

INVESTOR PRESENTATION

JAN 2025



 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

Management Commentary & **Business Outlook**

*“Gravita has **performed extremely well in 9MFY25** and is progressing strongly to achieve its VISION 2028 of expanding capacities in existing and new verticals, having volume CAGR and profitability growth of 25%+ & 35%+ resp., ROIC 25%+, value added products 50%+ and non-lead business 30%+.*

*I am pleased to share that Gravita has **successfully raised Rs. 1,000 crore** through QIP. These funds will be strategically utilized to drive the company’s vision of becoming a global leader and one of the most valuable companies in the recycling industry.*

*Coming to **Q3FY25 performance**, Gravita achieved significant growth across key metrics, with volumes, revenues, EBITDA, and PAT increasing by 33%, 31%, 14%, and 29%, on YoY basis respectively. Proportion of Value-added products and availability of domestic scrap continues to increase. Gravita is well-positioned for growth due to its strategic focus on ambitious capex and capacity expansion, global operations, and an integrated supply chain. The company benefits from stringent regulatory compliance, operational excellence, and a focus on high-margin products. Proactive risk mitigation through hedging, an experienced management team, and strong stakeholder support further bolster its growth prospects.*



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%+
ROIC

50%+
Value added products

30%+
Non-Lead business

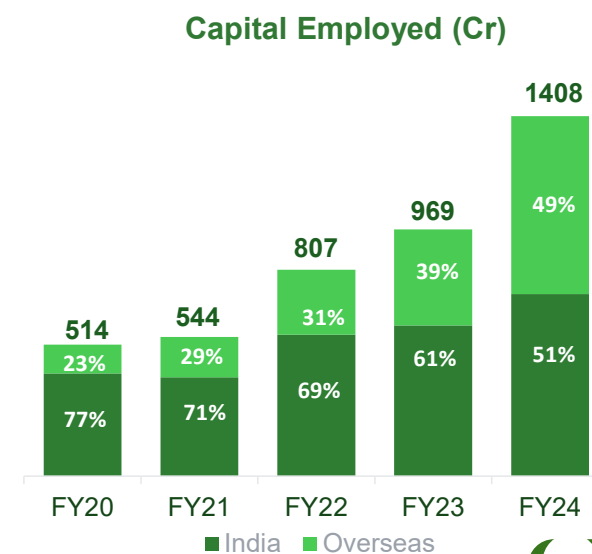
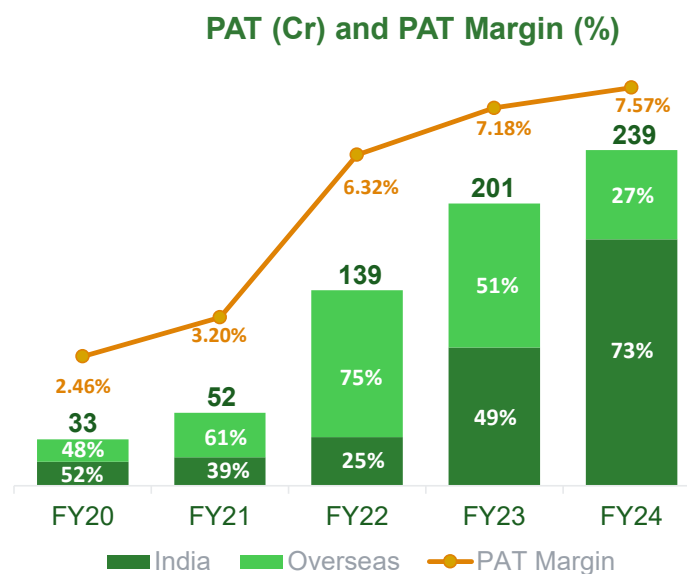
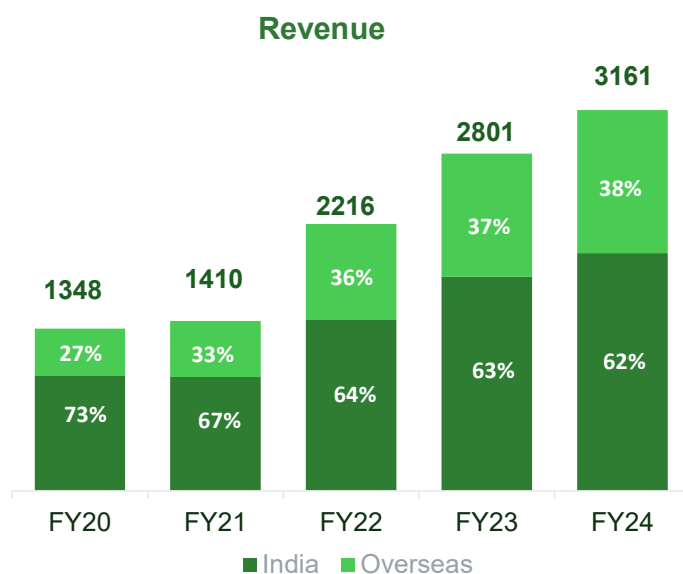
10%+
Reduction in Energy consumption

