

26<sup>th</sup> June, 2020

To,

**The BSE Limited**  
**Phiroze Jeejeebhoy Towers**  
**Dalal Street Mumbai- 400 001**  
**Fax No. : 022-22722041**  
**Scrip 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.: 022-26598237/38**  
**Company Code- GRAVITA**

**Subject: Intimation under Regulation 30 of SEBI (LODR) Regulation, 2015**

Dear Sir/Madam

In Compliance of Regulation 30 of Schedule III of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we submit herewith the Investor Presentation on the Audited Financial Statements of the company for the quarter and year ended 31<sup>st</sup> March, 2020.

For Gravita India Limited

  
**Nitin Gupta**  
**(Company Secretary)**  
**FCS-9984**





# EARNINGS PRESENTATION

FY20 / Q4-FY20



RECYCLING  
FOR A BETTER  
TOMORROW



# Executive Summary

- Incorporated in 1992, Gravita India Ltd. (Gravita) is engaged in recycling of Used Lead Acid Batteries, Cable Scrap / other Lead Scrap, Aluminum Scrap and Plastic Scrap etc.
- Gravita has 13 strategically located recycling facilities in Asia, Africa and Central America with a capacity of 121,819 MTPA for Lead, 19,200 MTPA for Aluminium and 26,400 MTPA for Plastic as on Q4-FY20.
- Gravita has a unique deep routed global scrap collection network which helps it to collect scrap globally at competitive prices.
- The recycled products such as Pure Lead, Lead Alloys, Lead Powder, Oxides, Aluminium Alloys, PP Granules, PET Flakes are sold to domestic and international customers.
- Gravita is a public listed recycling company with Market Capitalization of around INR 2,340 Mn as on 31<sup>st</sup> March 2020.

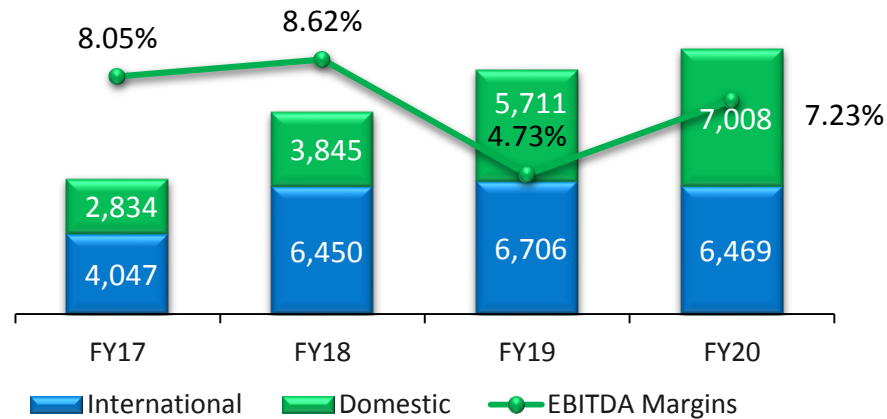


# COMPANY OVERVIEW

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# Company Overview



- Gravita India Ltd. (Gravita) is a leading global non-ferrous secondary metal and one of India’s largest secondary Lead metal producing company.
- A vertically integrated business, economies of scale and a diversified team of professionals enable it to deliver quality products globally and catering to automobile, power storage and green energy sectors.
- Gravita also provides turn-key Solutions to Battery Recycling Industry including Lead Rotary Furnace, Lead Refining Pots, Alloying Furnace, Pollution and Fugitive Emission Control Equipment, Battery Cutting Machine, Battery Crushing & Hydro separation System etc.



The company has a unique deep routed scrap collection network globally which helps it to collect scrap at competitive prices .



Gravita has 13 state-of-the-art recycling facility in Asia (7), Africa (4) and Central America (2), which are near to scrap generation centers and end use markets.



It provides diversified product range for variety of applications and trusted by customers in over 60 countries, globally. Above 54% revenue flows from overseas market.

