

INVESTOR PRESENTATION

APR 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 being one of the largest Recycling Company in India is vigorously advancing towards the attainment of its vision to be the most valuable company in the recycling space globally. Tremendous progress has been realized as we work towards our Vision 2028 to diversify into Lithium-Ion, Steel and Paper recycling; achieving Revenue CAGR and Profit growth of 25%+ and 35%+ along with increasing the contribution of Value-added products and Non-Lead Business to 50%+ and 30%+ .

Gravita is committed to conducting our business in a responsible and sustainable manner. We believe that our success is intricately linked to the well-being of our people, the environment, and the communities in which we operate. ESG roadmap outlines our Environmental, Social, and Governance (ESG) goals and initiatives, demonstrating our dedication to sustainable growth and positive impact.

In FY24, Gravita excelled financially & operationally despite logistics challenges. We saw significant growth in Volumes, Revenues, EBITDA, and PAT by 9%, 13%, 16%, and 19% respectively.”



Yogesh Malhotra

Whole Time Director & CEO

VISION 2028

New recycling Verticals

Lithium, Steel, Rubber & Paper



25% +
Revenue 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

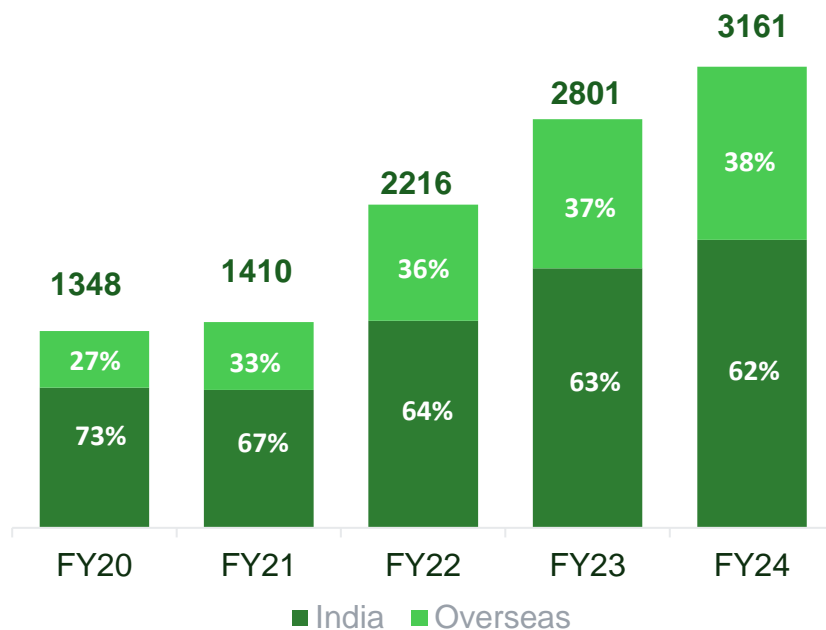
✓ **A+**
External credit rating from ICRA

✓ **74%**
PAT CAGR - 5 Yrs

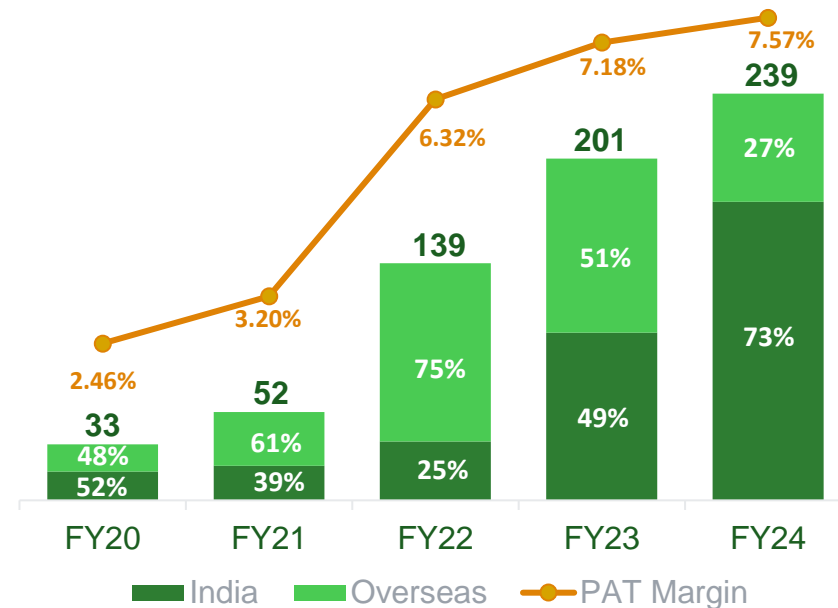
✓ **Locking the margins**
Back-to-back hedging mechanism in place

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

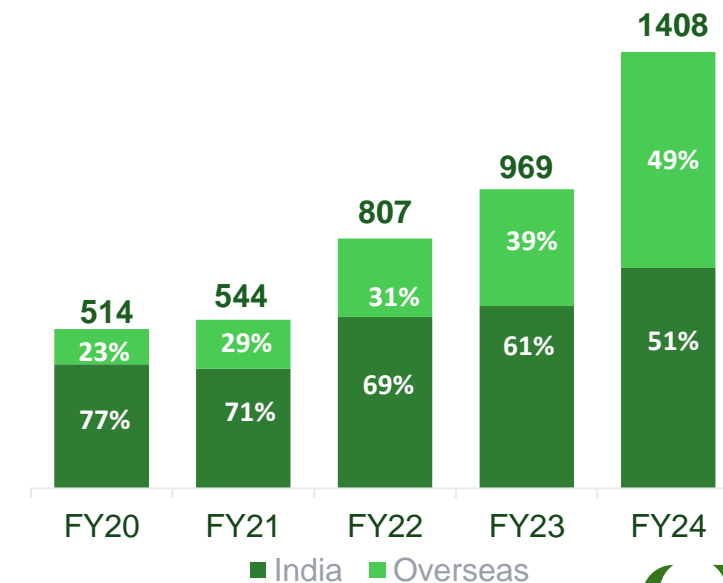
Revenue



PAT (Cr) and PAT Margin (%)

