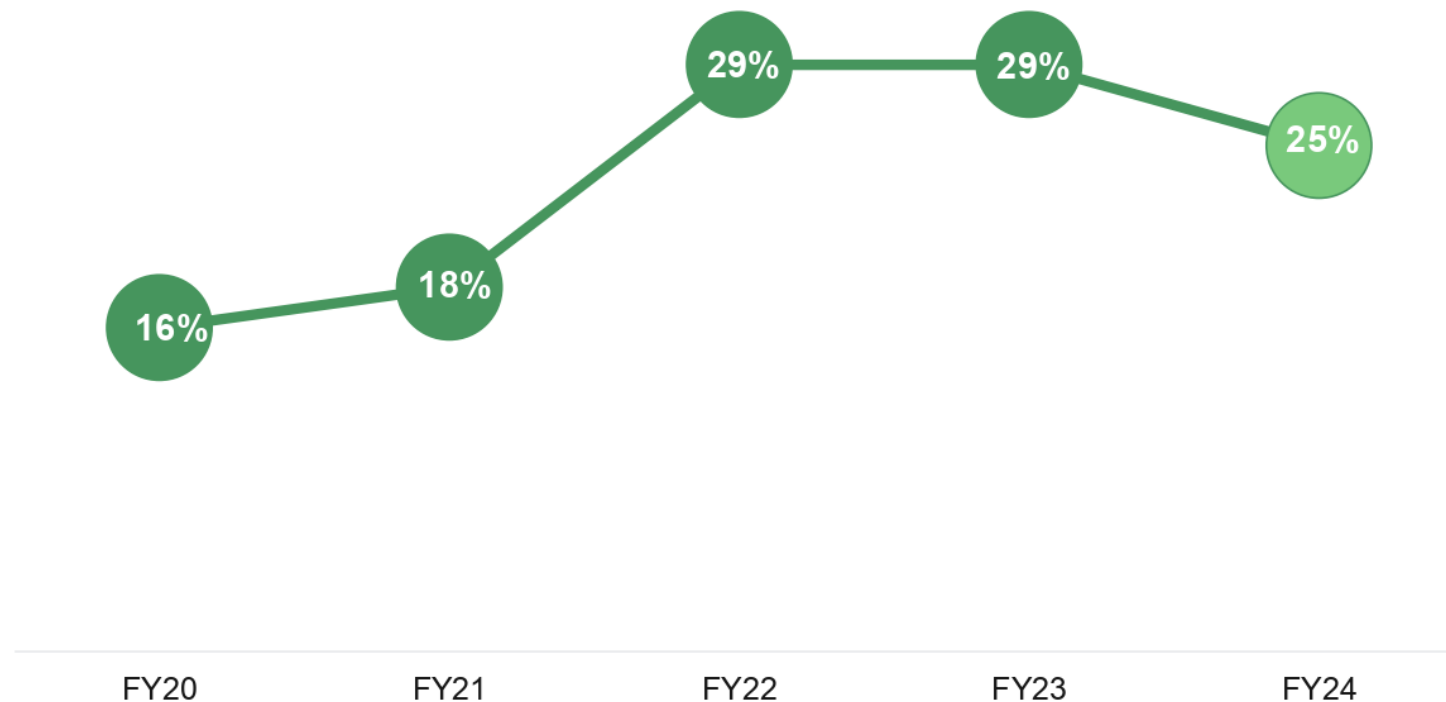
5,00,000+ MTPA Capacity planned by FY 2027

CAPEX (Rs Cr.)



Rs. 600+ Cr Capex planned by FY 2027

RETURN ON CAPITAL EMPLOYED



*on Average Capital Employed

Target ROCE **25% +**
Consolidated

Drivers of ROCE

- Improving industry dynamics
- Resultant reduction in working capital
- Improving demand-supply
- Value added products