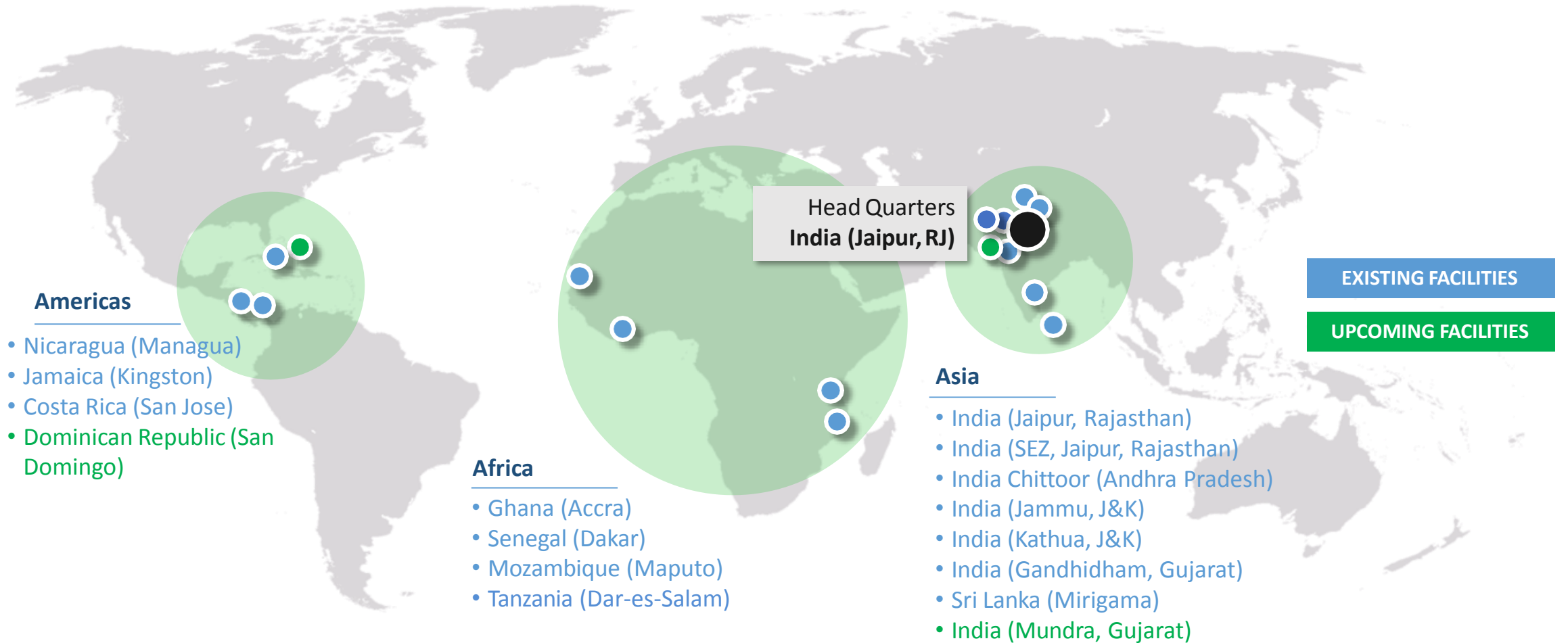


Gravita’s consolidated revenue from operations grew from INR 4,513 Mn in FY16 to INR 12,417 Mn in FY19, resembling a CAGR of 40%.



Gravita practices highest level of Corporate Governance as a key driver of sustainable corporate growth and long-term stakeholder value creation.

