

February 18, 2026

Gravita India Limited: Update on Material Event

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
LT – Fund based – Others	100.00	100.00	[ICRA]AA- (Stable); Outstanding
LT/ST – Interchangeable – Fund-based/Non-fund based – Others	(100.00)^	(100.00)^	[ICRA]AA- (Stable)/[ICRA]A1+; Outstanding
Total	100.00	100.00	

*Instrument details are provided in Annexure-I, ^sub-limit of fund-based limits

Rationale

Material Event

On February 9, 2026, Gravita India Limited (GIL) informed the stock exchanges that its Board has approved entering into a binding term sheet to acquire upto 100% equity stake in Rashtriya Metal Industries Limited (RMIL) for a consideration of Rs. 565 crore. RMIL is a long-established manufacturer of copper and copper-alloy products and operates an integrated manufacturing facility at Sarigram, Gujarat with an installed capacity of 31,200 MTPA. The transaction will be funded entirely through cash and, upon completion, RMIL will become a subsidiary of GIL. The transaction is expected to be completed on or before 31st March 2026, subject to completion of due diligence and receipt of requisite approvals.

Impact of the Material Event

The proposed acquisition is expected to expand GIL's product portfolio into copper and copper alloys products (strips and coils), thereby enhancing product diversification beyond its core lead recycling operations. RMIL's established operating track record with revenue of Rs. 910 crore in FY2025 and a net-worth base of Rs. 300.5 crore as on March 31, 2025, is expected to support GIL's consolidated revenues and operating profitability over the medium term. GIL is planning to fund the consideration (~Rs 565 crore) through its existing cash and liquid investment portfolio of ~Rs 737 crore as on January 31, 2026, thereby limiting any large debt addition for the transaction. Only the existing working capital debt in the books of RMIL would be added to GIL's consolidated debt. ICRA expects that the net leverage (Net Debt/OPBDITA) position is expected to remain below 1.0 times over the medium term. While capital expenditure would be undertaken to support the growth initiatives, healthy cash accruals are expected to sustain comfortable leverage and coverage metrics, going forward. The company also intends to maintain a liquid investment buffer of Rs 300-350 crore to support the liquidity. GIL's financial performance in 9M FY2026 continues to remain healthy, with operating income of Rs. 3106.8 crore and operating margin (OPM) of ~11%, compared to full year operating income of Rs. 3945 crore and OPM of ~10% in FY2025

Please refer to the following link for the previous detailed rationale that captures the key rating drivers and their description, liquidity position and rating sensitivities: 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

Gravita India Limited (GIL) was incorporated in 1992 with the 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 and other such products. The company has its headquarters in Jaipur with 12 recycling plants across Rajasthan, Gujarat, Andhra Pradesh, Jammu & Kashmir, Sri Lanka (Mirigama export zone), Ghana (Accra), Mozambique (Maputo), Senegal (Dakar), Togo, Romania and Tanzania (Dar-es-Salam) with an aggregate ~3,45,659 MT recycling capacity for lead, aluminium, plastic and rubber (rubber set-up in FY2023; consumed internally as of now).

Key financial indicators (audited)

Consolidated	FY2024	FY2025	9M FY2026*
Operating income	3,199.0	3,945.0	3,106.8
PAT	242.3	312.9	286.5
OPBDIT/OI	10.5%	10.3%	10.8%
PAT/OI	7.6%	7.9%	9.2%
Total outside liabilities/Tangible net worth (times)	0.9	0.2	-
Total debt/OPBDIT (times)	1.8	0.7	-
Interest coverage (times)	6.5	8.8	-

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. Crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortization; * Provisional Numbers

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating history for past three years

