

GRAVITA INDIA LIMITED
26th Annual General Meeting

Day	Saturday
Date	01 st September, 2018
Time	11:00 A.M
Venue	'Saurabh, Chittora Road, Harsulia Mod, Diggi-Malpura Road, Tehsil Phagi, Jaipur-303904

Chairman's Speech- AGM 2018

A very warm good morning to each and every one of you.

It gives me great pleasure to welcome you to the 26th Annual General Meeting of Gravita India Limited. The Annual Report for the year ended 31st March, 2018 along with the Directors' and Auditors' Report and Management's Discussions and Analysis Report have already been circulated to you. With your permission, I would like to take them as read.

It gives me immense pleasure to be here in front of you and Looking back from where we stand today, it makes us feel proud of the growth that we have achieved over two decades since we started our journey as a secondary Lead manufacturer in Jaipur. Financial Year 2017-18 stood as a milestone achieving year where company sustained its performance, success and growth along with other group companies particularly in its core area of Recycling. The company has recorded strong revenue of more than 1000 Crores and it delights me immensely as we fulfill our commitment towards all stakeholders. I observe that we are steadily working towards our mission.

It has been an exceptional year under review for our Company. The financial numbers are historic and have reached record levels; Thanks to our operations and strategies which have formed the bedrock of growth. On an operational front we have experienced a volume growth of around 35% from our existing plants and the ones which were established in recent years. We have expanded our product portfolio, capacity, presence, and customer base. The growth which we experienced during the year was reflected in the growth of our financial performance.



Our revenue grew at 49% in FY 2017-18. We witnessed a strong EBITDA growth of 60% in FY 2017-18 along with a healthy EBITDA margin of 8.62%. Our operations drove profits higher and enabled us to record a net profit of Rs. 45.21 crores.

During the year, our credit rating upgraded to BWR A for long term instruments and BWR A2+ for short term instruments. Further, we increased the capacity of our Chittoor plant from 12000 MTPA to 28000 MTPA. We started manufacturing plastic value-added products such as plastic granules and also entered into the production of aluminum value-added products and trading of paper scrap.

I would now like to present the salient features of your Company's performance during the F.Y. 2017-18.

Consolidated Financial Highlights:

- Consolidated Revenue stood at Rs. 1029.48 Crores against Rs. 655.68 crores in F.Y. 2016-17 depicting a growth of 57%.
- Net Profit after Tax and Minority Interest during the year stood at Rs. 45.21 crores against Rs. 30.54 crores in F.Y. 2016-17 depicting a growth of 48%

Future Plans

Moving ahead, we will focus on increasing our margins and profitability by enhancing our value-added product segment. We also plan to shift from trading of paper scraps to manufacturing through recycling of paper scraps. We will be setting up two new plants, one in Ghana and another plant in Mundra. Setting up of these plants will be a milestone for us. It is a strategic decision which will help us to reduce our logistics cost and working capital cycle, this will improve our margins by approx 1%. Going ahead, we are expecting better growth in FY 2018-19.

Corporate Governance & Corporate Social Responsibility

Being a Listed Corporate entity, our Company is committed to sound corporate practices. Further, our CSR initiatives extend well beyond our core business objectives, and our commitment and concerns for the society are evident from

the various initiatives it has taken in different fields in such short period of time.

Acknowledgement

The greatest strength of Gravita has been the unstinting support that it has enjoyed from its constituents and well-wishers – my colleagues on the Board, our talented employees and their families, our valued shareholders, investors, bankers, financial institutions, lenders, suppliers and customers. My heartfelt gratitude to each individual, agency and organization who have contributed and supported our accomplishments.

Thank you all!