Capital Allocation policy for new projects

• **3 Years**
Maximum Payback period

• **25% +**
ROCE

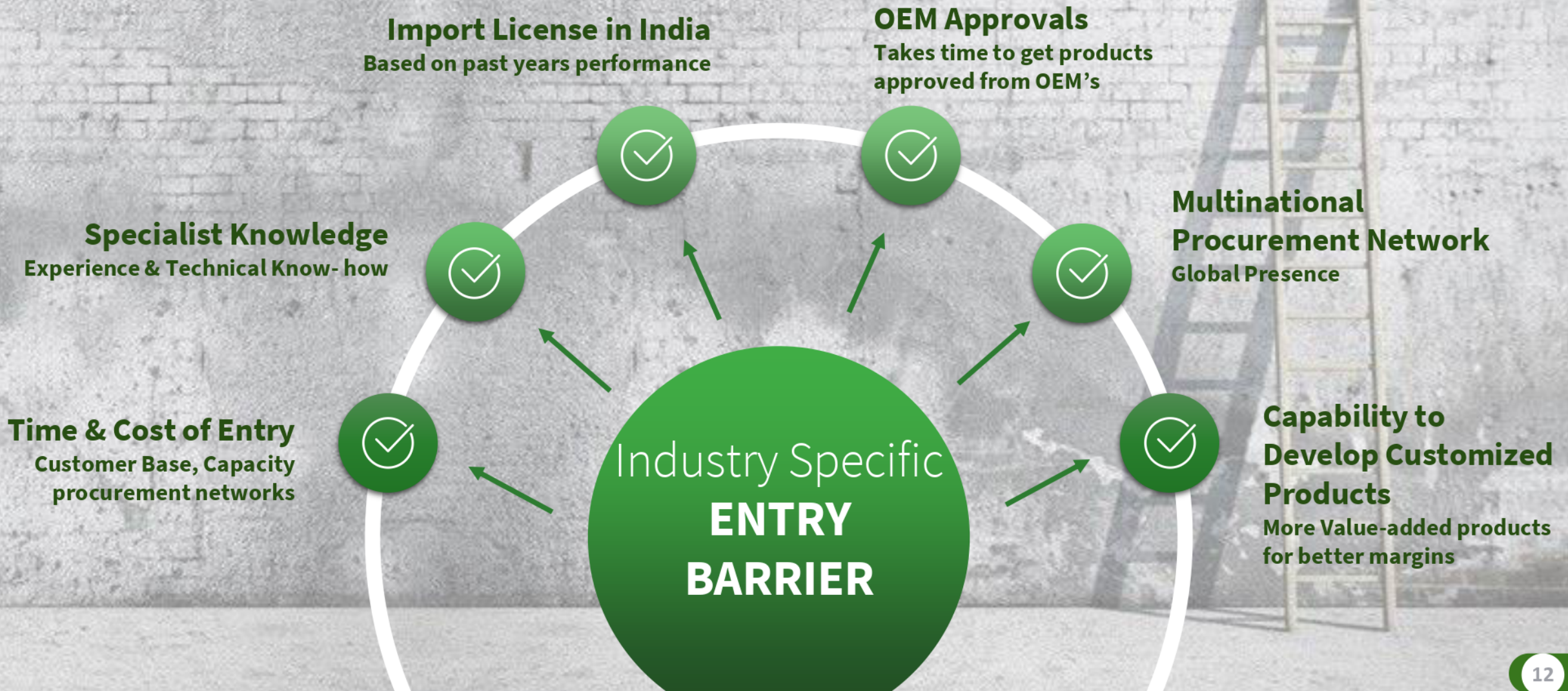
• **8+**
Asset turns

Leveraging existing **GRAVITA'S STRENGTHS**

Our Entry into new verticals is based on proven, existing Gravita's Strengths.

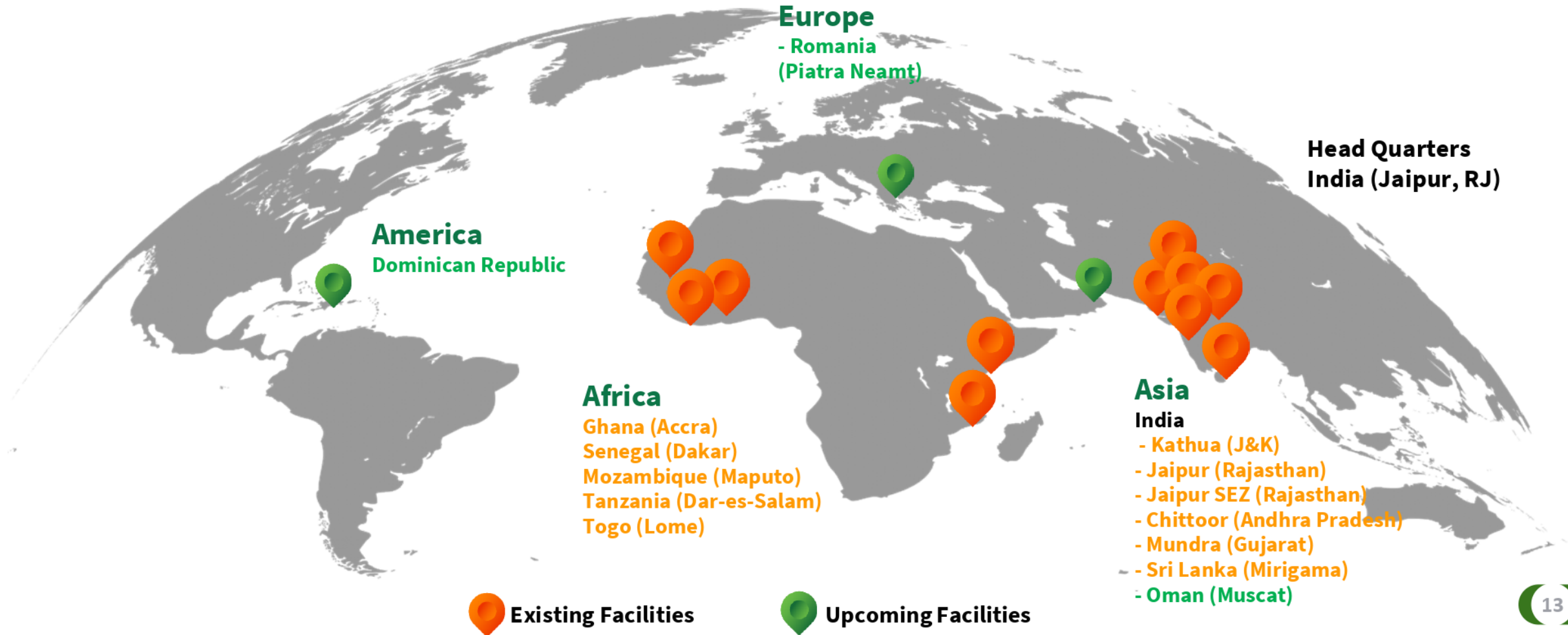


Barriers to Entry



GLOBAL & PAN INDIA Operations

- Global spread helps reduce logistics costs and procure material cheaper.
- Start small > grow volumes > establish new plants close to procurement sources.
- Increased flexibility in recycling closest to raw material access and consuming markets.