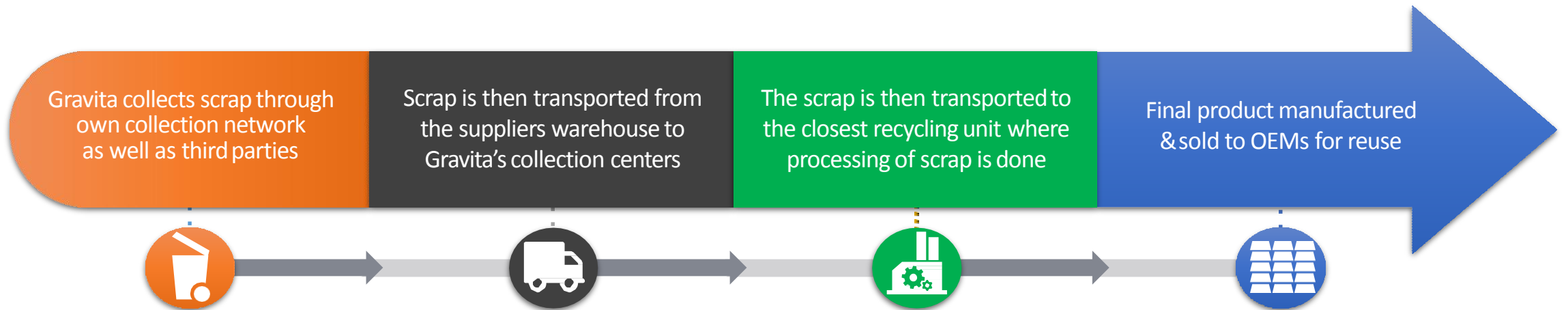
# Geographical Presence



# Scrap Collection

## OVERVIEW

- ❖ The main raw materials used for production includes Used Lead Acid Batteries (ULAB), Other Lead Scrap, Aluminium Scrap and Plastic Scrap.
- ❖ The company collects scrap from more than 20 countries including own scrap collection centers in more than 10 countries.
- ❖ These raw materials are mainly sourced from Asia, Middle East, Africa and Central America etc. at competitive prices.
- ❖ Gravita collects domestic scrap from various large corporate clients in India such as Airtel, Vodafone, Indus Tower, TCS, Nextra Data, Sukam etc.
- ❖ Gravita has entered into back to back buying of scrap from battery recycling companies like Amara Raja Batteries and HBL Power Systems and selling of recycled goods to them.
- ❖ In FY20, company collected 80% of the scrap from the International market and 20% from Indian market.





# **Q4-FY20/FY20 FINANCIALS HIGHLIGHTS**

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# FY20/Q4-FY20 Financial Highlights

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## ☐ Q4-FY20 Financial Highlights (Consolidated)

- Operational Revenue : INR 3,793 Mn
- EBITDA : INR 289 Mn
- EBITDA Margin : 7.62%
- Net Profit : INR 135 Mn
- PAT Margin : 3.56%
- Diluted EPS : INR 1.83

## ☐ Q4-FY20 Financial Highlights (Standalone)

- Operational Revenue : INR 3,319 Mn
- EBITDA : INR 123 Mn
- EBITDA Margin : 3.71%
- Net Profit : INR 51 Mn
- PAT Margin : 1.54%
- Diluted EPS : INR 0.73

## ☐ FY20 Financial Highlights (Consolidated)

- Operational Revenue : INR 13,478 Mn
- EBITDA : INR 974 Mn
- EBITDA Margin : 7.23%
- Net Profit : INR 366 Mn
- PAT Margin : 2.72%
- Diluted EPS : INR 4.82

## ☐ FY20 Financial Highlights (Standalone)

- Operational Revenue : INR 11,724 Mn
- EBITDA : INR 623 Mn
- EBITDA Margin : 5.31%
- Net Profit : INR 224 Mn
- PAT Margin : 1.91%
- Diluted EPS : INR 3.25

# Operational Highlights

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- In Q4 FY 2020, Consolidated Net Profit increased YoY due to efficient working of manufacturing facilities based in Africa. Additionally, sales volume also increased by 48% in Lead and 34% in Aluminum division.
- During F.Y. 2020, Operational efficiency, product – market mix and capacity optimization led to improved profit margins.
- During the year, company started Lead recycling facility in Ghana and Lead & Aluminum recycling facilities in Tanzania.
- During the year, the sales volume of Lead division has increased by 19% coupled with 18% increase in Lead production. Additionally there was 71% increase in sales volume of Lead Alloys and 77% increase in sales volume of Value-Added Products which resulted in better margins.
- The company hedged both buying and selling in Lead on 100% basis and also hedged its inventory due to which company has been able to maintain stable margins despite of 8% fall in Lead metal prices.