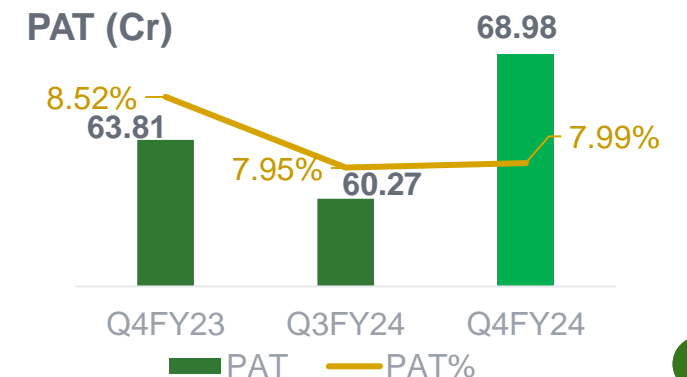
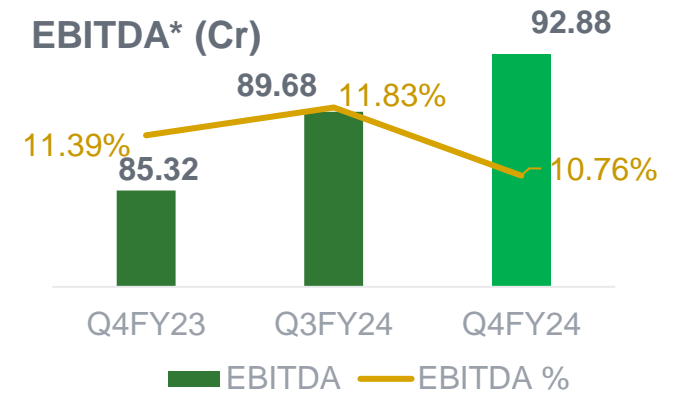
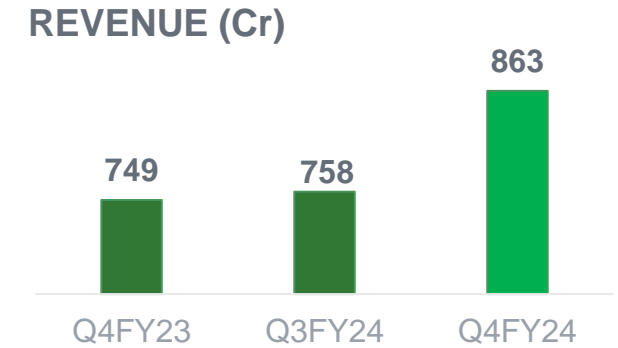
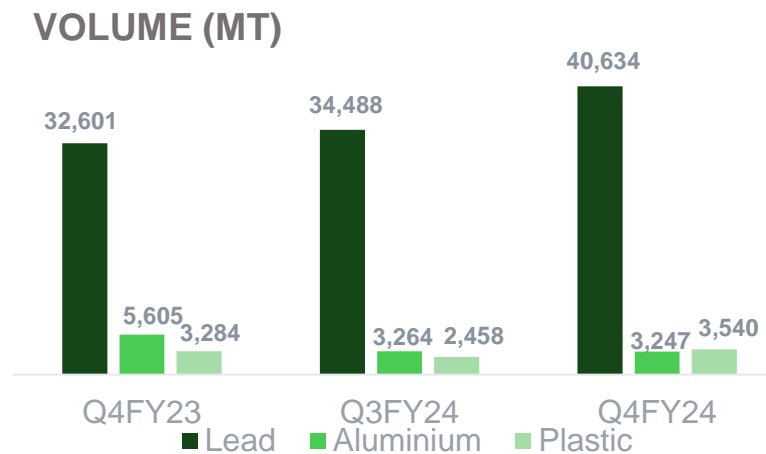
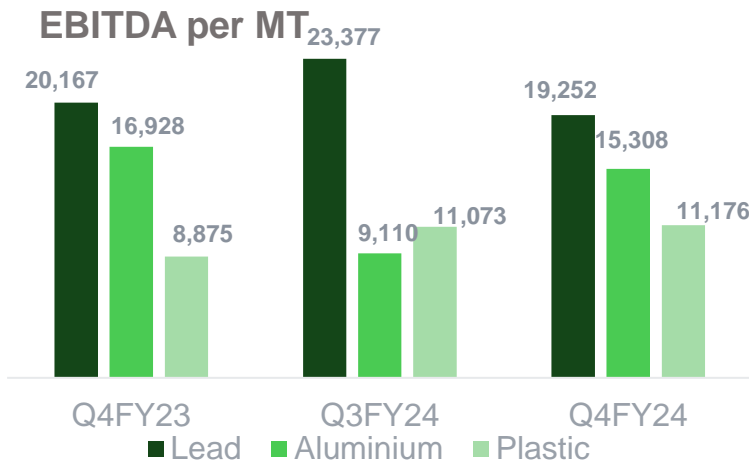
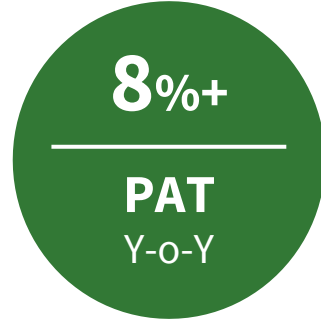
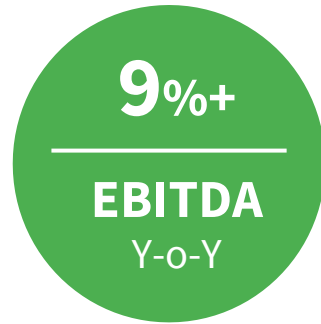


Capital Employed (Cr)



QUARTERLY HIGHLIGHTS - Q4 FY24

Breaking Barriers - VISION 2028



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

Project Updates

Tanzania

- Increased capacity of Lead recycling to 12,000 MTPA, with an additional capex of 3.33 Cr
- Started Plastic recycling of a capacity of 1,800 MTPA with a capex of 2.25 Cr
- Started Rubber recycling of a capacity of 3,000 MTPA with a capex of 3.86 Cr

Togo

- Started commercial production of lead from its existing recycling plant
- Capacity – 6000 MTPA
- Capex – Rs. 3.61 Cr. from internal accruals

Mundra

- Increased capacity of Lead recycling to 60,000 MTPA
- Started Value Added Production of Red Lead with a Capacity of 4,800 MTPA
- Started Plastic Recycling with a Capacity of 7,500 MTPA

Chittoor

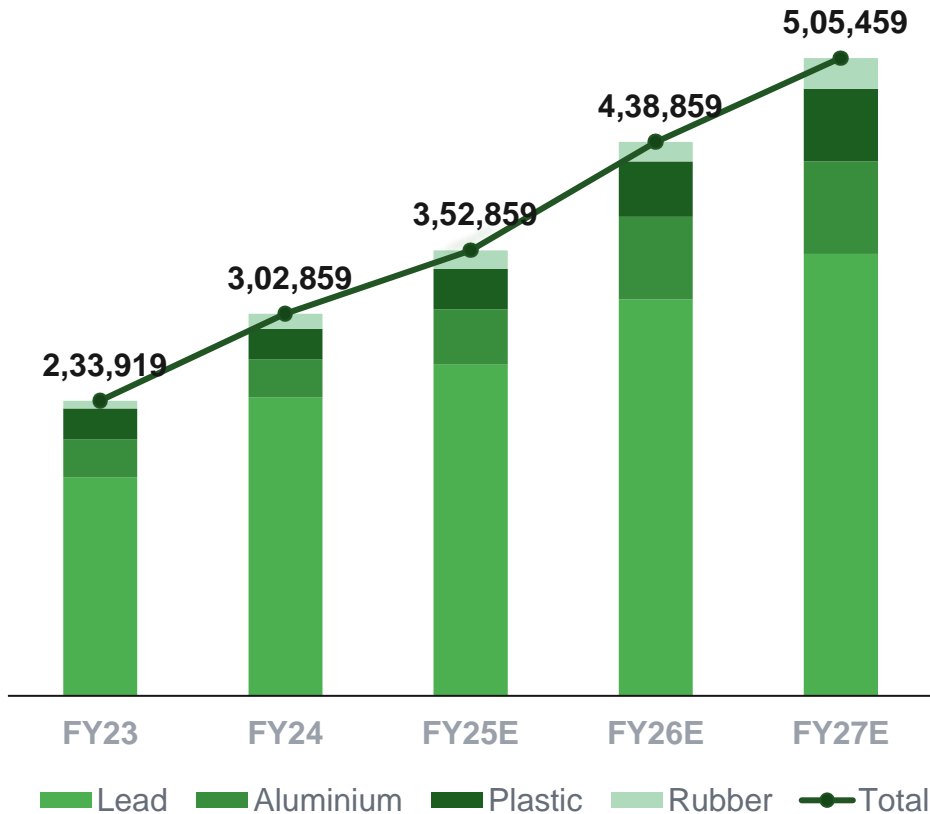
- Increased capacity of Lead recycling to 64,640 MTPA
- Capex - Rs.21 Cr. from internal accruals