Deep Routed **PROCUREMENT NETWORK**

31

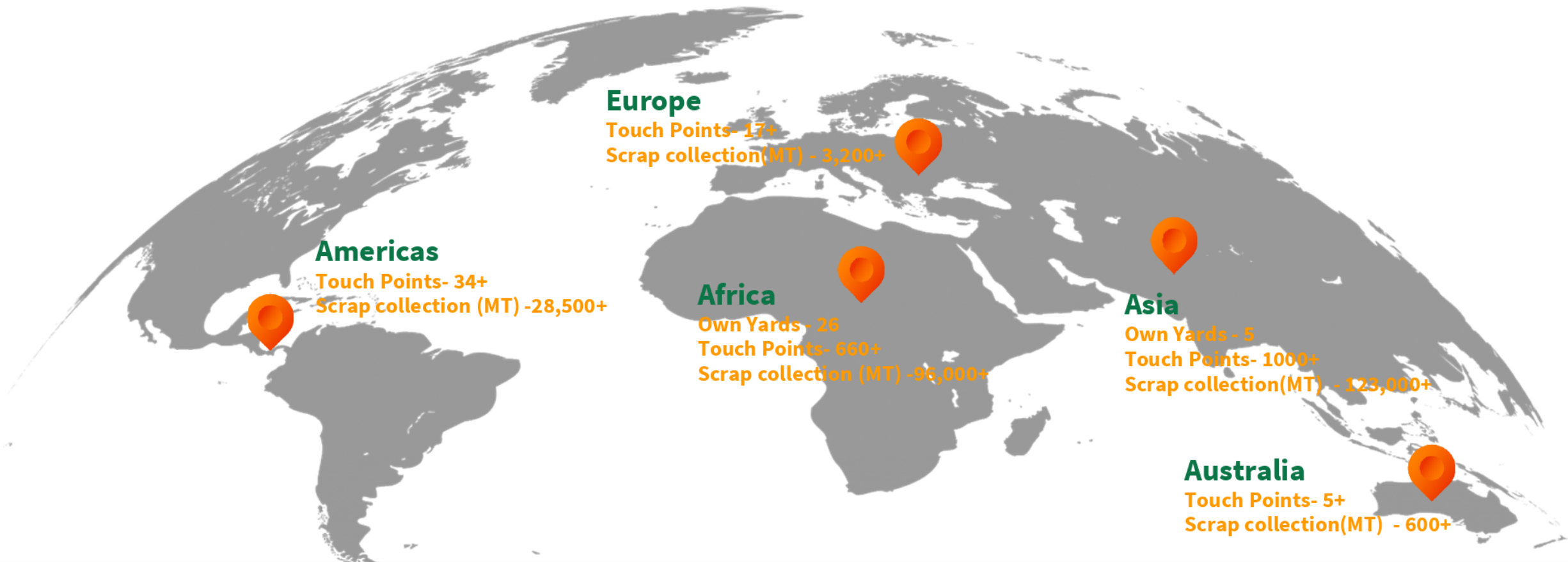
Own yards

1700+

Touch points

2,50,000 MT+

Scrap collection



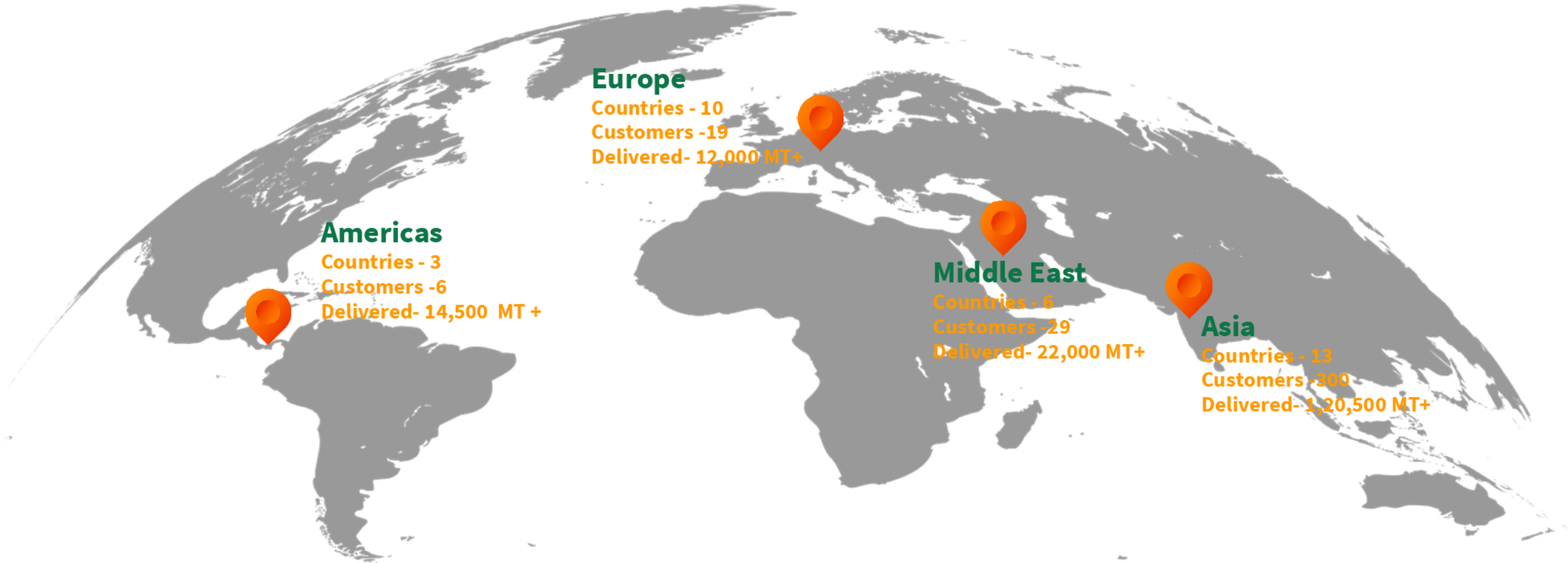
Deep presence in Asia , Africa , Middle East, Europe & America ensures raw material at competitive prices