## Sales Quantity in Q4-FY20:

- Lead – 22,397 MT
- Aluminum – 2,534 MT
- Plastic – 3,104 MT

## Road Ahead

The company plans to focus on strengthening its procurement network globally to avail increased volumes of local scrap at cheaper prices. Additionally, company is focusing on improving its profitability by increasing the percentage of Value-Added Products in its sales mix wherein the company enjoys higher margins.

# Covid-19 Impact

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- In compliance with the directions issued by the Government of India, the company had suspended operations at all the offices and manufacturing locations in India with effect from 24<sup>th</sup> March, 2020 to ensure the safety of our employees and their families and to contain the spread of Coronavirus (Covid-19);
- The company was granted permission to partially run our plants, located at Jaipur, Rajasthan, Gandhidham, Gujarat and Chittoor, Andhra Pradesh. In view of the same, the company had resumed partial operations at its above mentioned manufacturing units from 21<sup>st</sup> April, 2020;
- The company subsequently resumed its operations at all the manufacturing units situated in India from 04 May, 2020 in accordance with the formal permissions from concerned government authorities.
- The company has put in place requisite safety measure for employees, workers etc. at its all plant locations in line with the guidelines/instructions/advisories already issued by Central/ State Governments to prevent spread of Covid-19. It will comply with all the guidelines/instructions/advisories which may be issued by the Central/State Government from time to time to help fight the spread of Coronavirus (Covid-19) pandemic.
- The company is fully prepared to cater the needs of the customers and to manage its production in an effective manner. The operations of the company are running smoothly but it is very early to assess the future impact of Covid-19 with reasonable certainty. There is some impact on the company's performance in terms of volume due to the hindrance in the supply chain that has impacted the operations & execution of the business. With the opening of domestic market, we expect business to improve gradually.

# Q4-FY20 Standalone Income Statement (IND-AS)

Particulars (INR Mn)	Q4-FY20	Q3-FY20	Q-o-Q	Q4-FY19	Y-o-Y
<b>Operational Income</b>	<b>3,319</b>	<b>3,255</b>	<b>2.0%</b>	<b>3,119</b>	<b>6.4%</b>
Total Expenses	3,196	3,004	6.4%	2,951	8.3%
<b>EBITDA</b>	<b>123</b>	<b>251</b>	<b>(51.0)%</b>	<b>168</b>	<b>(26.8)%</b>
<b>EBITDA Margin (%)</b>	<b>3.71%</b>	<b>7.71%</b>	<b>(400) Bps</b>	<b>5.39%</b>	<b>(168) Bps</b>
Depreciation	21	22	(4.5)%	19	10.5%
Finance Cost	60	64	(6.3)%	50	20.0%
Other Income	12	6	100.0%	111	(89.2)%
Exceptional Items	38	-	NA	-	NA
<b>PBT</b>	<b>16</b>	<b>171</b>	<b>(90.6)%</b>	<b>210</b>	<b>(92.4)%</b>
Tax	(35)	65	NA	56	NA
<b>Profit After Tax</b>	<b>51</b>	<b>106</b>	<b>(51.9)%</b>	<b>154</b>	<b>(66.9)%</b>
<b>PAT Margin (%)</b>	<b>1.54%</b>	<b>3.26%</b>	<b>(172) Bps</b>	<b>4.94%</b>	<b>(340) Bps</b>
Other Comprehensive Income	(5)	1	NA	(4)	NA
<b>Total Comprehensive Income</b>	<b>46</b>	<b>107</b>	<b>(57.0)%</b>	<b>150</b>	<b>(68.7)%</b>
Diluted EPS (INR)	0.73	1.30	(43.8)%	2.22	(67.1)%