Oman

- Gravita signed MOU to establish Battery Recycling Plant through JV
- Capacity of 6,000 MTPA in Phase 1
- Gravita's first recycling facility in Middle East

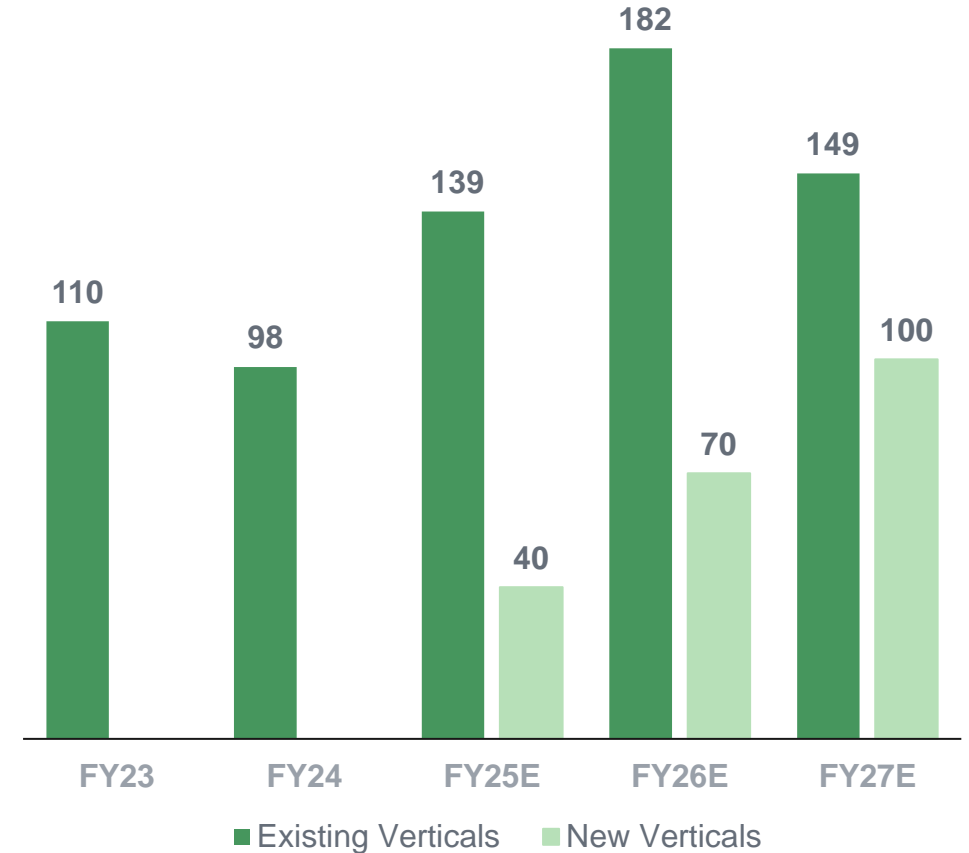
Capacity Expansion & CAPEX over the Years

Capacity (MT)



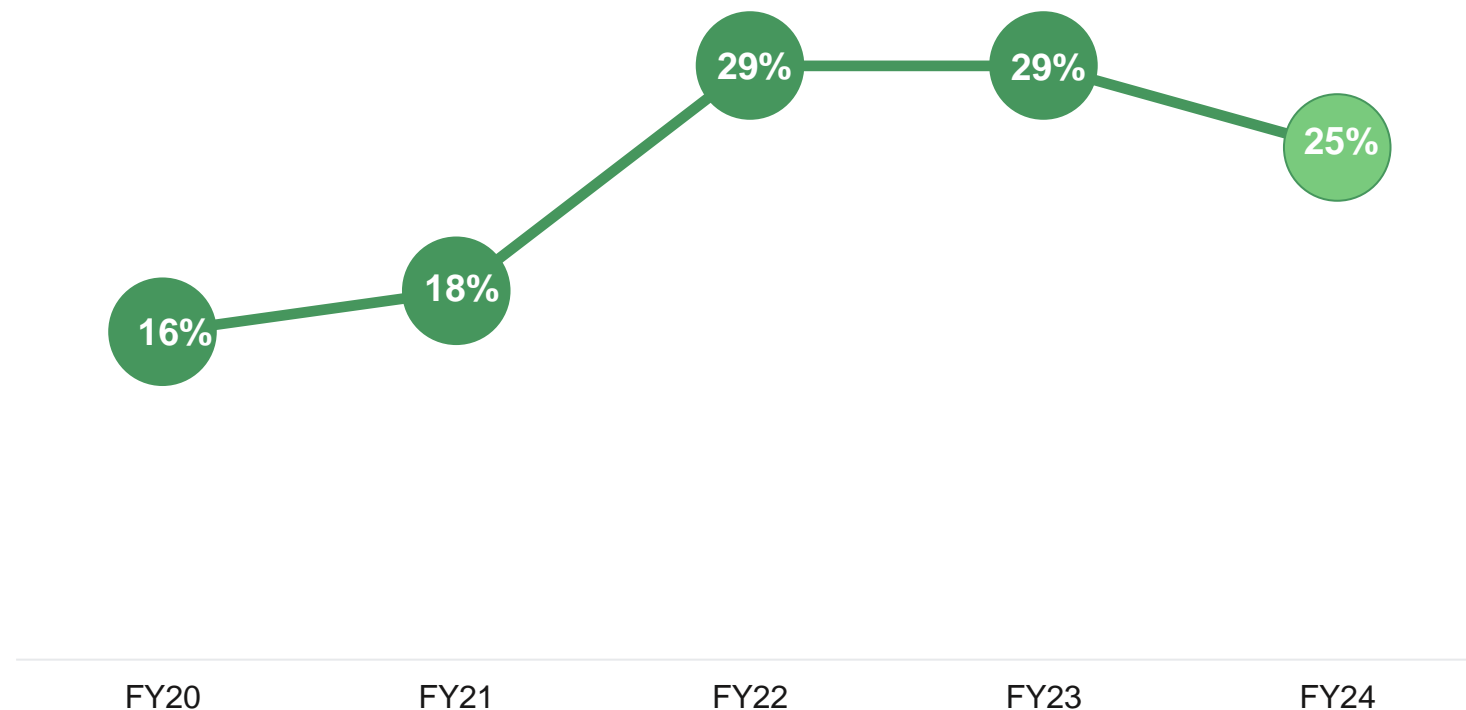
5,00,000+ MTPA Capacity planned by FY 2027