Diversified **CUSTOMER NETWORK - GLOBAL**

32 +
Countries

350 +
Customers

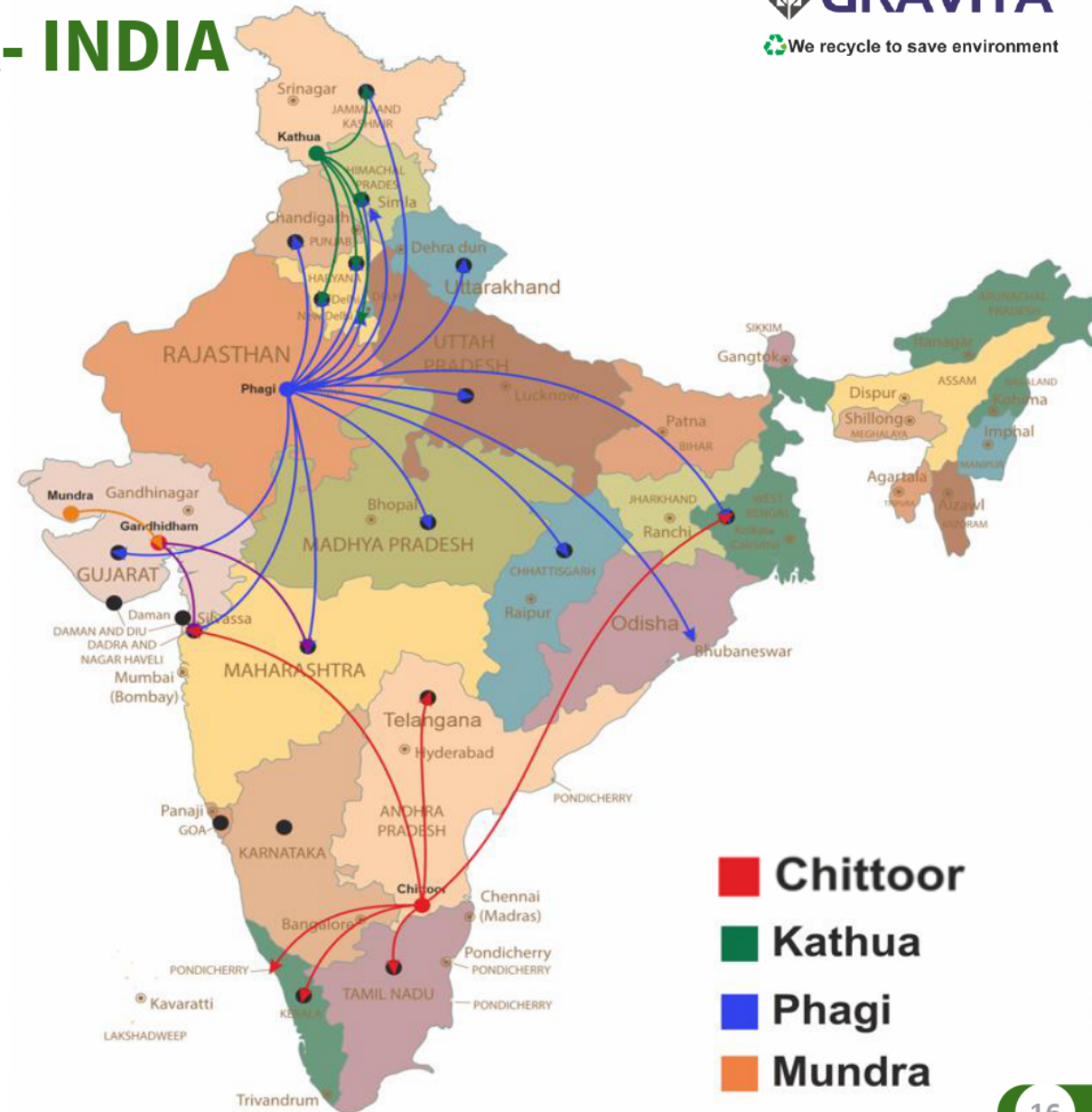
1,69,000 MT +
Recycled products delivered



Diversified **CUSTOMER NETWORK- INDIA**

Gravita with pan India presence enjoys the logistic benefits by serving :

- **240+** domestic customers in 22 states in India
- **125+** overseas customers in 36 countries.