# FY20 Standalone Income Statement (IND-AS)


Particulars (INR Mn)	FY20	FY19	Y-o-Y
<b>Operational Income</b>	<b>11,724</b>	<b>10,594</b>	<b>10.7%</b>
Total Expenses	11,101	10,198	8.9%
<b>EBITDA</b>	<b>623</b>	<b>396</b>	<b>57.3%</b>
<b>EBITDA Margin (%)</b>	<b>5.31%</b>	<b>3.74%</b>	<b>157 Bps</b>
Depreciation	86	68	26.5%
Finance Cost	245	208	17.8%
Other Income	28	121	(76.9)%
Exceptional Items	38	-	NA
<b>PBT</b>	<b>282</b>	<b>241</b>	<b>17.0%</b>
Tax	58	51	13.7%
<b>Profit After Tax</b>	<b>224</b>	<b>190</b>	<b>17.9%</b>
<b>PAT Margin (%)</b>	<b>1.91%</b>	<b>1.79%</b>	<b>12 Bps</b>
Other Comprehensive Income	(5)	(1)	NA
<b>Total Comprehensive Income</b>	<b>219</b>	<b>189</b>	<b>15.9%</b>
Diluted EPS (INR)	3.25	2.75	18.2%

# Q4-FY20 Consolidated Income Statement (IND-AS)

Particulars (INR Mn)	Q4-FY20	Q3-FY20	Q-o-Q	Q4-FY19	Y-o-Y
<b>Operational Income</b>	<b>3,793</b>	<b>3,765</b>	<b>0.7%</b>	<b>3,390</b>	<b>11.9%</b>
Total Expenses	3,504	3,437	1.9%	3,274	7.0%
<b>EBITDA</b>	<b>289</b>	<b>328</b>	<b>(11.9)%</b>	<b>116</b>	<b>249.0%</b>
<b>EBITDA Margin (%)</b>	<b>7.62%</b>	<b>8.71%</b>	<b>(109) Bps</b>	<b>3.42%</b>	<b>420 Bps</b>
Depreciation	45	49	(8.2)%	32	40.6%
Finance Cost	68	74	(8.1)%	59	15.3%
Other Income	(1)	4	NA	47	NA
Exceptional Item	(52)	-	NA	-	NA
<b>PBT</b>	<b>123</b>	<b>209</b>	<b>(41.1)%</b>	<b>72</b>	<b>70.8%</b>
Tax	(12)	77	NA	72	NA
<b>Profit After Tax</b>	<b>135</b>	<b>132</b>	<b>3.0%</b>	<b>0</b>	<b>NA</b>
<b>PAT Margin (%)</b>	<b>3.56%</b>	<b>3.51%</b>	<b>5 Bps</b>	<b>-</b>	<b>NA</b>
Other Comprehensive Income	7	5	40.0%	(5)	NA
<b>Total Comprehensive Income</b>	<b>142</b>	<b>137</b>	<b>3.6%</b>	<b>(5)</b>	<b>NA</b>
Diluted EPS (INR)	1.83	1.54	18.8%	(0.08)	NA

# FY20 Consolidated Income Statement (IND-AS)

Particulars (INR Mn)	FY20	FY19	Y-o-Y
<b>Operational Income</b>	<b>13,478</b>	<b>12,417</b>	<b>8.5%</b>
Total Expenses	12,504	11,830	5.7%
<b>EBITDA</b>	<b>974</b>	<b>587</b>	<b>65.9%</b>
<b>EBITDA Margin (%)</b>	<b>7.23%</b>	<b>4.73%</b>	<b>250 Bps</b>
Depreciation	181	116	56.0%
Finance Cost	282	230	22.6%
Other Income	10	55	(81.8)%
Exceptional Items	52	-	-
<b>PBT</b>	<b>469</b>	<b>296</b>	<b>58.4%</b>
Tax	103	102	1.0%
<b>Profit After Tax</b>	<b>366</b>	<b>194</b>	<b>88.6%</b>
<b>PAT Margin (%)</b>	<b>2.72%</b>	<b>1.56%</b>	<b>116 Bps</b>
Other Comprehensive Income	21	6	NA
<b>Total Comprehensive Income</b>	<b>387</b>	<b>200</b>	<b>93.5%</b>
Diluted EPS (INR)	4.82	2.25	NA