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 Operations & Integrated Supply Chain



Deep Routed
procurement
network

Diversified
Customer
network

Operation Excellence



Strong Partnering Capability



Turnkey Recycling Technology Solutions



Robust Management

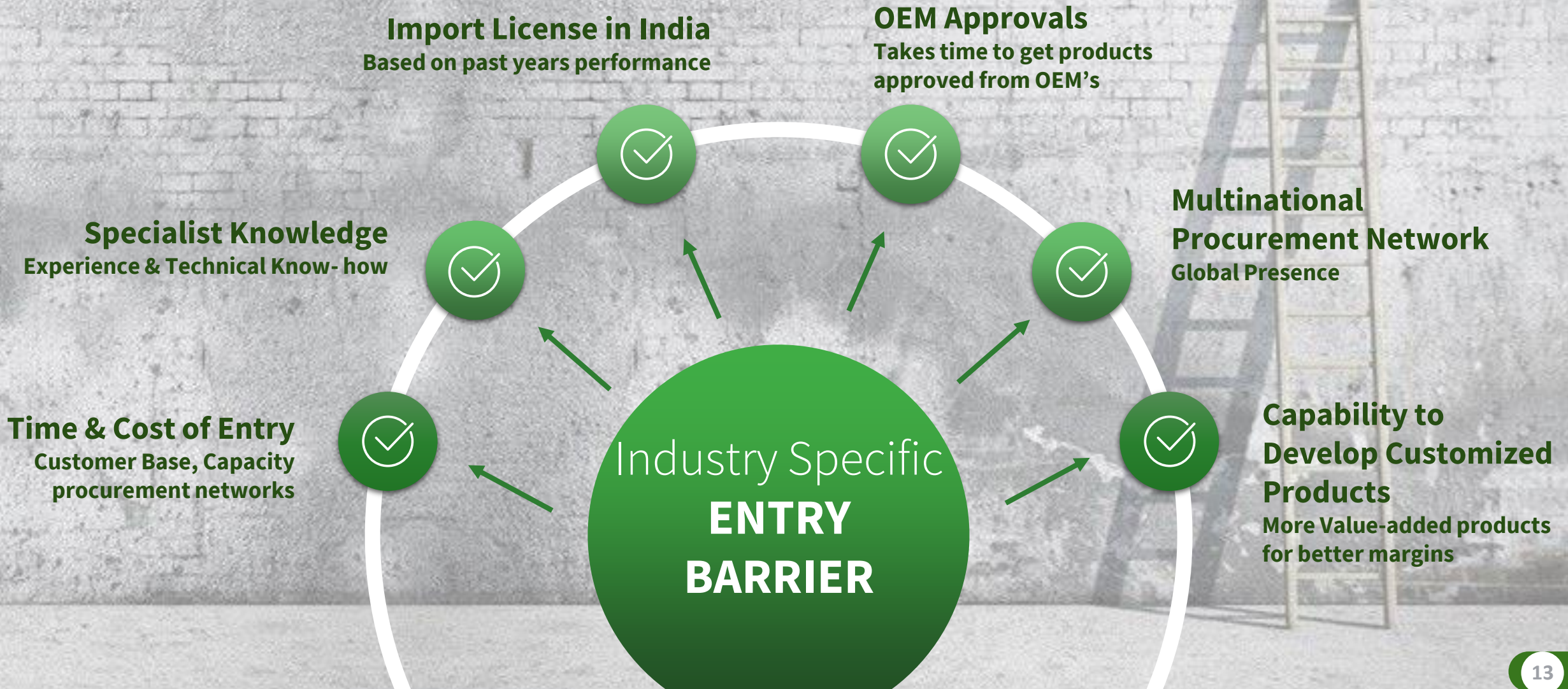


Customised & Value Added Products



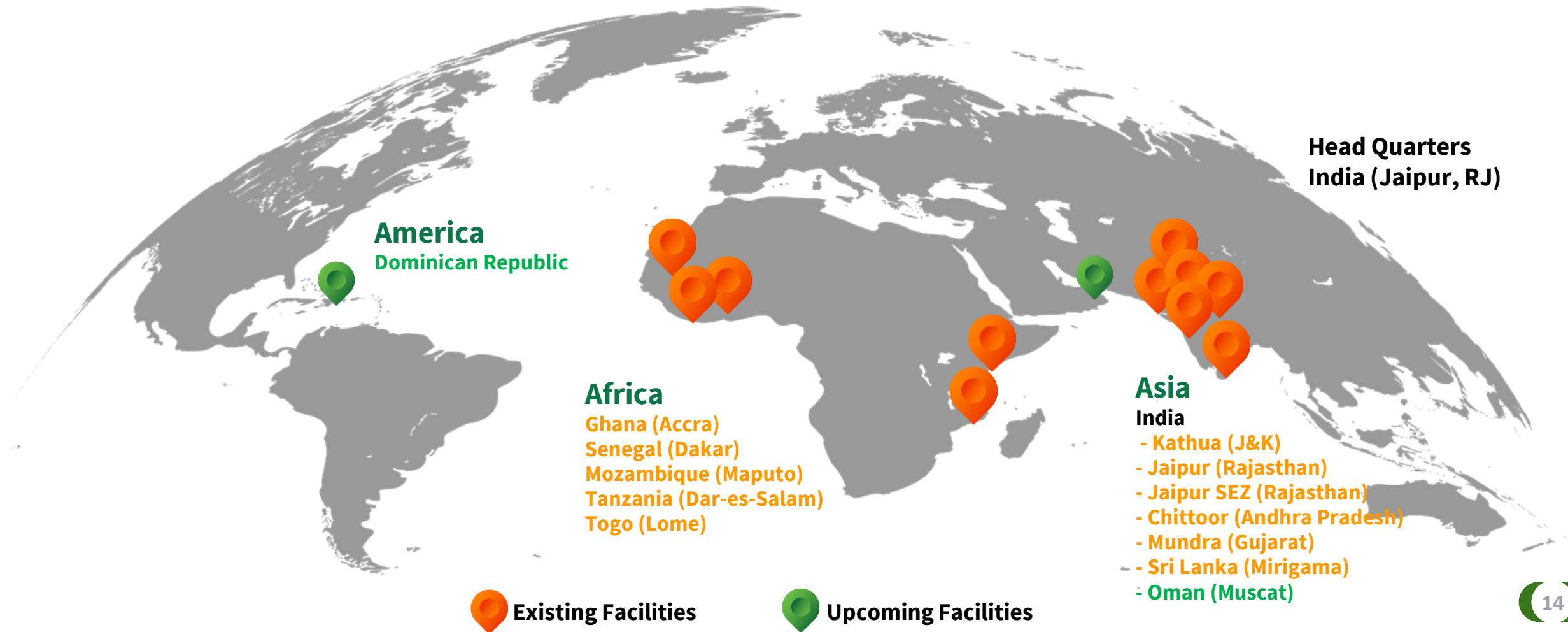
Risk Mitigation-Back to Back Hedging Mechanism

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.

