

July 20, 2023

Gravita India Limited: Change in Limits

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
LT- Fund Based -Term Loans	119.59	69.54	[ICRA]A (Positive); Outstanding
LT – Fund Based - Unallocated	10.81	85.46	[ICRA]A (Positive); Outstanding
ST - Non fund based – Others	31.60	-	-
LT - Fund based – CC	193.00	-	-
LT - Fund based – Others	-	200.00	[ICRA]A (Positive); Outstanding
LT/ST- Interchangeable- Fund based – Others	(167.49)#	-	-
LT/ST- Interchangeable – Non-fund based – Others	(25.50)#	-	-
LT/ST- Interchangeable-Fund based/Non-fund based – Others	-	(150.00)^	[ICRA]A (Positive)/[ICRA]A2+; Outstanding
Issuer rating	-	-	[ICRA]A (Positive); Outstanding
Total	355.00	355.00	

*Instrument details are provided in Annexure-I

#sub-limit of cash credit limits

^sub-limit of fund-based limits

Rationale

This rationale is being released to convey the change in the rated limits as depicted in the table above, based on the latest information received from the entity.

Please refer to the following link for the previous detailed rationale that captures key rating drivers and their description, the liquidity position and rating sensitivities, and key financial indicators: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Not Applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of GIL, the details of which have been enlisted in Annexure II.

About the company

Incorporated in 1992, with its first plant set up in Jaipur (Phagi) by Mr. Rajat Agrawal, GIL is in the business of recycling lead acid batteries, lead scrap, aluminium scrap, plastic scrap and rubber scrap. The company carries out smelting of lead battery scrap/ lead concentrate to produce secondary lead metal, which is further transformed into pure lead, specific lead alloy, lead oxides (lead sub oxide, red lead and litharge) and value-added products like lead sheets, lead powder, lead shot etc. The company is headquartered in Jaipur with 13 recycling plants located in Rajasthan, Gujarat, Andhra Pradesh, Jammu & Kashmir, Sri Lanka (Mirigama export zone), Ghana (Accra), Mozambique

(Maputo), Senegal (Dakar), Tanzania (Dar-es-Salam), Togo and Nicaragua (Managua) with an aggregate ~2,28,000+ MT recycling capacity for lead, aluminium, plastic and rubber (rubber unit was set up in FY2023; consumed internally as of now).

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Current rating (FY2023)			Chronology of rating history for the past 3 years			
		Amount rated (Rs. crore)	Amount outstanding as on Jun 30, 2023 (Rs. crore)	Date & rating in FY2024	Date & rating in FY2023	Date & rating in FY2022	Date & rating in FY2021	
				July 20, 2023	Jan 13, 2023	N/A	N/A	
1 Issuer rating	Long term	-	-	[ICRA]A (Positive)	[ICRA]A (Positive)	-	-	
2 Fund-based Term Loans	Long term	69.54	69.54	[ICRA]A (Positive)	[ICRA]A (Positive)	-	-	
3 Fund Based - Unallocated	Long term	85.46	-	[ICRA]A (Positive)	[ICRA]A (Positive)	-	-	
4 Fund based – CC	Long term	-	-	-	[ICRA]A (Positive)	-	-	
5 Non fund based –Others	Short term	-	-	-	[ICRA]A2+	-	-	
6 Fund based – Others	Long term	200.00	-	[ICRA]A (Positive)	-	-	-	
7 Interchangeable-Fund based/Non-fund based – Others	Long-term/ Short term	(150.00)^	-	[ICRA]A (Positive)/ [ICRA]A2+	-	-	-	
8 Interchangeable-Fund based – Others	Long-term/ Short term	-	-	-	[ICRA]A (Positive)/ [ICRA]A2+	-	-	
9 Interchangeable - Non-fund based –Others	Long-term/ Short term	-	-	-	[ICRA]A (Positive)/ [ICRA]A2+	-	-	

#sub-limit of cash credit limits

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Complexity level of the rated instruments