# **HISTORICAL FINANCIAL OVERVIEW**

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# Standalone Income Statement (IND-AS)

Particulars (INR Mn)	FY18	FY19	FY20
<b>Operational Income</b>	<b>7,966</b>	<b>10,594</b>	<b>11,724</b>
Total Expenses	7,407	10,198	11,101
<b>EBITDA</b>	<b>559</b>	<b>396</b>	<b>623</b>
<b>EBITDA Margin (%)</b>	<b>7.02%</b>	<b>3.74%</b>	<b>5.31%</b>
Depreciation	49	68	86
Finance Cost	160	208	245
Other Income	13	121	28
Exceptional Items			38
<b>PBT</b>	<b>363</b>	<b>241</b>	<b>282</b>
Tax	108	51	58
<b>Profit After Tax</b>	<b>255</b>	<b>190</b>	<b>224</b>
<b>PAT Margin (%)</b>	<b>3.20%</b>	<b>1.79%</b>	<b>1.91%</b>
Other Comprehensive Income	(2)	(1)	(5)
<b>Total Comprehensive Income</b>	<b>253</b>	<b>189</b>	<b>219</b>
<b>Diluted EPS (INR)</b>	<b>3.69</b>	<b>2.75</b>	<b>3.25</b>

# Consolidated Income Statement

Particulars (INR Mn)	FY18	FY19	FY20
<b>Operational Income</b>	<b>10,295</b>	<b>12,417</b>	<b>13,478</b>
Total Expenses	9,408	11,830	12,504
<b>EBITDA</b>	<b>887</b>	<b>587</b>	<b>974</b>
<b>EBITDA Margin (%)</b>	<b>8.62%</b>	<b>4.73%</b>	<b>7.23%</b>
Depreciation	87	116	181
Finance Cost	174	230	282
Other Income	16	55	10
Exceptional Items			52
<b>PBT</b>	<b>642</b>	<b>296</b>	<b>469</b>
Tax	166	102	103
<b>Profit After Tax</b>	<b>476</b>	<b>194</b>	<b>366</b>
<b>PAT Margin (%)</b>	<b>4.62%</b>	<b>1.56%</b>	<b>2.72%</b>
<b>Minority Interest</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other Comprehensive Income	11	6	21
<b>Total Comprehensive Income</b>	<b>487</b>	<b>200</b>	<b>387</b>
Diluted EPS (INR)	6.39	2.25	4.82