OPERATIONAL EXCELLENCE



4
Recycling
Verticals

11
Recycling
Plants

1700+
Touch Points
Globally

47%
Customized &
Value added
products

2.91Lac+
MT Production
Capacity*

68%
Capacity
Utilization

30%
Overseas
Capacity*

2.50 Lac+
MT Scrap
Collection

ILA
India's only
Accredited
Plants

60000 MT+
Healthy
Orderbook

* As on 21st Oct 2024

OUR PARTNERS

(Strong Partnering Capability)



TURNKEY SOLUTIONS for Recycling



ROBUST MANAGEMENT & focus on Human Capital



Rajat Agrawal
Managing Director



Yogesh Malhotra
Whole Time Director & CEO



Sunil Kansal
Whole Time Director & CFO



Vijay Pareek
Executive Director*



Naveen Sharma
Executive Director*



Rajeev Surana
Executive Director*



Ajay Thapliyal
Executive Director*



28 Yrs +
Avg Management Experience
in diversified Industries



100%
Employees covered under
incentive schemes



36 Yrs
Average Employee Age



650 +
Employees



200+
Professionals
(CA's, MBA's, Engineers)



5 Yrs
Average Employee
Association



16 Yrs
Average Management
Association



4 rounds
ESOP's

CUSTOMIZED AND VALUE-ADDED PRODUCTS



Customized Lead Alloys



Lead Sheets



Lead Bricks



Red Lead



Lead Oxide



Customized Aluminium Alloys



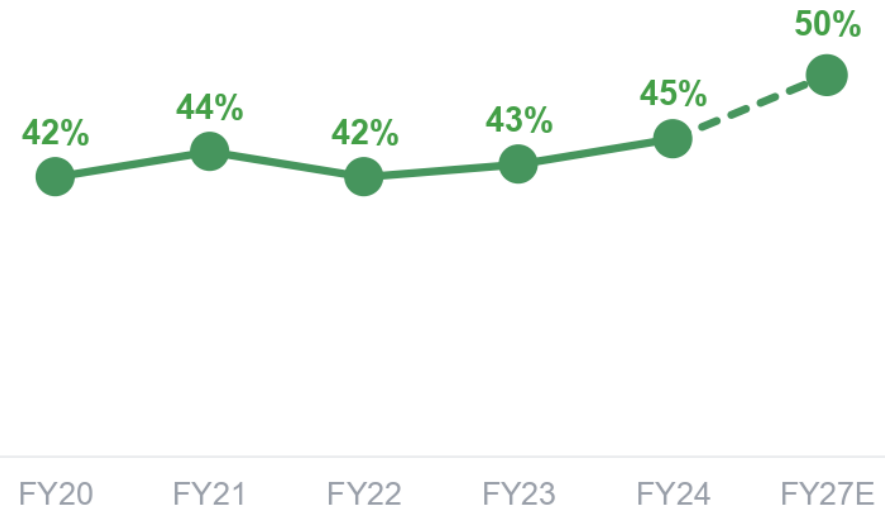
Plastic Granules



Pet Flakes - Food grade

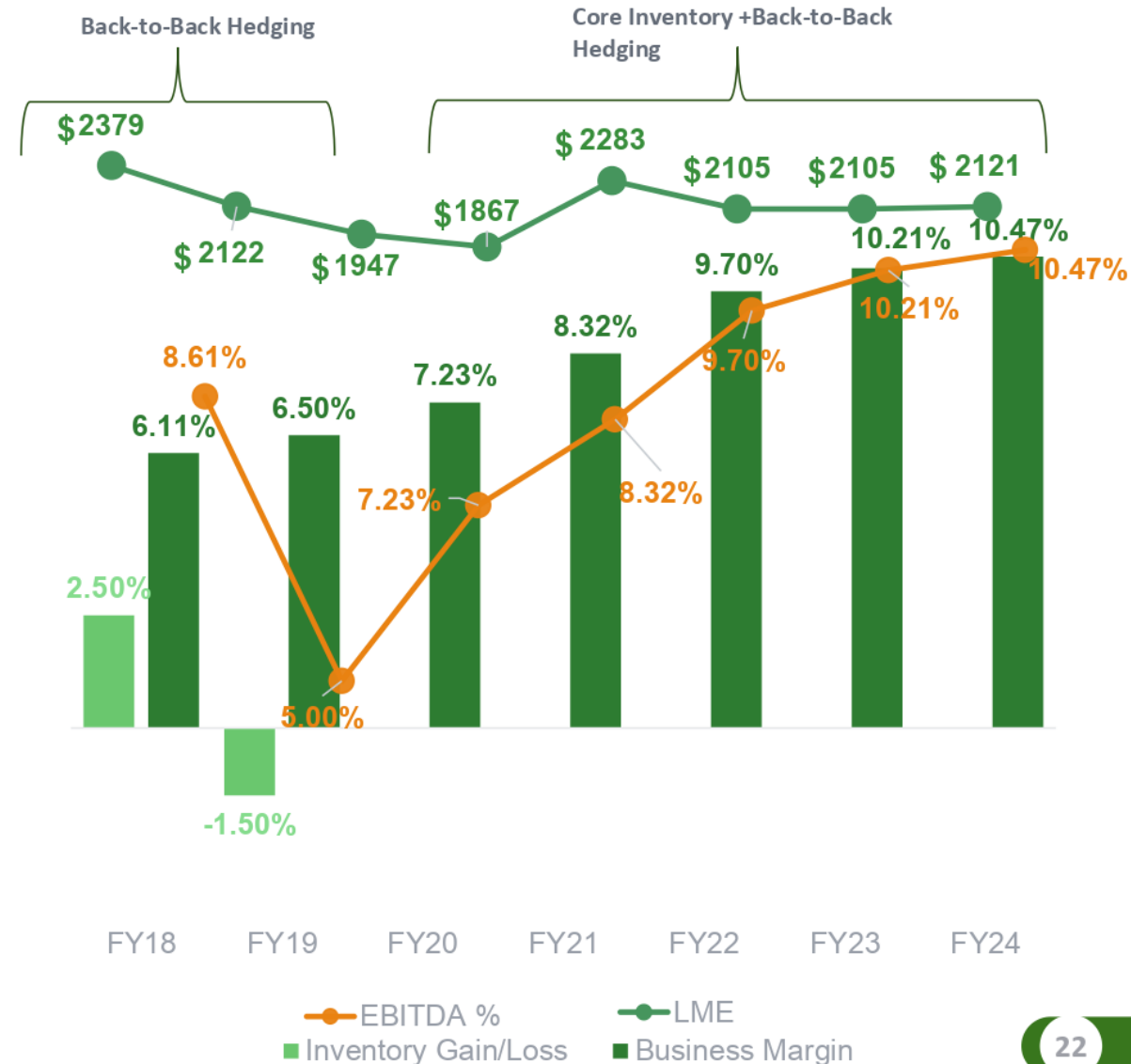
Our Capability to produce customized and value-added products for diversified customer segments gives us better contributions and larger pie of customer's product mix.