Instrument	Type	Amount rated (Rs. crore)	Current (FY2026)			Chronology of rating history for the past 3 years					
			Feb 18, 2026	Date	Rating	Date	Rating	Date	Rating	Date	Rating
Issuer rating	Long term	-	-	-	-	Mar-28-25	[ICRA]AA-(Stable); upgraded and withdrawn	Jul-20-23	[ICRA]A (Positive)	Jan-13-23	[ICRA]A (Positive)
						Jun-24-24	[ICRA]A+ (Stable)	Oct-5-23	[ICRA]A+ (Stable)	-	-
Fund-based term loans	Long term	-	-	-	-	Mar-28-25	[ICRA]AA-(Stable); upgraded and withdrawn	Jul-20-23	[ICRA]A (Positive)	Jan-13-23	[ICRA]A (Positive)
						Jun-24-24	[ICRA]A+ (Stable)	Oct-5-23	[ICRA]A+ (Stable)	-	-
Fund based - Unallocated	Long term	-	-	-	-	-	-	Jul-20-23	[ICRA]A (Positive)	Jan-13-23	[ICRA]A (Positive)
						-	-	Oct-5-23	[ICRA]A+ (Stable)	-	-
Fund-based – CC	Long term	-	-	-	-	-	-	-	-	Jan-13-23	[ICRA]A (Positive)
Non-fund based – Others	Short term	-	-	-	-	-	-	-	-	Jan-13-23	[ICRA]A2+
Fund-based – Others	Long term	100.00	[ICRA]AA-(Stable)	Sep-16-25	[ICRA]AA-(Stable)	Mar-28-25	[ICRA]AA-(Stable)	Jul-20-23	[ICRA]A (Positive)	-	-
						Jun-24-24	[ICRA]A+ (Stable)	Oct-5-23	[ICRA]A+ (Stable)	-	-
Interchangeable-Fund-based/ Non-fund based – Others	Long term/ Short term	(100.00)^	[ICRA]AA-(Stable)/ [ICRA]A1+	Sep-16-25	[ICRA]AA-(Stable)/ [ICRA]A1+	Mar-28-25	[ICRA]AA-(Stable)/[ICRA]A1+	Jul-20-23	[ICRA]A (Positive)/ [ICRA]A2+	-	-
						Jun-24-	[ICRA]A+ (Stable)/	Oct-5-	[ICRA]A+	-	-

							24	[ICRA]A1	23	(Stable)/ [ICRA]A1		
Interchangeable - Fund-based – Others	Long term/ Short term	-	-	-	-	-	-	-	-	-	Jan-13-23	[ICRA]A (Positive)/ [ICRA]A2+
Interchangeable -Non-fund based –Others	Long term/ Short term	-	-	-	-	-	-	-	-	-	Jan-13-23	[ICRA]A (Positive)/ [ICRA]A2+

Note: Amounts in Rs. Crore, ^sub-limit of fund-based limits

Complexity level of the rated instruments

Instrument	Complexity indicator
Interchangeable limits	Simple
Long-term - 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	Fund based – Others	-	-	-	100.00	[ICRA]AA-(Stable)
NA	Interchangeable- Others	-	-	-	(100.00)^	[ICRA]AA-(Stable)/[ICRA]A1+

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	Gravita India Ltd. 99.95%, Garvita Infotech Ltd. 0.05%	Full consolidation
Gravita Ghana Limited (till 13 January 2025)	Wholly-owned subsidiary	100%	Full consolidation
Gravita Senegal S.A.U	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	Wholly-owned stepdown subsidiary	100% (through Gravita Netherlands BV)	Full consolidation
Gravita Nicaragua S.A (till April 5, 2023)	Wholly-owned stepdown subsidiary	Gravita Netherlands BV 99.95%, Gravita Global Pte Limited 0.03%	Full consolidation
Gravita Ventures Limited (closed on February 07, 2025)	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 (till 18 July)	Wholly-owned stepdown	100% (through Gravita	Full consolidation