Our Priorities

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

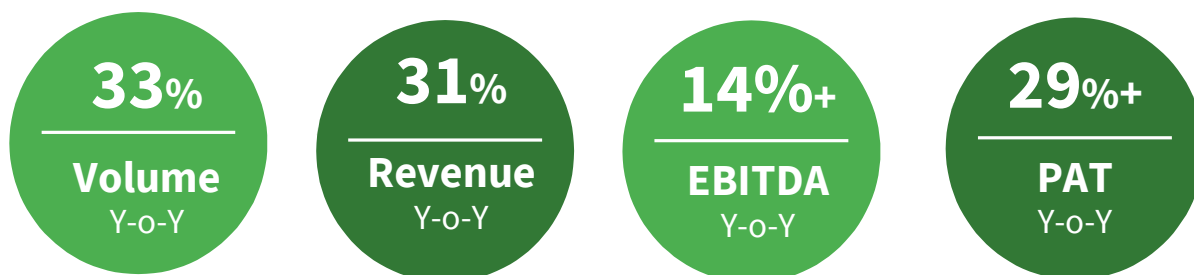
FINANCIAL Highlights

- ✓ **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



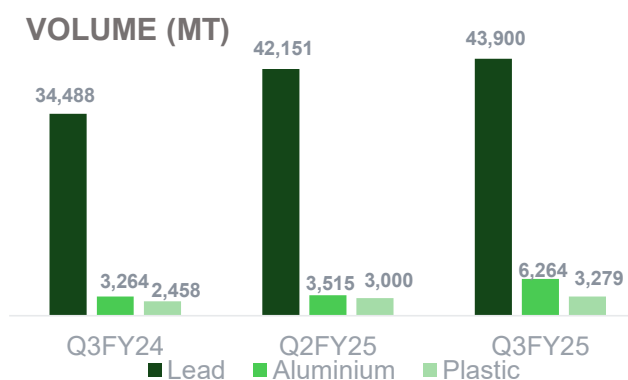
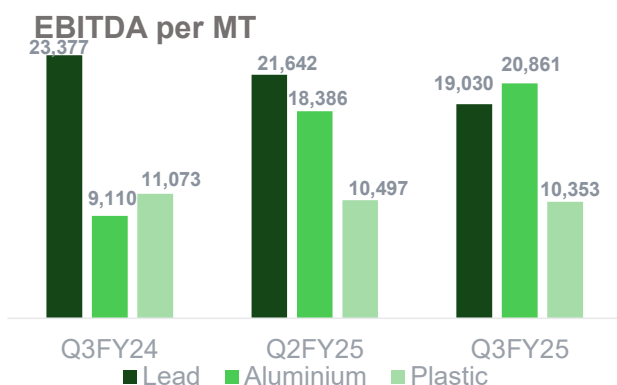
QUARTERLY HIGHLIGHTS - Q3 FY25

Breaking Barriers - VISION 2028



✓ **32%**
Revenue from Overseas Business

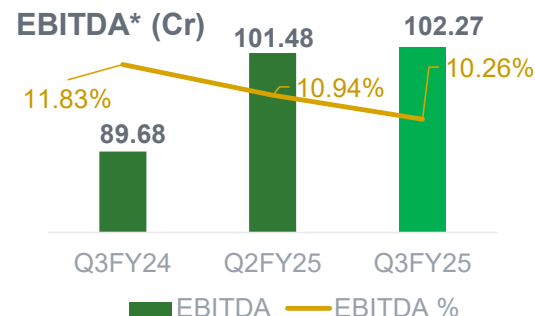
✓ **53%**
Profit from Overseas Business



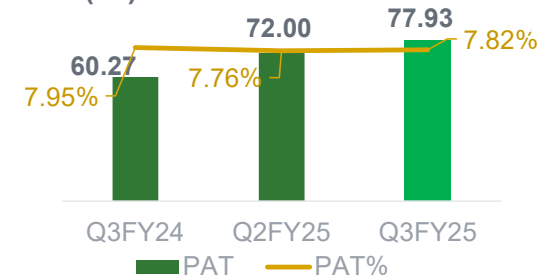
REVENUE (Cr)



EBITDA* (Cr)



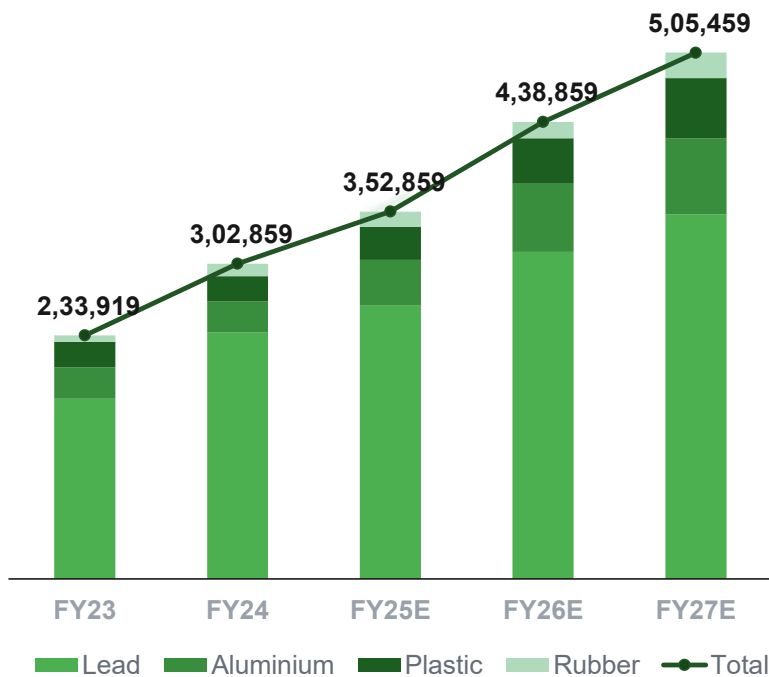
PAT (Cr)