Value Added Products % in revenue

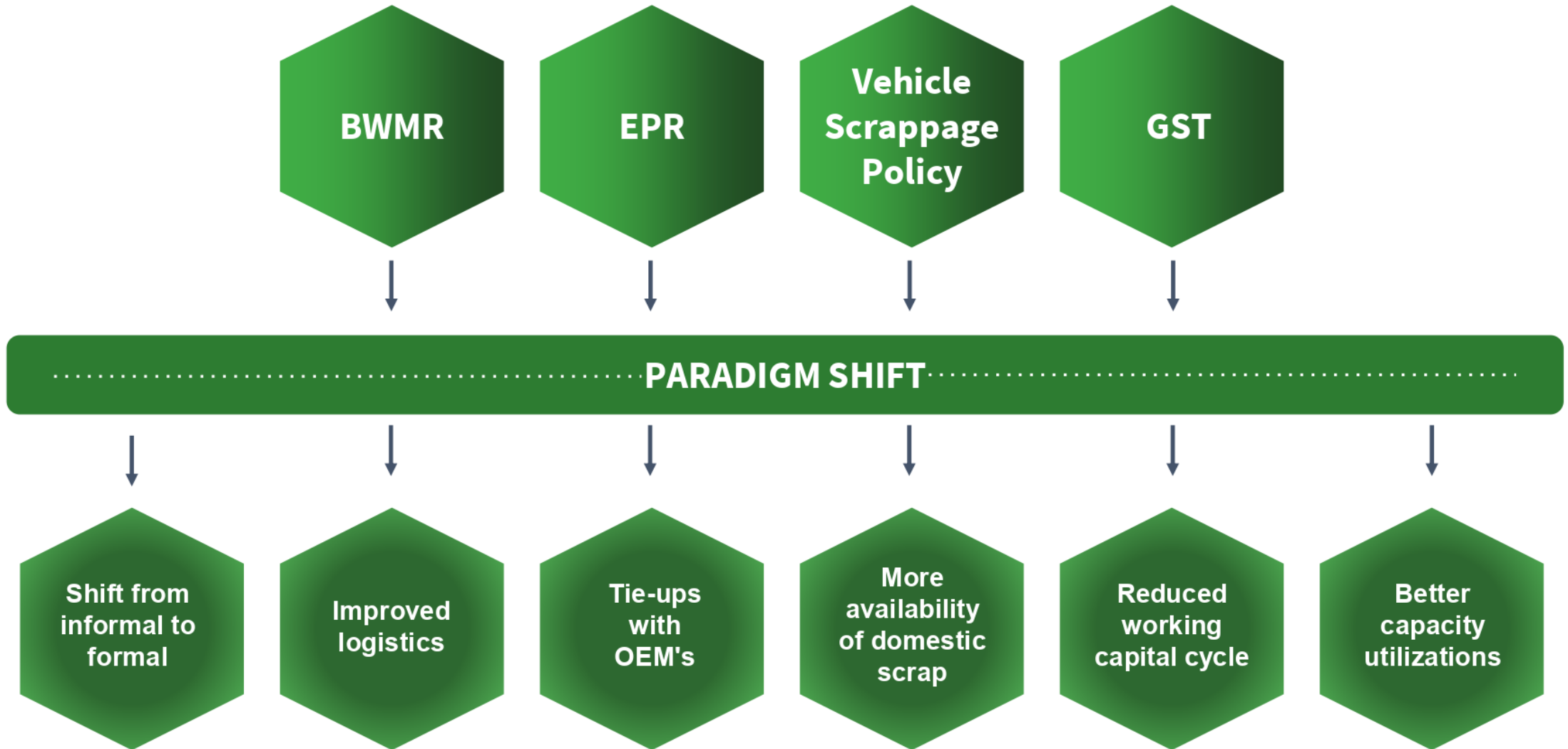


Risk Mitigation by **BACK-TO-BACK HEDGING** mechanism

- To mitigate the risk of commodity prices fluctuation from June. 2016
 - Metal equivalent of the scrap bought, is sold on the same day
 - Pricing against Customer contracts – Natural Hedging
 - Forward Contracts on LME Exchange for balance quantity - till final sale to customer
 - Core inventory was not part of back-to-back hedging
- Gravita started **hedging of core inventory** also in June 2019 by taking a forward contact on LME Exchange.
- June 2019 onwards Gravita is enjoys stable margins and is not affected by the commodity price fluctuations