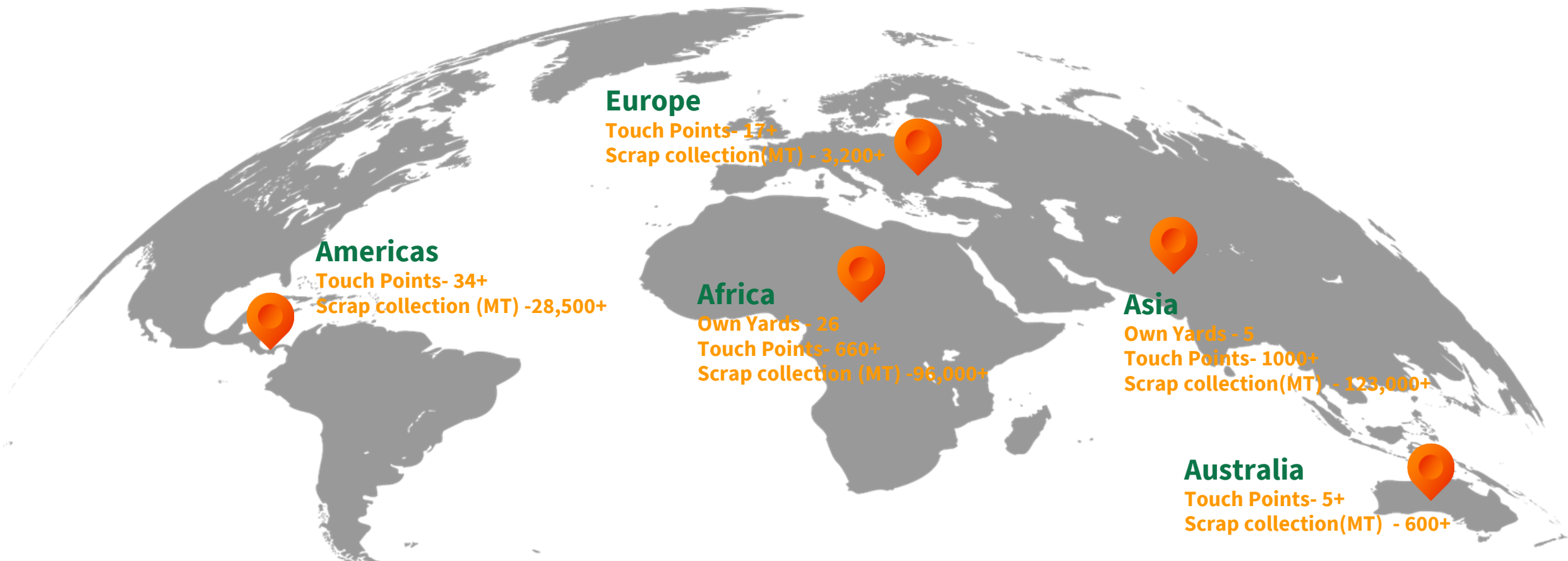


Deep Routed **PROCUREMENT NETWORK**

31
Own yards

1700+
Touch points

2,50,000 MT+
Scrap collection



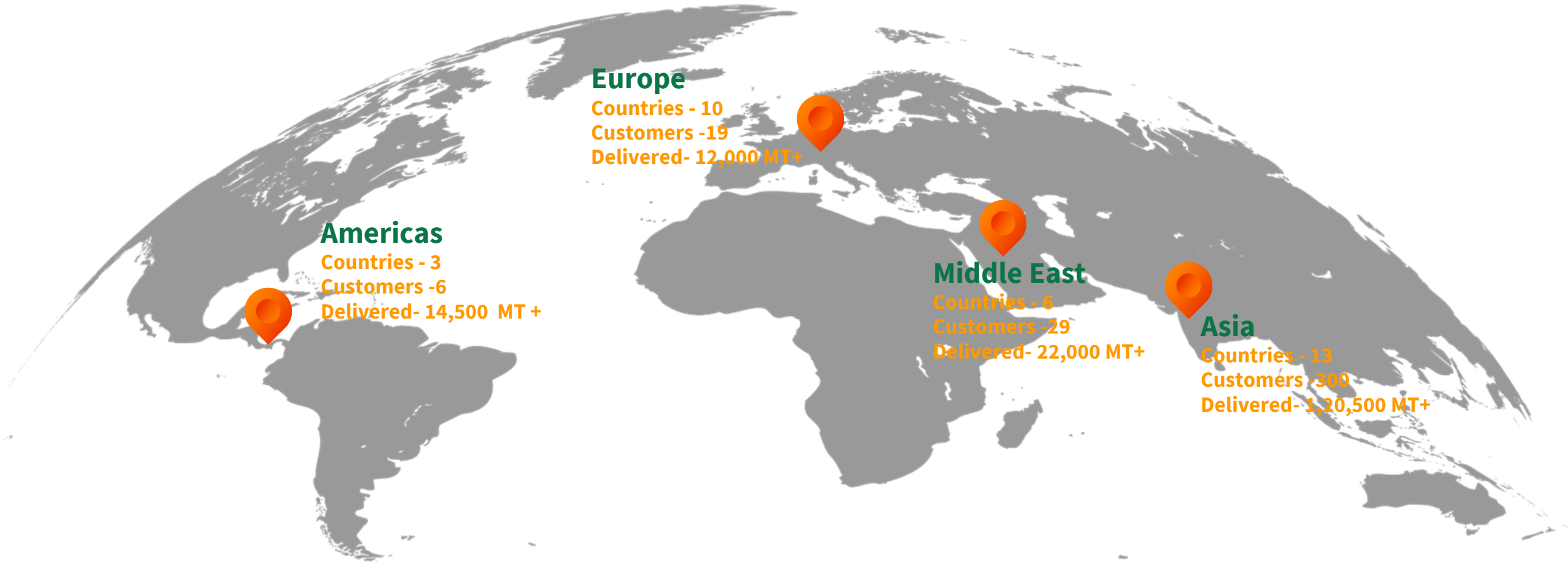
Deep presence in Asia , Africa , Middle East, Europe & America ensures raw material at competitive prices