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

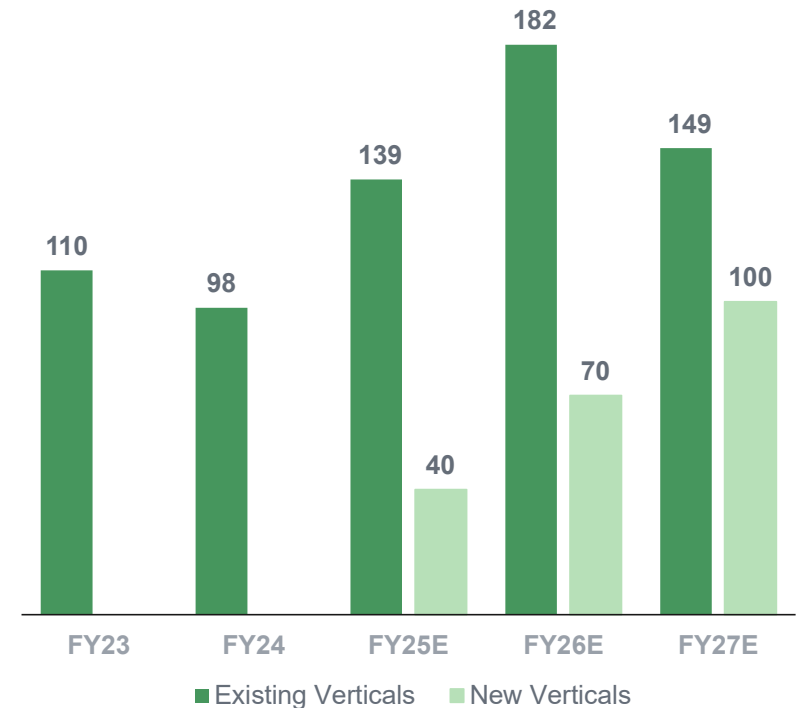
Capacity Expansion & CAPEX over the Years

Capacity (MT)



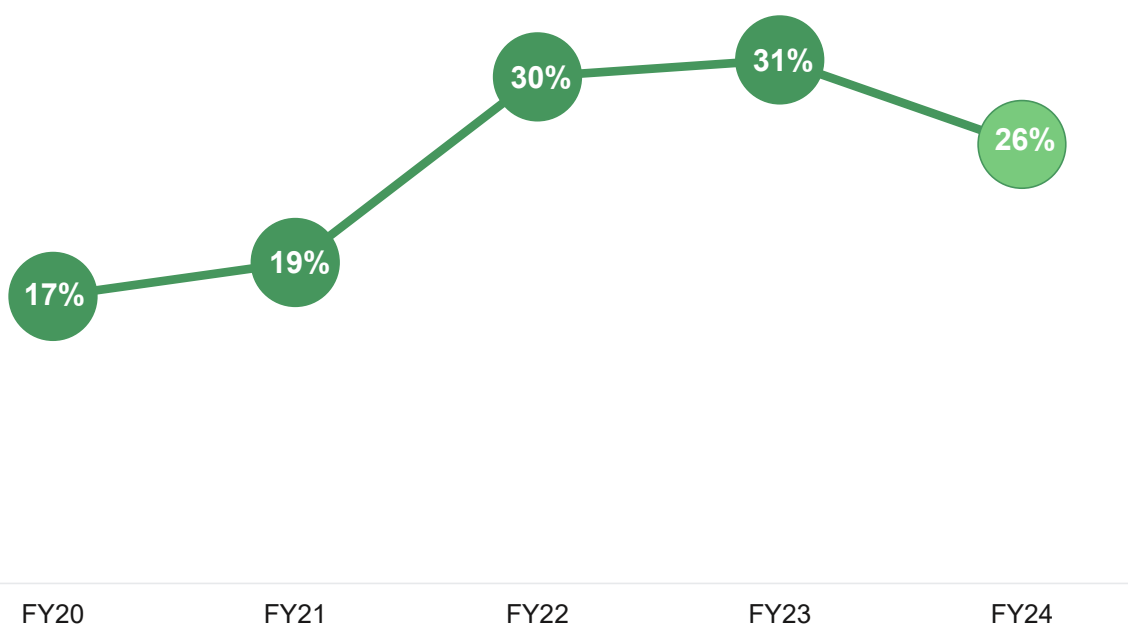
5,00,000+ MTPA Capacity planned by FY 2027

CAPEX (Rs Cr.)



