

GRAVITA INDIA LIMITED
28th Annual General Meeting

Day	Saturday
Date	21 st November, 2020
Time	01:00 P.M

Chairman's Speech- AGM 2020

A very warm welcome and Good Afternoon to each and every one of you.

It gives me great pleasure to welcome you to the 28th Annual General Meeting of Gravita India Limited. I hope that everyone is keeping safe and well during these unprecedented times.

As you know, Brands take a long time to build and they are a reflection of the trust and faith with all our stakeholders. Our values guide us in everything we do, and are at the core of the reputation that we have built over the decades. Your Company has shown itself to be immensely entrepreneurial, agile, adaptive, and innovative over the years, and these attributes will continue to serve it well in the years ahead.

During the year 2019-20, we made good progress in establishing a new Lead recycling facility in Accra, Ghana through technology transfer to a location that offers us the benefits of a free trade zone. This plant is having a capacity of 12,000 MTPA. Going forward we are also planning to expand this capacity to 18,000 MTPA. Furthermore, as part of our focus to enhance our footprint in Africa, we also established Tanzania's first export-oriented recycling plant in Dar-es-Salaam, a major city and commercial port, with a capacity of 3,000 MTPA for Lead and 6,000 MTPA for Aluminium.

Despite macro headwinds, Gravita emerged from 2019- 20 stronger and more dynamic. During the year, the Company continued with its rigorous and pragmatic strategy, focused on the dual momentum of achieving both growth and efficiency. This growth momentum was achieved by enhancing existing efficiencies and plant utilization levels.

Through a similar focus, we will steadily expand our geographical and sectoral reach. Our efficiency momentum is rooted in our operating performance improvement and cost saving focus that enable us to fund our expansion, improve our profit levels, and diversify and de-risk our business. This focus relies not only on the technical quality of our offerings, but also on our clients' confidence in our operations, by virtue of us placing strict adherence to ethics and compliance.

More importantly, widening and strengthening our recycling platform is a natural extension, as it enables us to achieve synergies in scrap aggregation, while also lowering the costs associated with collection. This feature was most visible in our new 6,000 MTPA Aluminium recycling facility in Tanzania that witnessed stability and high utilisation since its establishment in July 2019. Our growing focus on value-addition, blended with lower resource costs enabled us to achieve growth in both topline and bottom line in our Aluminium recycling business during the year.

Today, emboldened by the insights, knowledge, network, infrastructure, capacity, and resources that we have created across our businesses, we are exploring further attractive opportunities in the value chain, including new streams such as tyre, paper, e-waste, Lithium Ion, and waste oil recycling.

I would now like to present the salient features of your Company's performance during the F.Y. 2019-20.

Consolidated Financial Highlights:

- Consolidated revenue stood at Rs. 1347.80 Crores against Rs.1241.72 crores in F.Y. 2018-19 depicting a growth of 9%
- EBIDTA stood at Rs. 97.47 Crores
- Net Profit during the year stood at Rs. 33.18 Crores with an exceptional growth of 114% on a year on year basis

Future Plans

Pressure on global natural resources continue to mount, driven by higher demand rises due to growing population levels, increasing urbanisation, and urgent threats around pollution and climate change. In this context, we must rethink our use of resources and come up with new models of socio-economic development that are more efficient, balanced, and sustainable.

Faced with increasing international competition and the need to adhere to more stringent environmental regulations, industries are finding that they need support to be more competitive and to be able to implement their growth strategies despite constant change and uncertainty. Against this backdrop, concurrent demand for safe disposal of used products and requirement of recycled products that offer significant value, is constantly increasing.

Gravita offers expert, innovative solutions that enable us to position ourselves as a sustainable value creator. Our growth roadmap is founded on sustainable value creation momentum, with offerings that help our customers reduce their environmental footprints, while also enhancing their green credentials.

What sets Gravita apart is our clear understanding that recycling of scrap and other waste is the most viable, sustainable, and scalable route to protect the environment from degradation and foster a positive impact on climate change. As I close, I extend heartfelt thanks to all our stakeholders who have been a part of our growth journey. We look forward to your continued support and cooperation.

Acknowledgment

As Gravita touches new heights, I would like to express my wholehearted gratitude towards all stakeholders, right from our esteemed shareholders, the communities we engage with, consumers we do business with, regulators, the Government, our hard working employees, and each and every individual involved in our journey so far, for their continued trust and support to the company. I look forward to reinvigorated confidence for many more years to come as Gravita embarks upon the next phase of growth.

Thank you all!