Diversified **CUSTOMER NETWORK - GLOBAL**

32 +
Countries

350 +
Customers

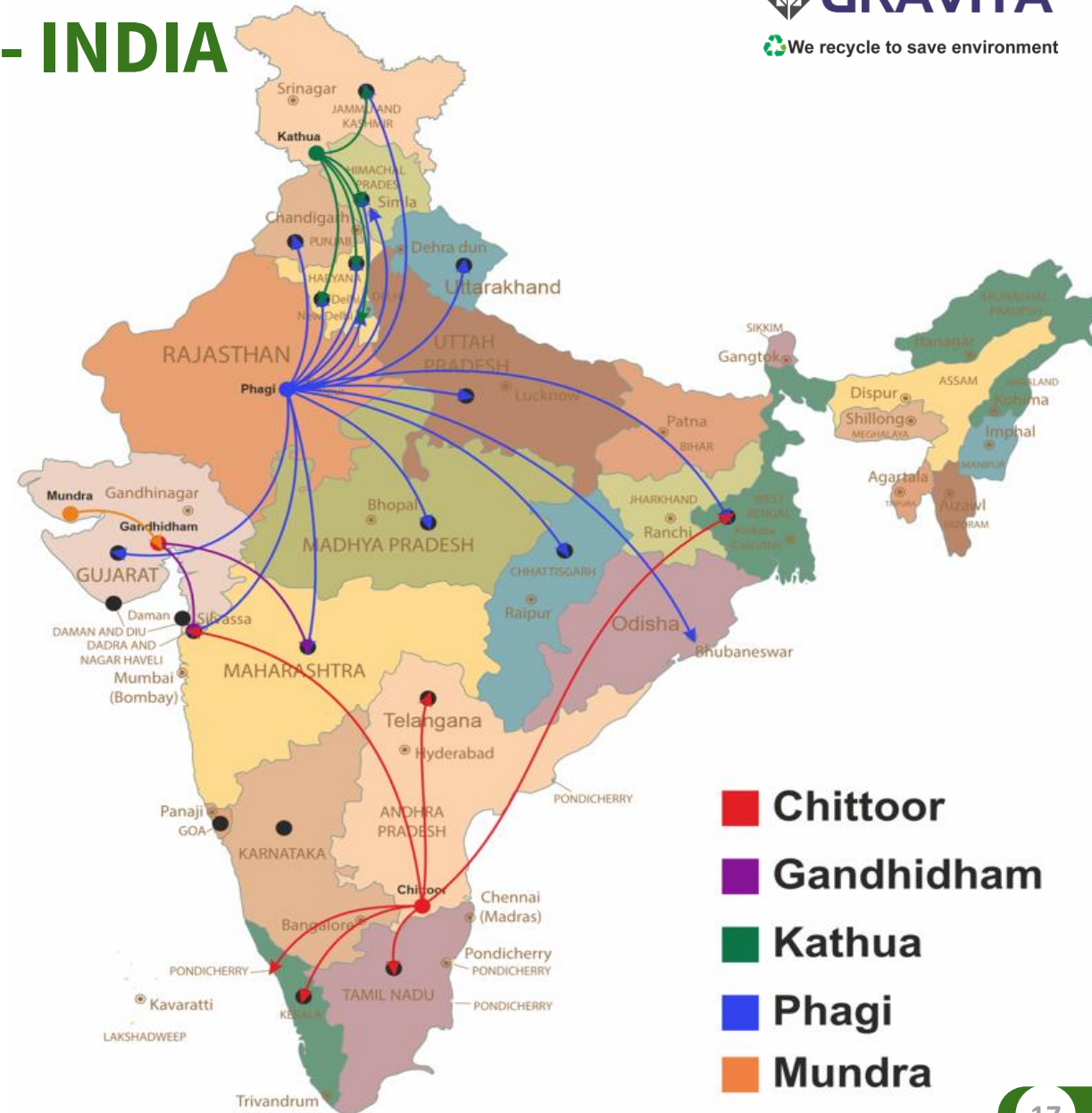
1,69,000 MT +
Recycled products delivered



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

45%
Customized &
Value added
products

2.91Lac+
MT Production
Capacity*

58%
Capacity
Utilization

30%
Overseas
Capacity*

2.50 Lac+
MT Scrap
Collection

ILA
India's only
Accredited
Plants

60000 MT+
Healthy
Orderbook

* As on 30th Apr 2024

OUR PARTNERS

(Strong Partnering Capability)