Rs. 600+ Cr Capex planned by FY 2027

RETURN ON INVESTED CAPITAL



*on Average Invested Capital

Target ROIC 25% + Consolidated

Drivers of ROIC

- 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% +**
ROIC

• **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

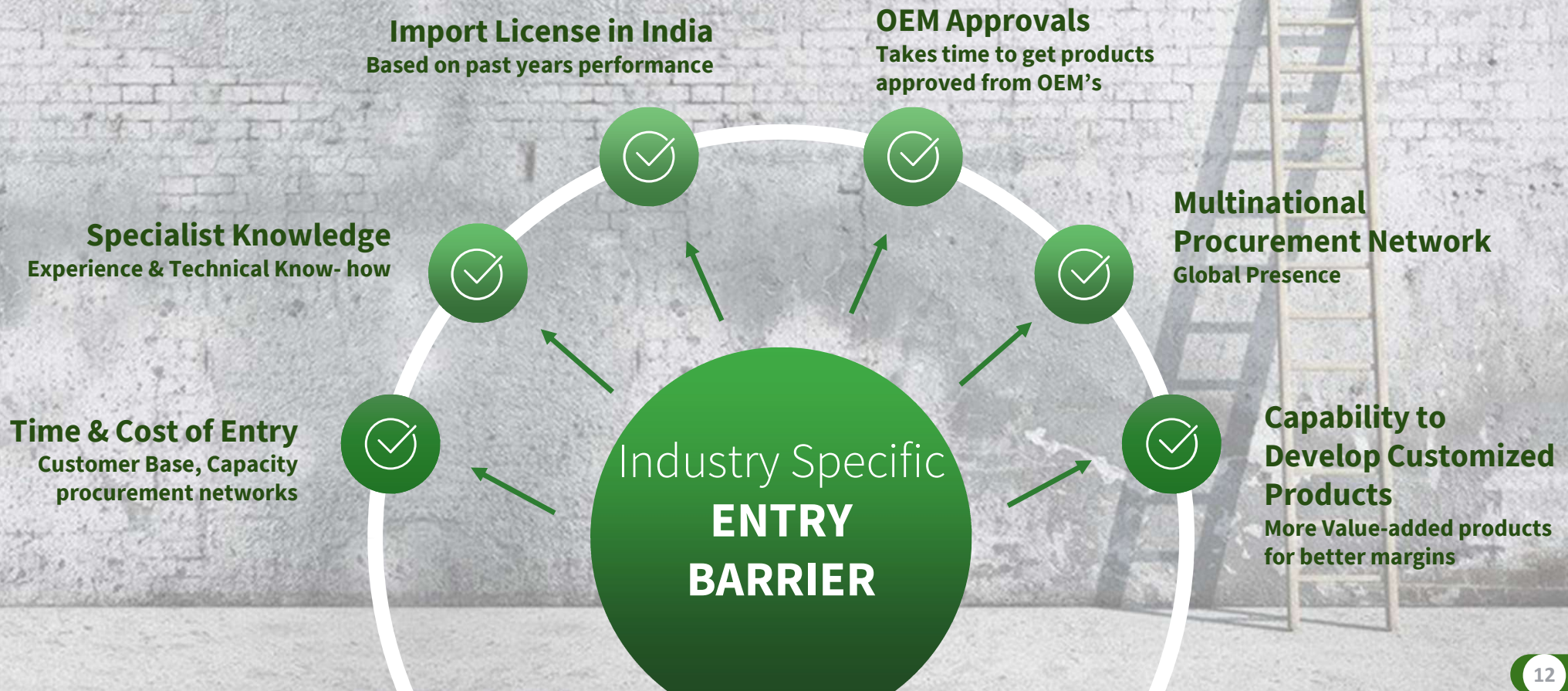


Customised & Value Added Products



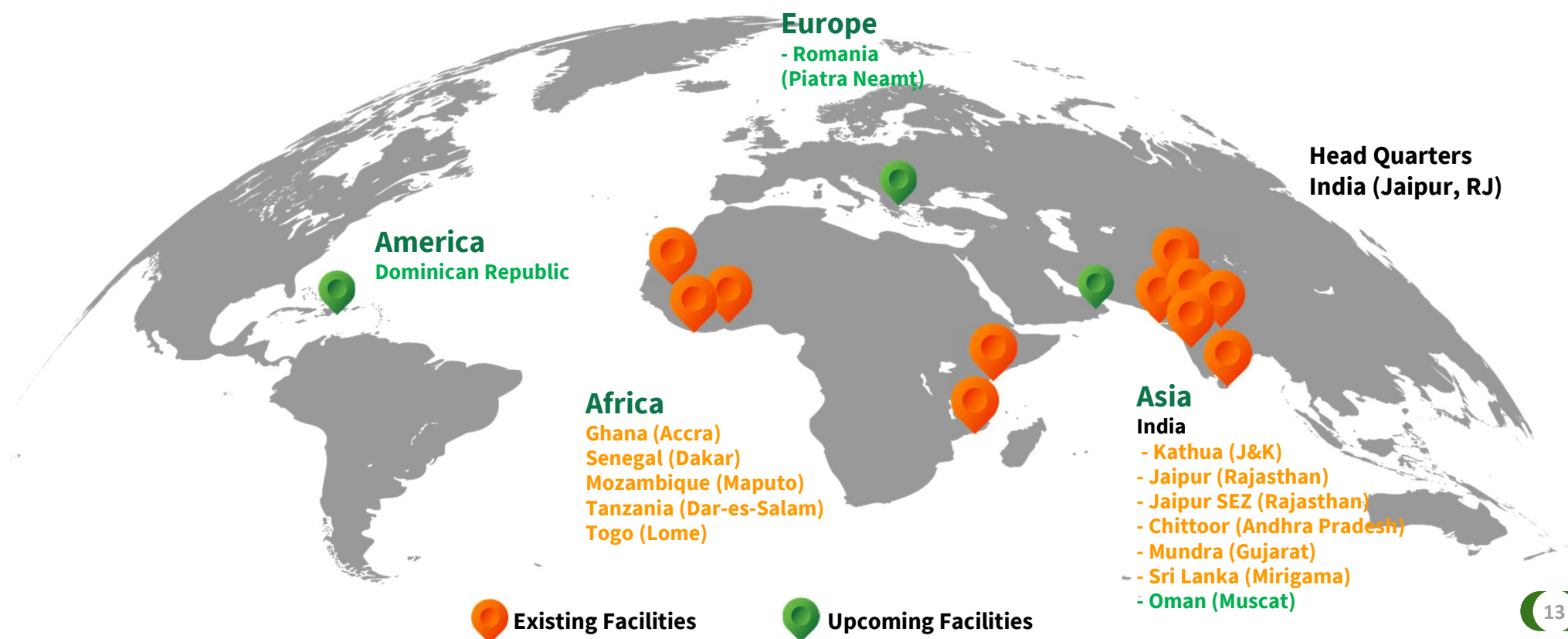
Risk Mitigation-Back to Back Hedging Mechanism

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.