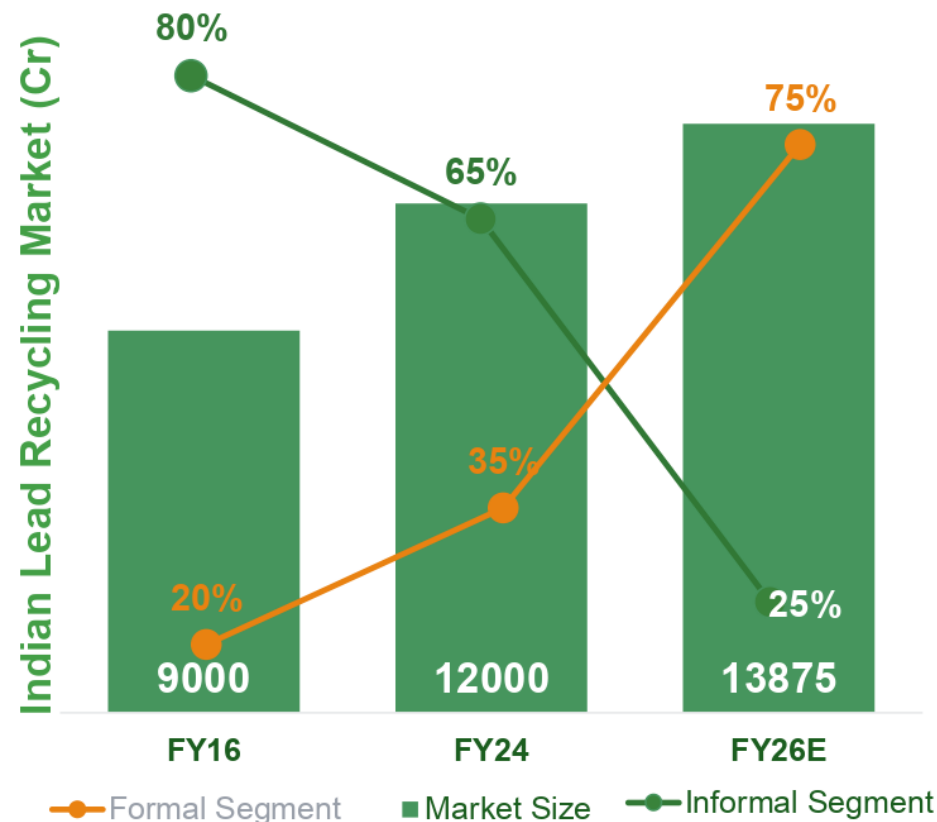
Improving **MARKET DYNAMICS IN RECYCLING** - Paradigm Shift



Shift from **INFORMAL TO FORMAL**

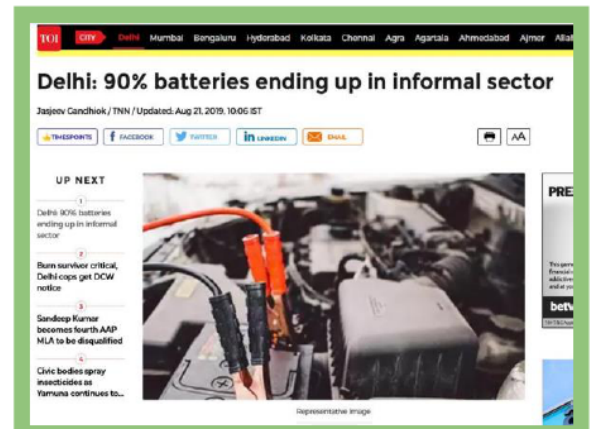
With redefining of Battery Waste Management Rules (BWMR), Extended producers responsibility (EPR) and stricter implementation of GST, the scrap availability for formal recycling sector has increased and is further expected to grow.

Informal Lead recycling trend in India



*Source - Management estimate

Gravita having Pan India presence and association with OEM's will benefit the most from this shift



Sustainable Circular **Business Model**



Deriving Value from Waste through Modern Recycling and Recovery



Recycled Products
• Lead – 148,500 MT
• Aluminium – 10,800 MT
• Plastics – 8,500 MT
• Tyre Oil- 3,097 KL

Conserving Nature
• Zero usage of HFO in operations
• 4% reduction in water intensity (0.43 Vs 0.41 KL/MT)

Alternate Energy Source – Solar*
• 27% jump in RE power generation (YoY)
• 11 Lakh units of RE power generated in H1
• Commissioned ~1.6 MwP solar in Ghana & Mundra

Clean Technology Initiatives
• Pilot project for electric refining furnace
• Oxygen trials in smelting to improve energy efficiency