TURNKEY SOLUTIONS for Recycling



Planning and Specification

Design

Fabrication

Testing

Installation

Operation

Handover

ROBUST MANAGEMENT & focus on Human Capital



Rajat Agrawal
Managing Director



Yogesh Malhotra
Whole Time Director & CEO



Vijay Pareek
Executive Director*



Naveen Sharma
Executive Director*



Rajeev Surana
Executive Director*



Sunil Kansal
Chief Financial Officer



Ajay Thapliyal
Vice President



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



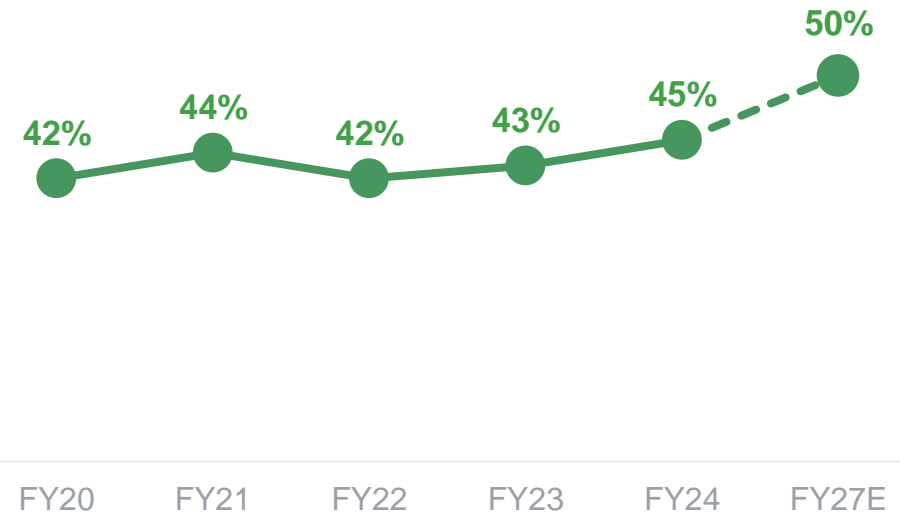
Plastic Granules



Pet Flakes - Food grade

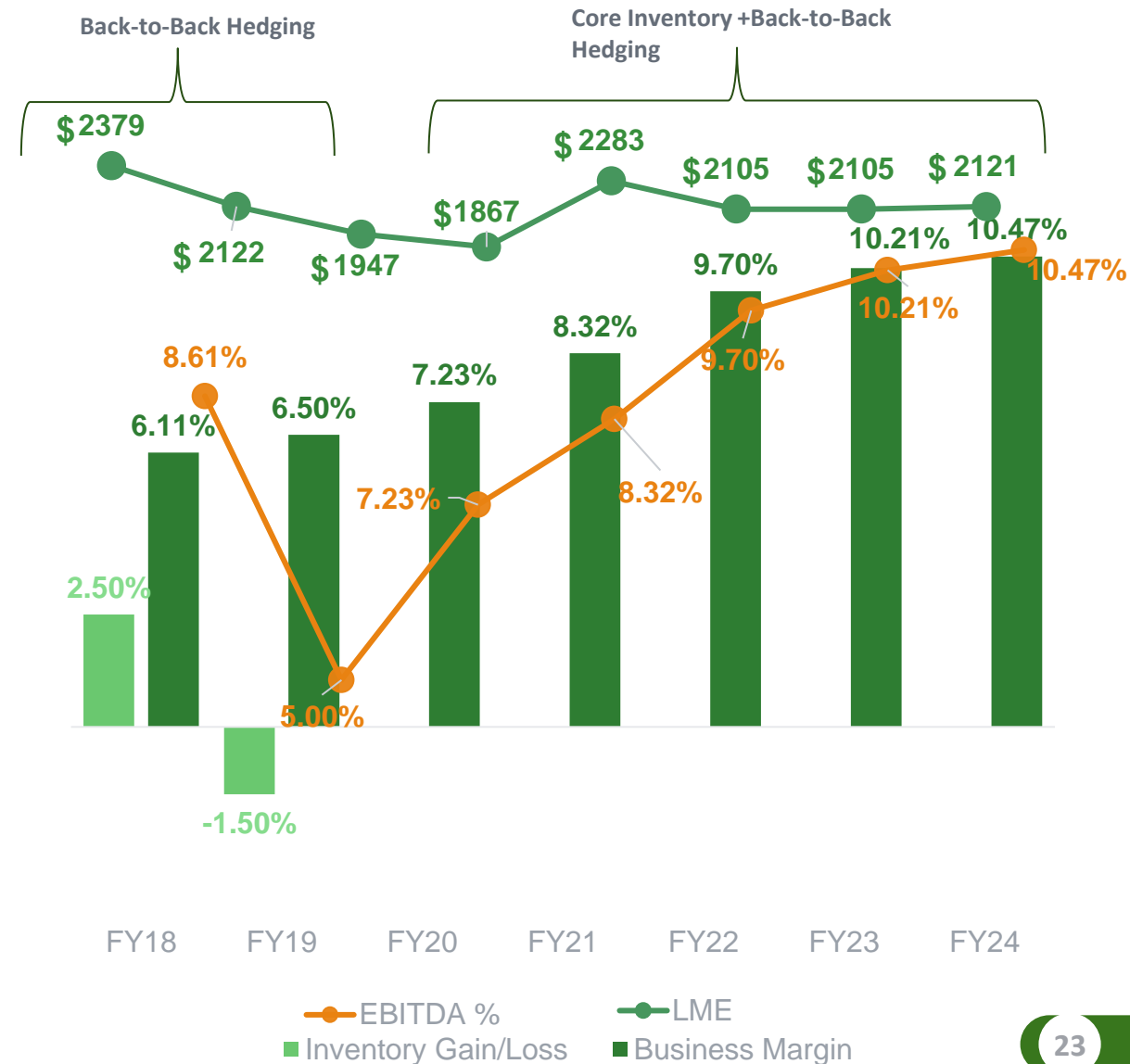
Our Capability to produce customized and value-added products for diversified customer segments gives us better contributions and larger pie of customer's product mix.