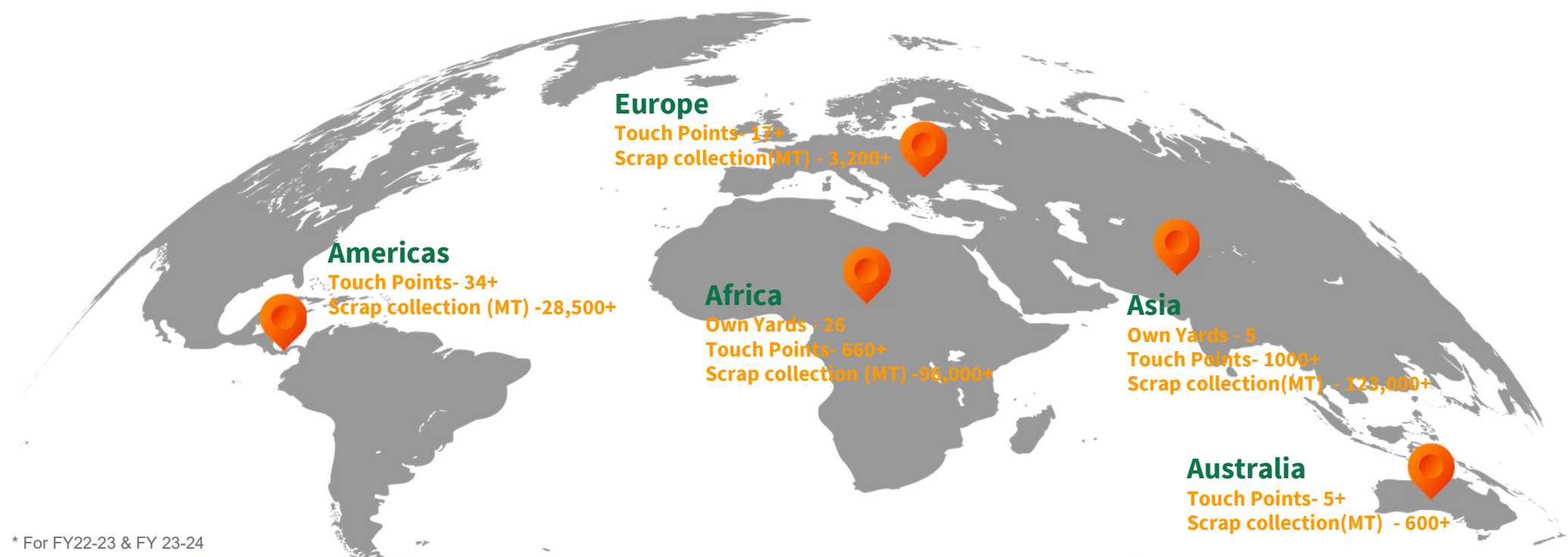


Deep Routed **PROCUREMENT NETWORK**

31
Own yards

1700+
Touch points*

2,50,000 MT+
Scrap collection



* For FY22-23 & FY 23-24

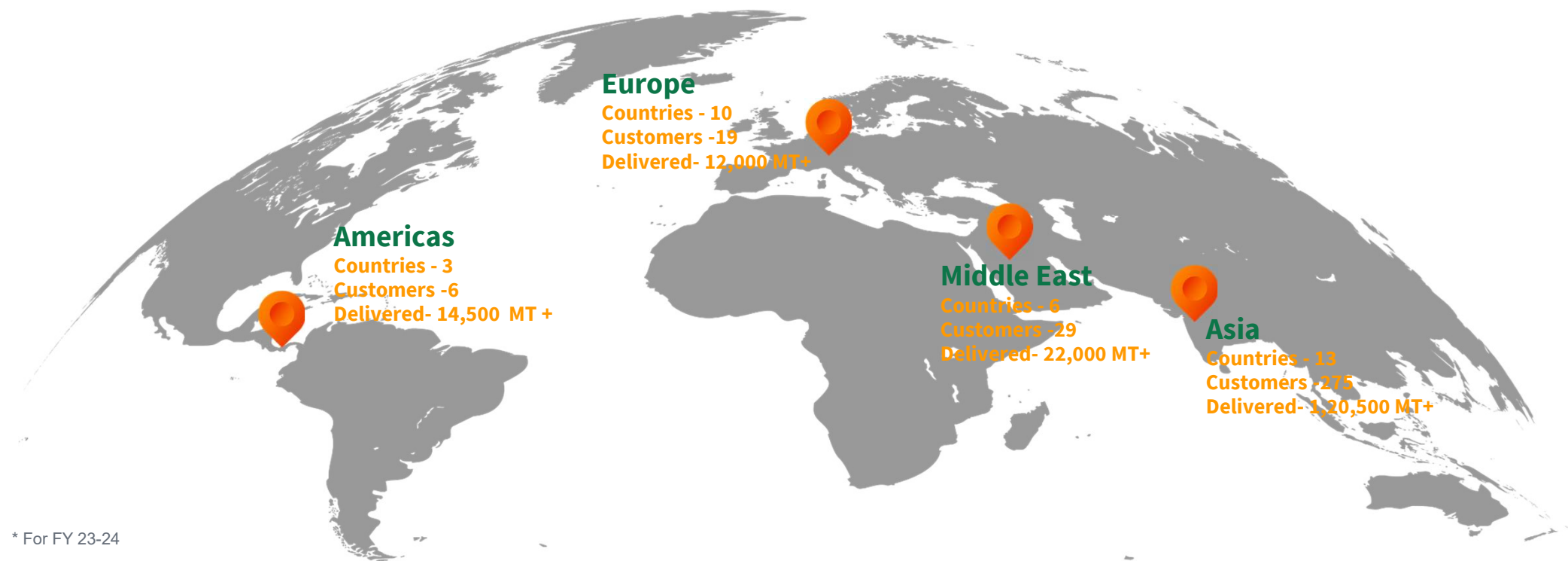
Deep presence in Asia , Africa , Middle East, Europe & America ensures raw material at competitive prices