Company name	Subsidiary/Associate/Joint Venture	GIL ownership	Consolidation approach
2024)	subsidiary	Netherlands BV)	
Recyclers Ghana Limited	Wholly-owned stepdown subsidiary	100% (through Gravita Netherlands BV)	Full consolidation
Gravita Conakry SAU (from June 14, 2023 till August, 17 2024)	Wholly-owned stepdown subsidiary	100% (through Gravita Netherlands BV)	Full consolidation
Gravita Gulf DMCC (from August 3, 2023)	Wholly-owned stepdown subsidiary	100% (through Gravita Netherlands BV)	Full consolidation
Gravita Dominicana S.A.S. (from August 10, 2023)	Wholly-owned stepdown subsidiary	99% (through Gravita Netherlands BV) and 1% through Gravita Global Pte Ltd	Full consolidation
Recyclers South Africa (PTY) Ltd (from October 10, 2023)	Wholly-owned stepdown subsidiary	100% (through Gravita Netherlands BV)	Full consolidation
Green Recyclers LLC (from October 25, 2023)	Wholly owned stepdown subsidiary	51% (through Gravita Netherlands BV)	Full consolidation
Green Recyclers Mozambique LDA	Wholly-owned stepdown subsidiary	Gravita Netherlands BV 99%, Gravita Global Pte Limited 1%	Full consolidation
Gravita Mali SA (till August 21, 2023)	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
Recyclers Gravita Costa Rica SA (till 19 July 2024)	Wholly-owned stepdown subsidiary	100% (Gravita Netherlands BV)	Full consolidation
Gravita Infotech	Wholly-owned subsidiary (Partnership firm)	49% Gravita India Limited and 51% Gravita Infotech Limited	Full consolidation
Recycling Infotech LLP	Wholly-owned subsidiary (Partnership firm)	51% Gravita India Limited and 49% Gravita Infotech Limited	Full consolidation
Gravita Metal Inc.	Wholly-owned subsidiary (Partnership firm)	95% Gravita India Limited and 5% Gravita Infotech Limited	Full consolidation
Gravita Employee Welfare Trust	Trust		
Gravita Europe S.R.L (from 5 November 2024)	Step-down subsidiary	GNBV 95%, Others 5%	Full consolidation

Source: Company

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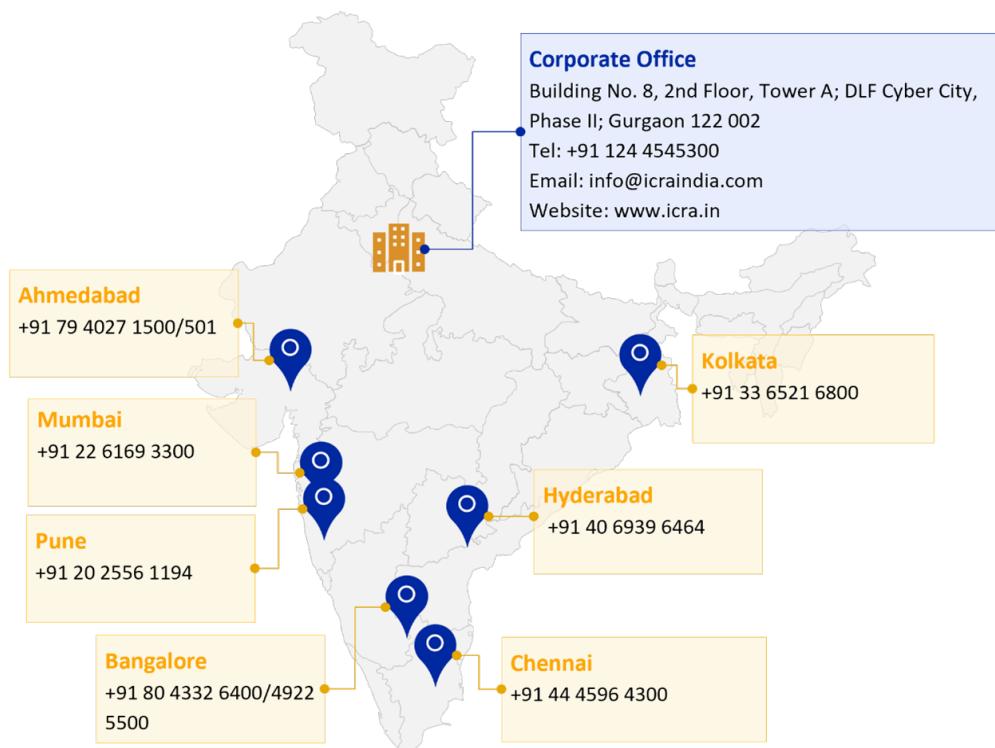


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