* As on 30.09.24

Aiming to make Holistic & Meaningful Contributions to Society

4

Rounds of
ESOPs

Zero fatalities for H1 FY25
88% increase in incident
reporting through safety
awareness

100% Health insurance coverage
for employees

~7.1%

Women
Employees

Fire fighting system
commissioned in Senegal &
Tanzania

Gurukul platform with 3000+ skill
enhancement courses

~1.5 Cr

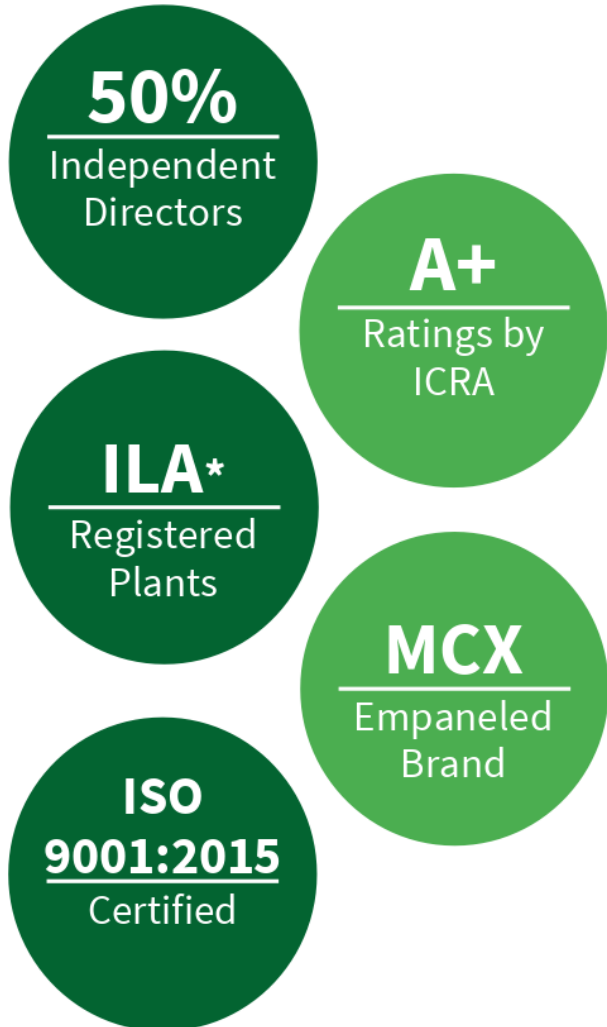
CSR Spend

Women employees increased
from 6.4% to 7.1%

ISO 9001:2015 certification for
Senegal & Togo operations

**ISO
45001:2018**
Certified

Weaving a Culture Rich in Ethics, Accountability and Transparency



Board Composition

- 50% Independent Directors on Board

Zero Ethical Breaches

- Zero complaints of ethical breaches and non-compliance with statutory requirements across our plants.

Achievements

- Recognized as a 4-star Export House by the Government of India.
- MCX empaneled brand for refined Lead.

Executive Compensation Policy








- Compensation for Directors, KMP, and Senior Management are designed to strike balance between fixed and incentive-based components to drive business growth

Detailed Disclosures

- All key Policies, Decisions, Related Party Transactions, Certifications and other material information is promptly disclosed in all public documents
- First time responded to CDP Climate Ratings









Environment, Social, Governance **ROADMAP**

Our ESG roadmap is the guide for an effective integration of our ESG priorities into the company's strategy & decision-making process

	Key Area	Performance Indicator	Short Term Targets (FY27)
	Energy	Energy Intensity	10% reduction
	RE Power	RE Power Usage	30% of total power usage
	GHG emissions (scope 3)	Scope 3 emissions	Scope 3 emissions reporting
	Water Management	Water Intensity	10% Reduction
	Waste Management	Waste Utilization	10% Utilization
	Safety	ISO 45001 Framework	100% implementation across group
	Quality	Customer Rejection	10% reduction

Environment, Social, Governance **ROADMAP**





Key ESG Targets sets by Gravita India with timelines

Key Area	Performance Indicator	Mid term Targets (FY34)
 Energy	Energy Intensity	20% Reduction
 RE Power	RE Power Usage	50% RE power usage
 GHG emissions (scope 3)	Scope 3 emissions	Strategy and execution for scope 3 reduction
 Water Management	Water Intensity	25% Reduction, Water Neutrality for India operations
 Waste Management	Waste Utilization	Partnership for waste utilization
 Safety	LTIFR	50% reduction
 Quality	Customer Rejection	Zero customer rejection on quality performance
 Gender Diversity	% Women employees	100% improvement

Base Year: FY24, for Safety Base year is FY26

Environment, Social, Governance **ROADMAP**

Key ESG Targets sets by Gravita India with timelines

Key Area	Performance Indicator	Long Term Targets (FY50)
 GHG Emissions (Scope 1+2)	Emissions reduction	Net Zero emissions
 Water Management	Water Neutrality	Water Neutrality for Gravita Group by 2040
 Waste Management	Waste Utilization	Zero waste to Landfill for India (2040) Zero Waste to Landfill for Gravita group (2050)
 Safety	Health & Safety framework	Best In class Health & Safety framework implementation

For detailed view of ESG roadmap, please refer ESG section of our website www.gravitaindia.com

Thank You

SAVE THE PLANET

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