Diversified **CUSTOMER NETWORK - GLOBAL**

32 +
Countries

325 +
Customers

1,69,000 MT +
Recycled products delivered

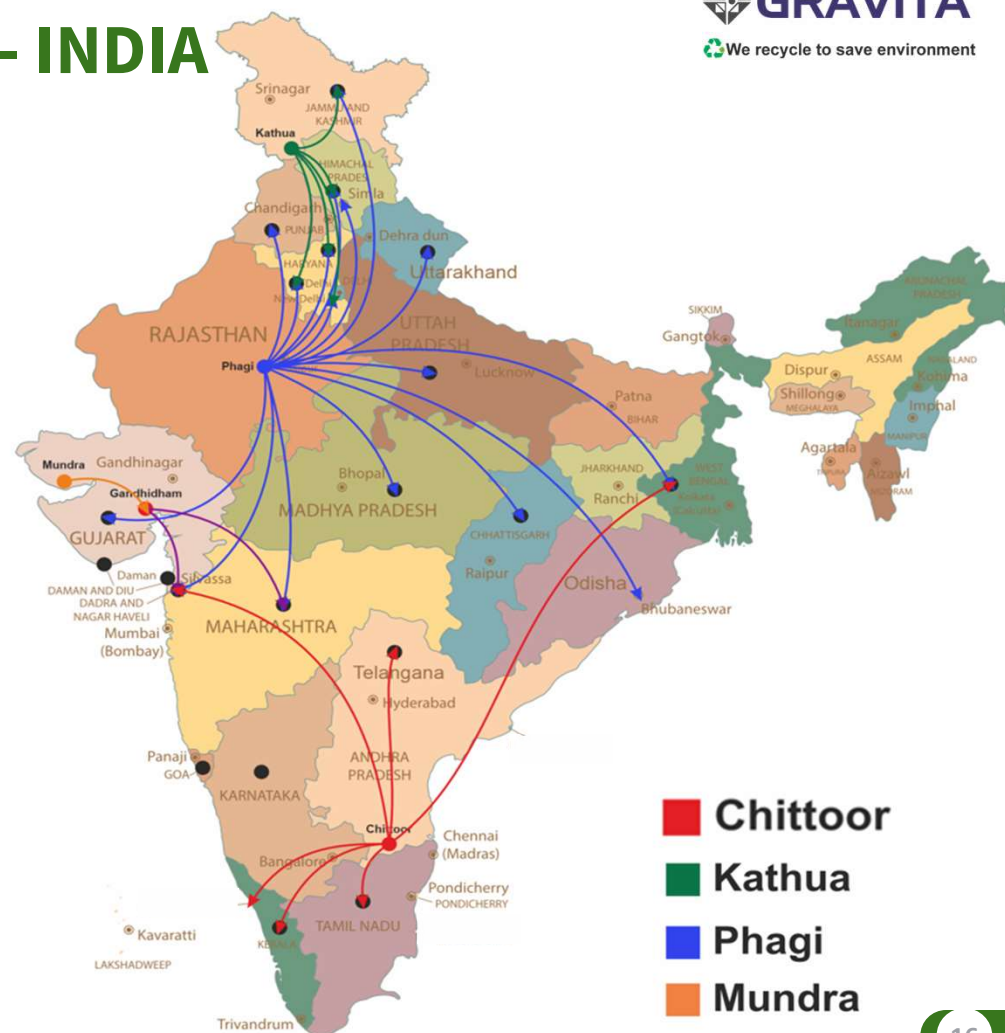


* For FY 23-24

Diversified **CUSTOMER NETWORK- INDIA**

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

- **200+** domestic customers in 20 states in India
- **50+** overseas customers in 30 countries.