Instrument	Complexity Indicator
Issuer rating	NA
Fund Based- Term Loans	Simple
Fund Based- Unallocated	NA
Fund based- Others	Simple
Interchangeable-Fund based/Non-fund based – Others	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term Loan 1	Oct-19	-	Jan-27	26.22	[ICRA]A (Positive)
NA	Term Loan 2	Dec-22	-	Sep-26	32.50	[ICRA]A (Positive)
NA	Term Loan 3	Feb-20	-	Oct-26	10.82	[ICRA]A (Positive)
NA	Unallocated	-	-	-	85.46	[ICRA]A (Positive)
NA	Fund based – Others	-	-	-	200.00	[ICRA]A (Positive)
NA	Interchangeable- Others	-	-	-	(150.00)^	[ICRA]A(Positive)/ [CRA]A2+
NA	Issuer rating	-	-	-	-	[ICRA]A (Positive)

Source: Company; ^sub-limit of fund-based limits

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis

Company Name	Subsidiary/ Associate/ Joint Venture	GIL Ownership	Consolidation Approach
Gravita India Limited	Parent	100% (rated entity)	Full Consolidation
Gravita Infotech Limited	Wholly owned subsidiary	100%	Full Consolidation
Noble Build Estate Private Limited	Wholly owned subsidiary	100%	Full Consolidation
Gravita Ghana Limited	Wholly owned subsidiary	100%	Full Consolidation
Gravita Senegal SAU	Wholly owned stepdown subsidiary	100% (through Gravita Netherlands BV)	Full Consolidation
Gravita Mozambique LDA	Wholly owned stepdown subsidiary	Gravita Netherlands BV 96.38%, Gravita Global Pte Limited 3.62%	Full Consolidation
Gravita Global Pte. Limited	Wholly owned subsidiary	100%	Full Consolidation
Gravita Netherlands B.V	Wholly owned stepdown subsidiary	100% (through Gravita Global PTE Limited)	Full Consolidation
Navam Lanka Limited	Step down subsidiary	52% (through Gravita Netherlands BV)	Full Consolidation
Gravita Nicaragua S.A	Wholly owned stepdown subsidiary	Gravita Netherlands BV 95%, Gravita Global Pte Limited 5%	Full Consolidation
Gravita Ventures Limited	Wholly owned stepdown subsidiary	99% (through Gravita Netherlands BV)	Full Consolidation
Gravita USA Inc	Wholly owned stepdown subsidiary	100% (Through Gravita Netherlands BV)	Full Consolidation
Gravita Jamaica Limited	Wholly owned stepdown subsidiary	100% (through Gravita Netherlands BV)	Full Consolidation
Recyclers Ghana Limited	Wholly owned stepdown subsidiary	100% (through Gravita Netherlands BV)	Full Consolidation
Gravita Mali SA	Wholly owned stepdown subsidiary	100% (through Gravita Netherlands BV)	Full Consolidation
Gravita Tanzania Limited	Wholly owned stepdown subsidiary	Gravita Netherlands BV 99%, Gravita Global Pte Limited 1%	Full Consolidation
Mozambique Recyclers LDA	Wholly owned stepdown subsidiary	Gravita Netherlands BV 98%, Gravita Global Pte Ltd 2%	Full Consolidation
Gravita TOGO SAU	Wholly owned stepdown subsidiary	100% by Gravita Netherlands BV	Full Consolidation

Company Name	Subsidiary/ Associate/ Joint Venture	GIL Ownership	Consolidation Approach
Recyclers Gravita Costa Rica SA	Wholly owned stepdown subsidiary	100% (Gravita Netherlands BV)	Full Consolidation
Pearl Landcon Private Limited (till August 12, 2022)	Associate	25% by Gravita Infotech Limited	Equity Method
M/s Gravita Infotech	Wholly owned subsidiary	49% Gravita India Limited and 51% Gravita Infotech Limited	Full Consolidation
M/s Recycling Infotech LLP	Wholly owned subsidiary	51% Gravita India Limited and 49% Gravita Infotech Limited	Full Consolidation
M/s Gravita Metal Inc	Wholly owned subsidiary	95% Gravita India Limited and 5% Gravita Infotech Limited	Full Consolidation
Gravita Employee Welfare Trust	Trust		

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