# Standalone Balance Sheet

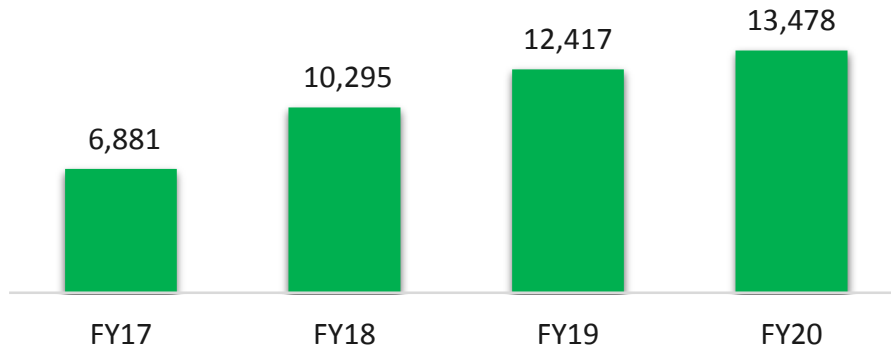
EQUITIES & LIABILITIES (INR Mn)	FY19	FY20	ASSETS (INR Mn)	FY19	FY20
<b>Shareholder Funds</b>	<b>1,494</b>	<b>1,641</b>	<b>Non-current Assets</b>	<b>1,419</b>	<b>1,401</b>
(A) Share Capital	137	138	(A) Property, Plant and Equipment	1,062	1,089
(B) Other Equity	1,357	1,503	(B) Capital work-in-progress	94	28
			(C) Right of use assets	-	80
<b>Non-current Liabilities</b>			(D) Other Intangible assets	9	6
(A) Financial Liabilities	<b>162</b>	<b>364</b>	(E) Financial Asset		
(i) Borrowings	123	300	(i) Investments	143	105
(ii) Lease Liabilities	-	26	(ii) Financial Loans	60	85
(B) Long term Provisions	26	32	(F) Deferred tax assets (net)	-	
(C) Deferred Tax Liability (net)	13	6	(G) Income Tax Assets (net)	-	
			(H) Other non current assets	51	8
<b>Current Liabilities</b>			<b>Current Assets</b>	<b>3,427</b>	<b>3,396</b>
(A) Financial Liabilities	<b>3,190</b>	<b>2,791</b>	(A) Inventories	1,329	1,541
(i) Borrowings	1,949	1,842	(B) Financial Assets		
(ii) Trade Payables	1,078	779	(i) Investments	92	44
(iii) Lease Liabilities		12	(ii) Loans	9	3
(iv) Other	94	131	(iii) Trade receivables	1,067	616
(B) Other Current liabilities	50	19	(iv) Cash & Bank Balances	104	72
(C) Provisions	3	4	(v) Other	104	144
(D) Current tax Liabilities (net)	16	4	(C) Current Tax Assets (net)	6	
			(D) Other Current Assets	716	975
<b>GRAND TOTAL - EQUITIES &amp; LIABILITES</b>	<b>4,846</b>	<b>4,796</b>	<b>GRAND TOTAL – ASSETS</b>	<b>4,846</b>	<b>4,796</b>

# Consolidated Balance Sheet

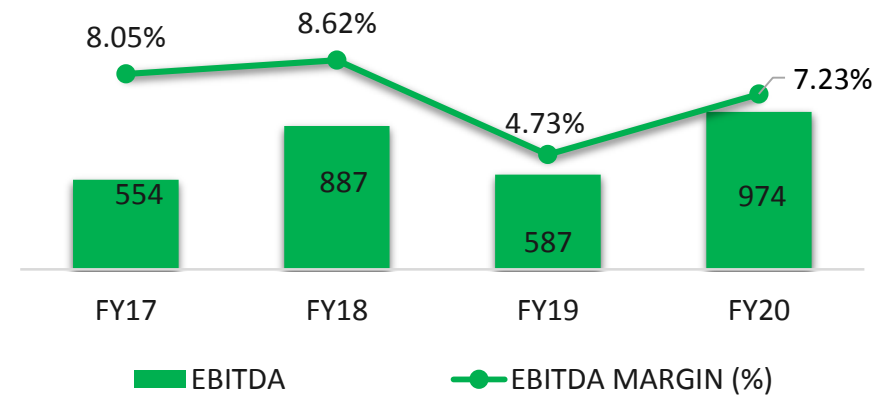
EQUITIES & LIABILITIES (INR Mn)	FY19	FY20	ASSETS (INR Mn)	FY19	FY20
<b>Shareholder Funds</b>	<b>2,040</b>	<b>2,304</b>	<b>Non-current Assets</b>	<b>2,029</b>	<b>2,039</b>
(A) Share Capital	137	138	(A) Property, Plant and Equipment	1,356	1,687
(B) Other Equity	1,856	2,114	(B) Capital work-in-progress	462	147
Non- controlling interest	47	52	(C) Right of use asset		124
			(C) Other Intangible assets	9	6
<b>Non-current Liabilities</b>	<b>338</b>	<b>535</b>	(D) Financial Asset		
(A) Financial Liabilities			(i) Financial Loans	26	29
(i) Borrowings	284	429	(ii) Others Financial Assets	-	-
(ii) Lease liabilities		45	(E) Deferred tax assets (net)	-	-
(B) Long term Provisions	31	41	(F) Income Tax Assets (net)	1	1
(C) Deferred Tax Liability (net)	23	26	(G) Other non current assets	175	45
<b>Current Liabilities</b>			<b>Current Assets</b>	<b>3,696</b>	<b>4,101</b>
(A) Financial Liabilities	<b>3,347</b>	3,193	(A) Inventories	1,826	2,244
(i) Borrowings	2,117	2,123	(B) Financial Assets		
(ii) Trade Payables	982	854	(i) Loans	9	13
(iii) Lease Liability	-	22	(ii) Trade receivables	965	675
(iii) Other	107	194	(iii) Cash & Bank Balances	219	203
(B) Other Current liabilities	101	62	(iv) Other	44	145
(C) Provisions	4	4	(C) Current Tax Assets (net)	8	7
(D) Current tax Liabilities (net)	36	36	(D) Other Current Assets	625	814
<b>GRAND TOTAL – Liabilities</b>	<b>5,725</b>	6,140	<b>GRAND TOTAL – ASSETS</b>	<b>5,725</b>	<b>6,140</b>