Value Added Products % in revenue

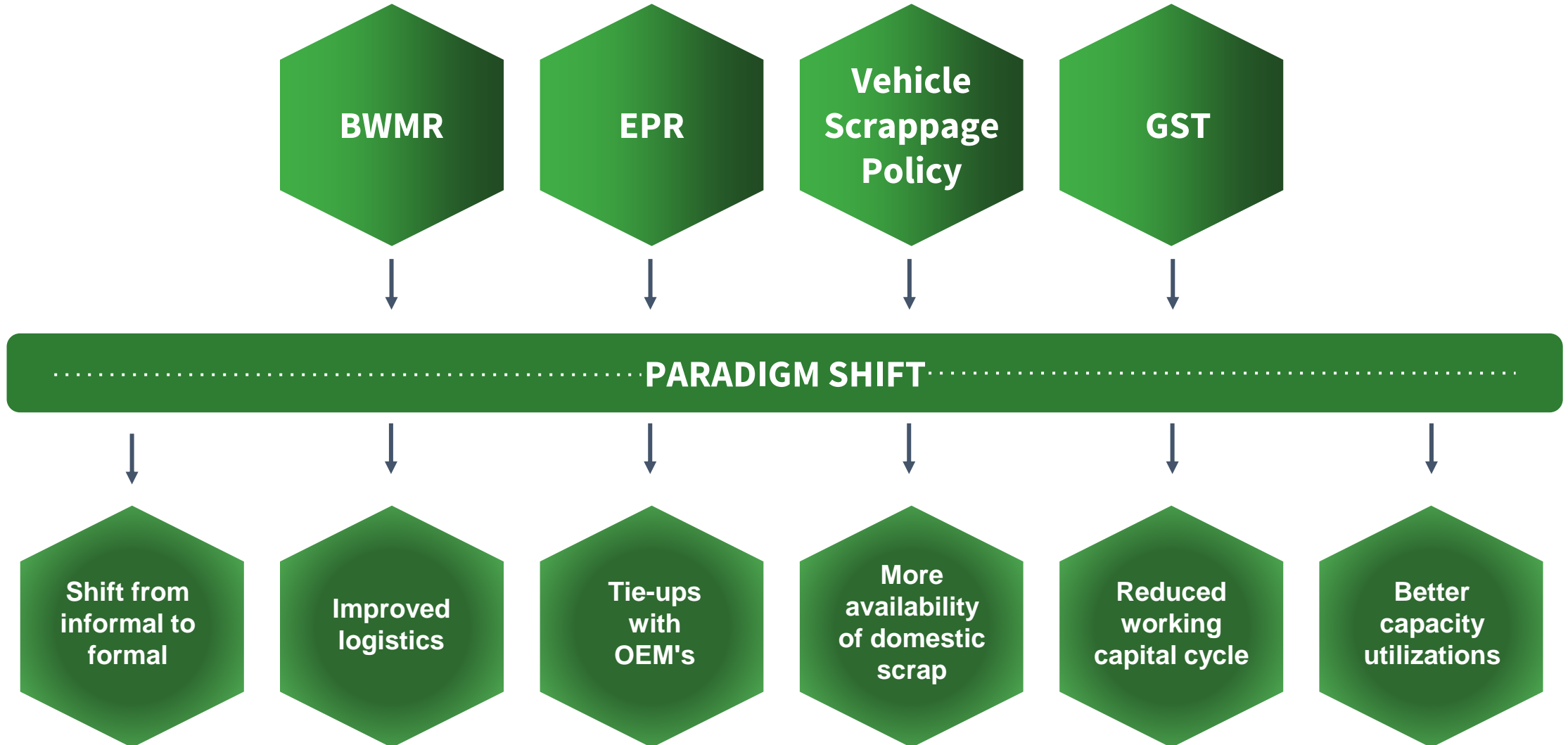


Risk Mitigation by **BACK-TO-BACK HEDGING** mechanism

- 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



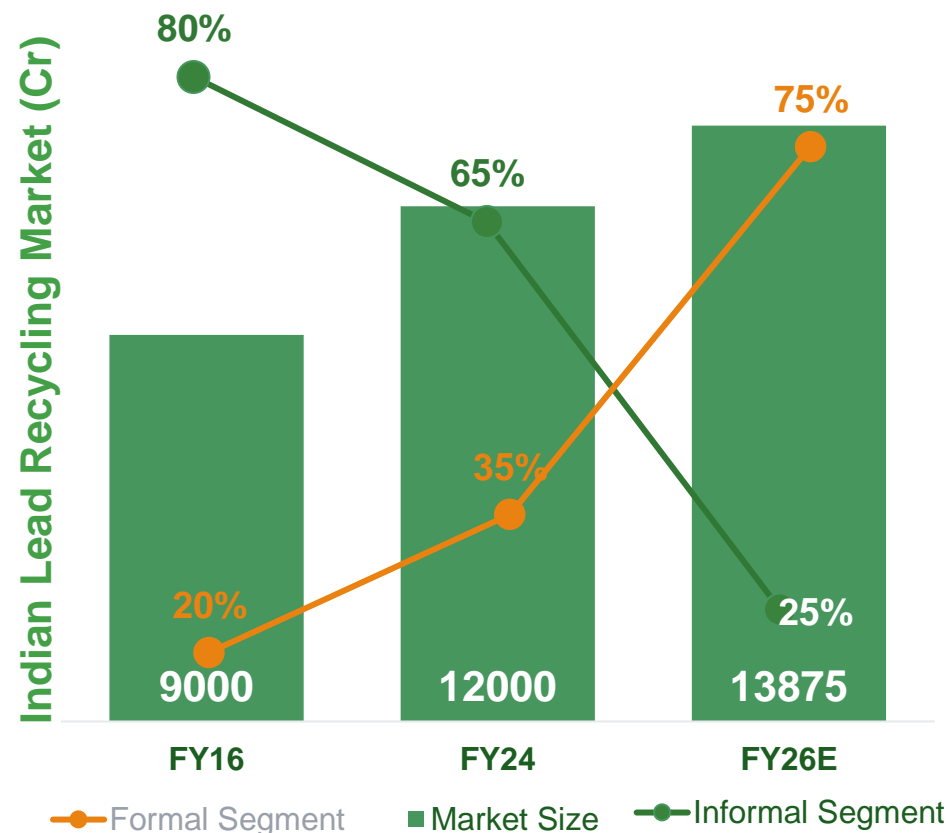
Improving **MARKET DYNAMICS IN RECYCLING** - Paradigm Shift



Shift from **INFORMAL TO FORMAL**

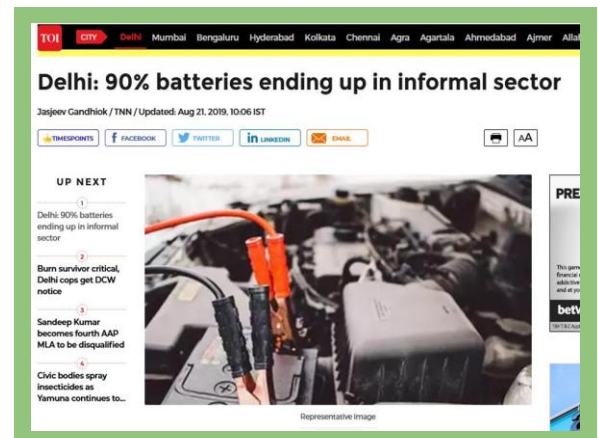
With redefining of Battery Waste Management Rules (BWMR) , Extended producers responsibility (EPR) and stricter implementation of GST, the scrap availability for formal recycling sector has increased and is further expected to grow.

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

4
Recycling
Verticals

11
Recycling
Plants

2.50Lac+
MT Scrap
Collection

1.69Lac+
MT Products
Delivered

**ISO
14001:2015**
Certified

Recycled Products

- Lead – 148,500 MT
- Aluminium – 10,800 MT
- Plastics – 8,500 MT
- Tire Oil- 3,097 KL

Conserving Nature

- Low energy intensity of 4.3 GJ/MT of products (Approx 75% less from primary production)
- Low water intensity of 0.27 KL/MT of products

Alternate Energy Source - Solar

- 1.68 MU's of solar power, abated 1,192 TCO₂
- ~1000 KWp solar installation under progress
- 10% RE power usage for India operations
- ~6% RE power usage for global operations

Clean Technology Initiatives

- Pilot project for electric refining furnace
- Oxygen trials in smelting to improve energy efficiency

Aiming to make Holistic & Meaningful Contributions to Society



Zero fatalities for FY24
LTIFR- 3.8*

Fire fighting system

Euro 34Mn Loan from
development funds for Africa
operations

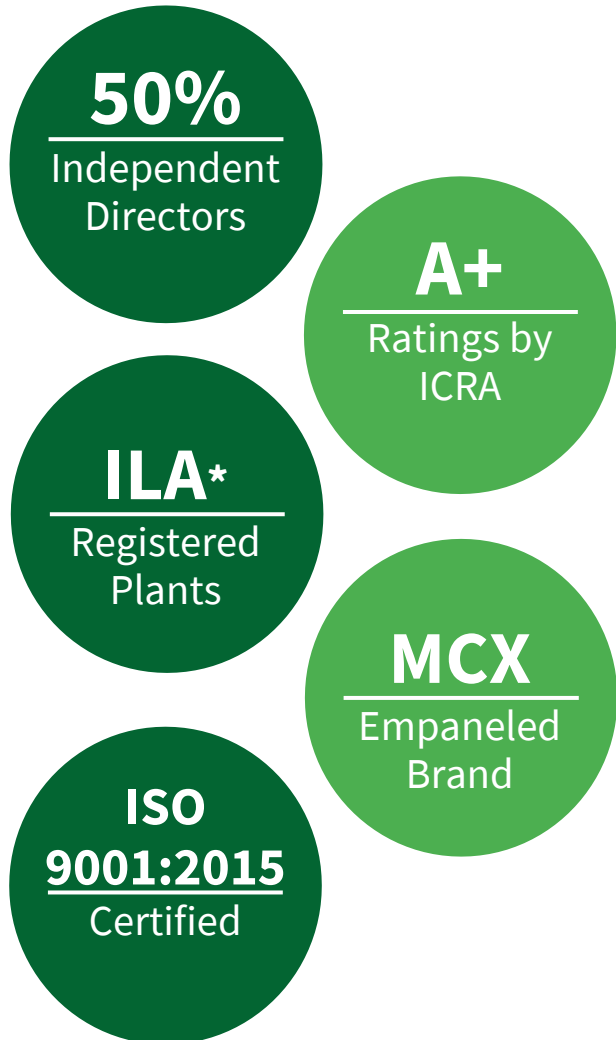
100% Health insurance coverage
for employees

Gurukul platform with 3000+ skill
enhancement courses

Digital platform for employee
engagement and grievance
submissions

* Higher LTIFR number due to improved focus on safety incidence reporting across locations.

Weaving a Culture Rich in Ethics, Accountability and Transparency



Board Composition

- 50% Independent Directors on board & 16% board diversity

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









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

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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