OPERATIONAL EXCELLENCE



4

Recycling
Verticals

11

Recycling
Plants

1700+

Touch Points
Globally

46%

Customized &
Value added
products

2.97Lac+

MT Production
Capacity*

71%

Capacity
Utilization

32%

Overseas
Capacity*

2.50 Lac+

MT Scrap
Collection

ILA

India's only
Accredited
Plants

60000 MT+

Healthy
Orderbook

* As on 22.01.2024

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



Sunil Kansal
Whole Time Director & CFO



Vijay Pareek
Executive Director*



Naveen Sharma
Executive Director*



Rajeev Surana
Executive Director*



Ajay Thapliyal
Director*



Sandeep Choudhary
Director*



28 Yrs +
Avg Management
Experience in diversified
Industries



100%
Employees covered under
incentive schemes



36 Yrs
Average Employee Age



3000 +
Employees



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



5 Yrs
Average Employee
Association



16 Yrs
Average Management
Association



4 rounds
ESOP's

* Non-Board Member

CUSTOMIZED AND VALUE-ADDED PRODUCTS



Customized Lead Alloys



Lead Sheets



Lead Bricks



Red Lead



Lead Oxide



Customized Aluminium Alloys



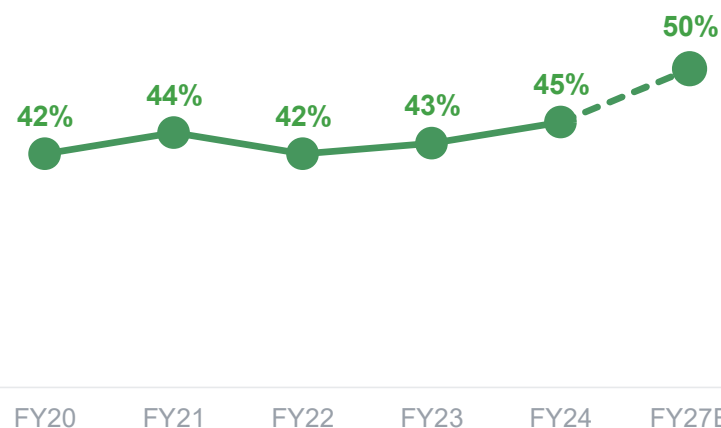
Plastic Granules



Pet Flakes - Food grade

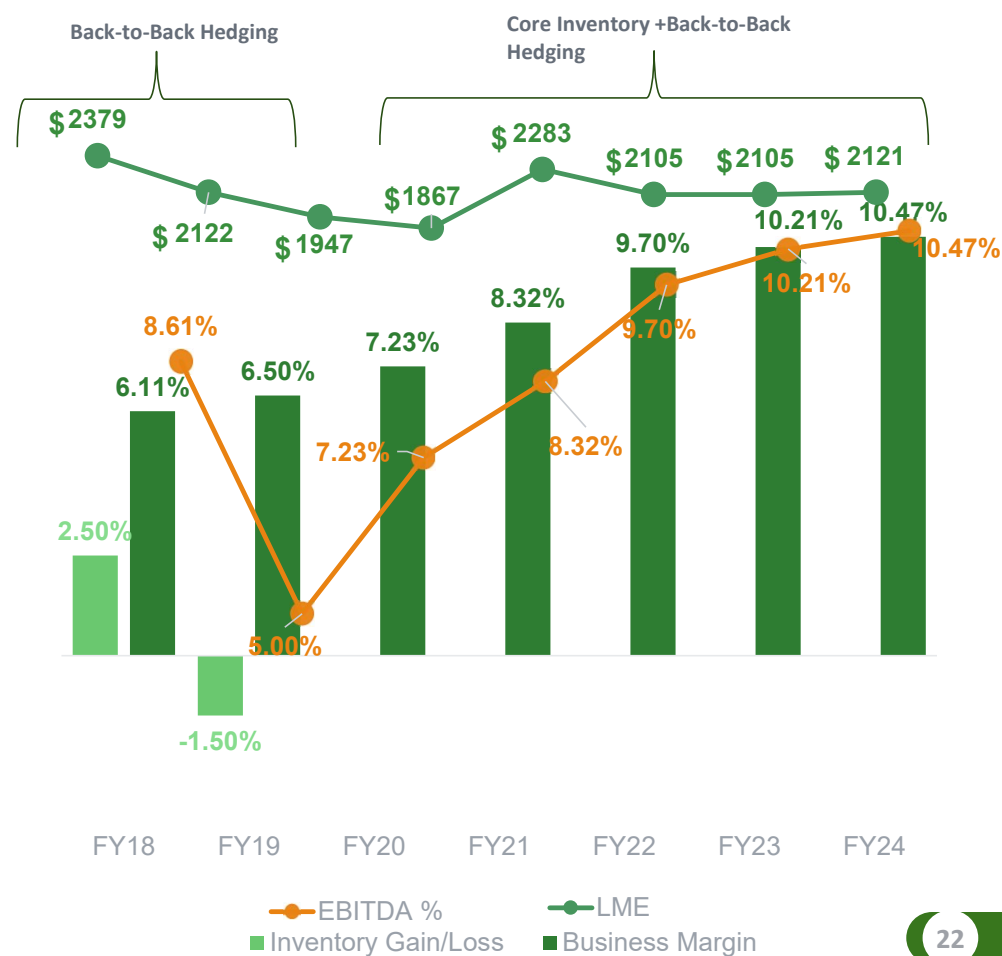
Our Capability to produce customized and value-added products for diversified customer segments gives us better contributions and larger pie of customer's product mix.