# Financial Highlights (Consolidated)

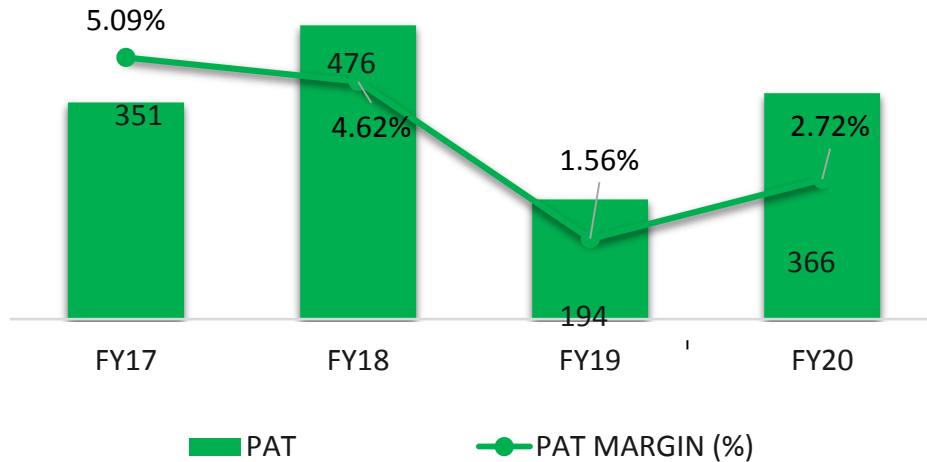
Operational Revenue (INR Mn)



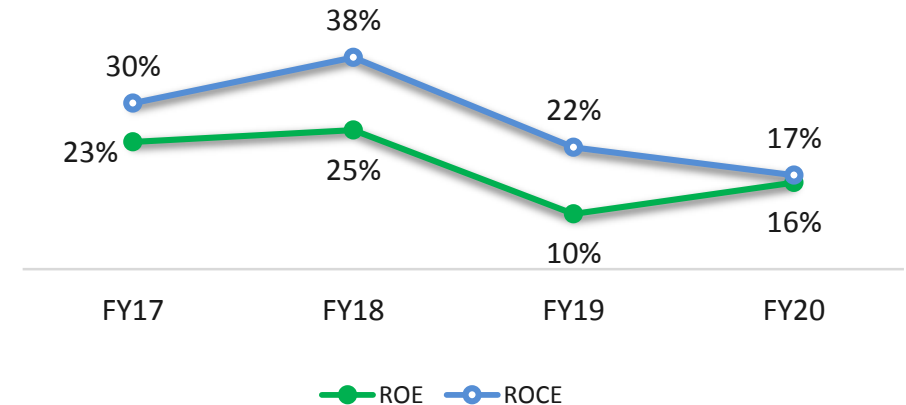
EBITDA (INR Mn) & EBITDA Margin (%)



PAT (INR Mn) & PAT Margin (%)



RoE & RoCE (%)



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Email: [companysecretary@gravitaindia.com](mailto:companysecretary@gravitaindia.com)