Value Added Products % in revenue

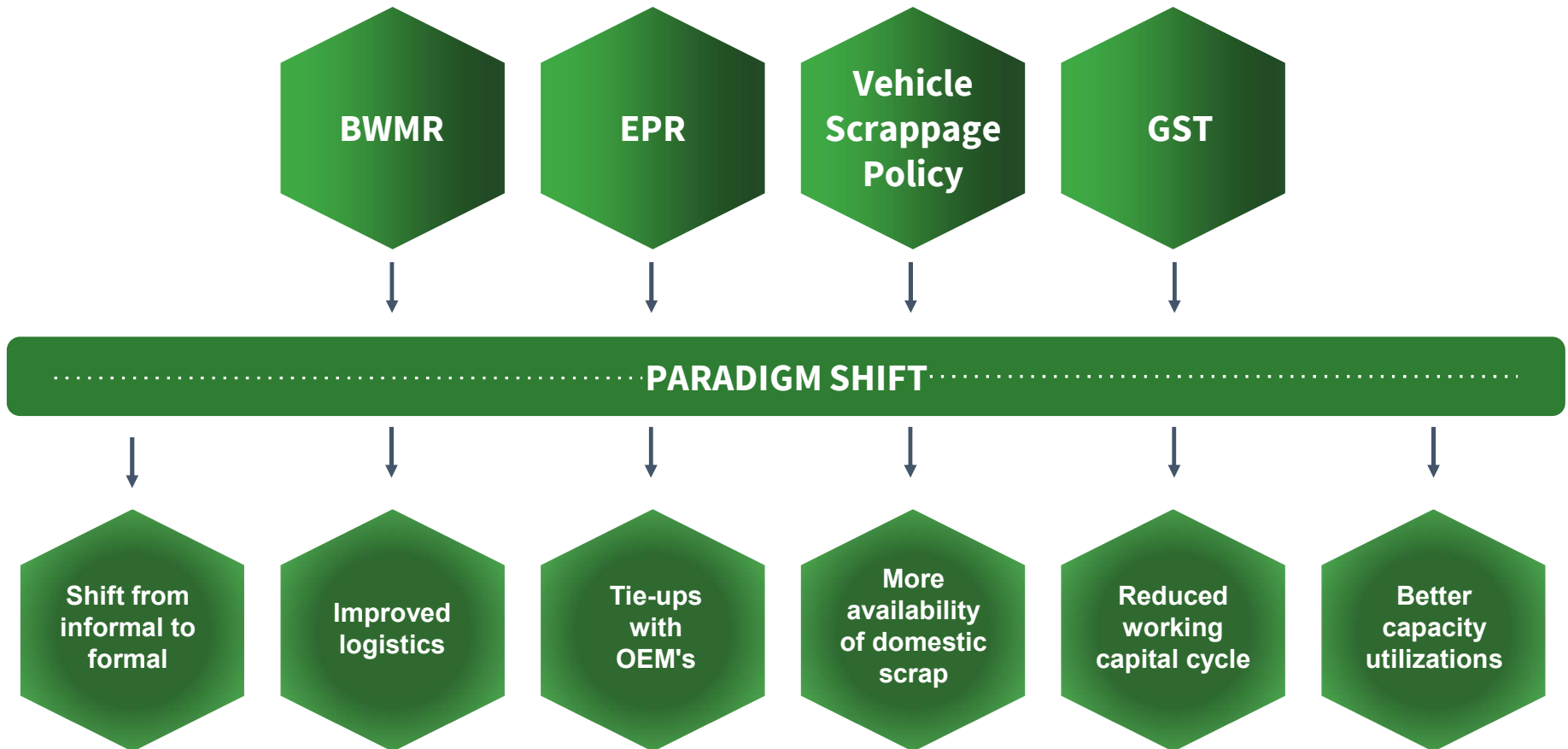


Risk Mitigation by **BACK-TO-BACK HEDGING** mechanism

- 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



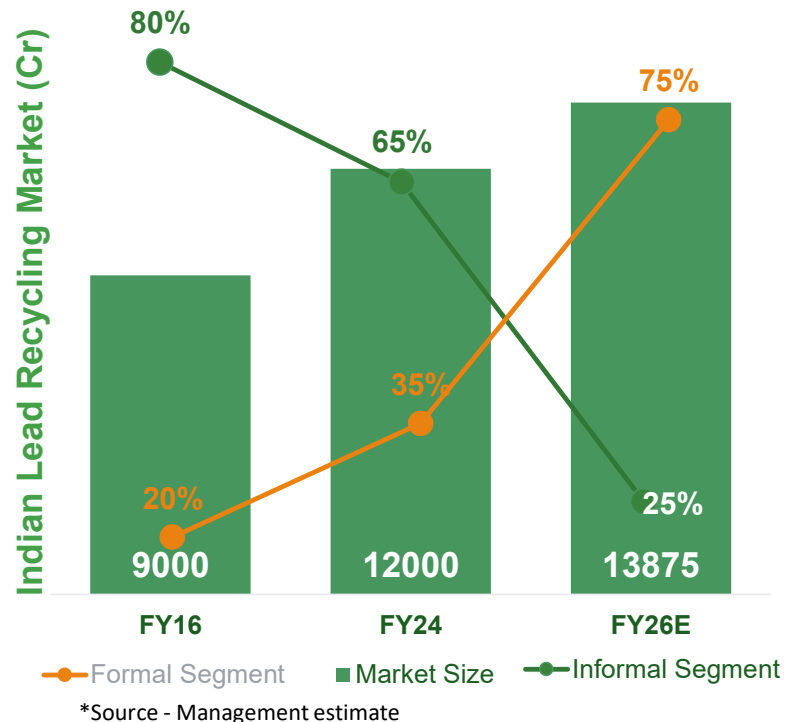
Improving **MARKET DYNAMICS IN RECYCLING** - Paradigm Shift



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



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



Sustainable Circular **Business Model**



ENVIRONMENT, Social & Corporate Governance



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
- 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*

- 50% jump in RE power generation (9M YoY)
- 18.7 Lakh units of RE power generated in 9M
- 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 31.12.24

Environment, **SOCIAL** & Corporate Governance

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

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

Environment, Social & **CORPORATE GOVERNANCE**

Weaving a Culture Rich in Ethics, Accountability and Transparency

50%

Independent
Directors

A+

Ratings by
ICRA

ILA*

Registered
Plants

MCX

Empaneled
Brand

**ISO
9001:2015**
Certified

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

*ILA – International Lead Association, a global Lead trade association

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

Base Year: FY24

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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