

From | Corporate Office: 510, A Wing, Kohinoor City C-1
Kiroli Road, Off L.B.S. Marg, Kurla (W)
Mumbai - 400 070, India
T: +91 22 6708 2600 / 2500



02/11/2023

To
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.

To
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E),
Mumbai - 400 051.

Scrip code : 509152

Symbol : GRPLTD – Series: EQ

Dear Sir / Madam,

Sub: Investor Presentation

Pursuant to regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith Investor Presentation on the unaudited financial results of the Company for the quarter and half year ended 30th September, 2023.

The aforesaid presentation has been uploaded on the Company's website viz., www.grpweb.com

You are requested to take the above information on your records.

Thanking you,

Yours faithfully,
For **GRP Ltd.**

JYOTI
SANCHETI
Digitally signed
by JYOTI
SANCHETI
Date: 2023.11.02
22:55:00 +05'30'

Jyoti Sancheti
Company Secretary

encl.: a/a

GRP Ltd.

CIN No.: L25191GJ1974PLC002555

Registered Office:

Plot No. 8, G.I.D.C., Ankleshwar - 393 002, Dist. Bharuch, Gujarat, India

T: +91 2646 250471 / 251204 / 650433

www.grpweb.com



Investor Presentation – November'23

[Click Here](#) for GRP LTD's Corporate Video

PRODUCING SUSTAINABLE MATERIALS FOR A CIRCULAR ECONOMY

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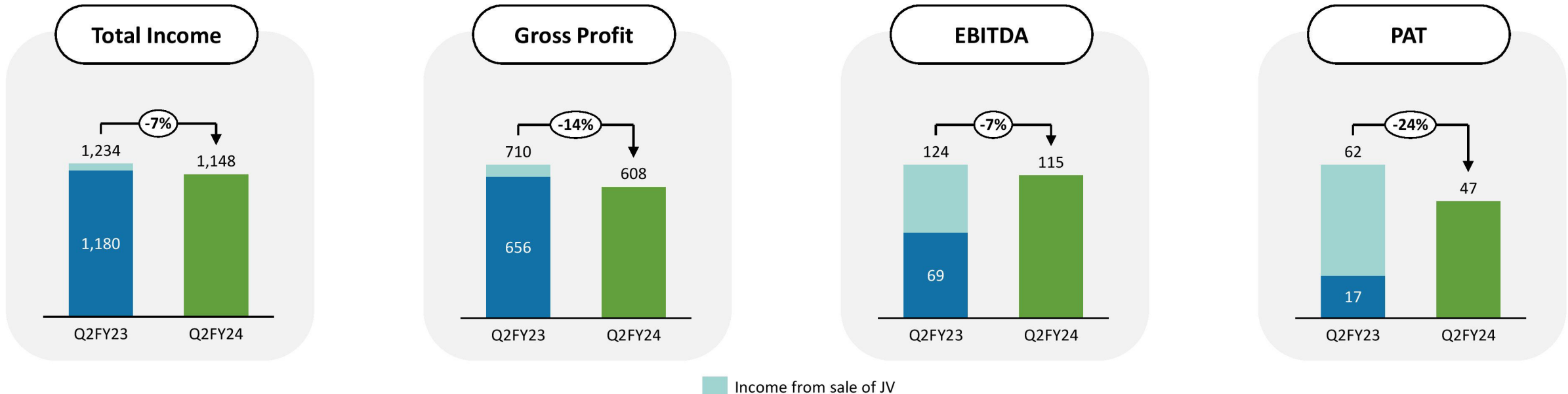


Performance Highlights

Q2 & H1FY24

Q2FY24 Performance (YoY) - Consolidated

(in Rs. Mn)

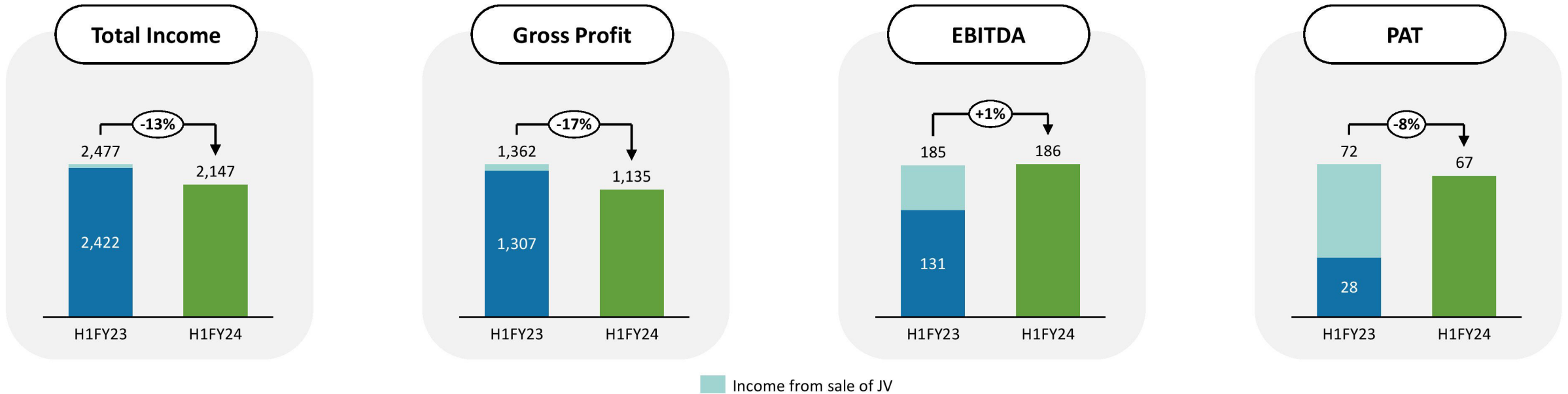


Key Highlights

- ✓ The total revenue includes a component of ocean freight passthrough which has reduced from Rs 132mn in Q2FY23 to Rs 39 mn in Q2FY24. As a result, there is an overall reduction in the total revenue
- ✓ While overall EBITDA and PAT are lower from previous year, the operational EBITDA and PAT (excluding one time income of sale of JV shares Rs 55 mn included in Q2FY23) have increased by 66% and 178% respectively
- ✓ This EBITDA improvement can be mainly attributed to energy cost reduction i.e., from Rs 145 mn in Q2FY23 to Rs 129 mn in Q2FY24 and freight cost reduction as stated above

H1FY24 Performance (YoY) - Consolidated

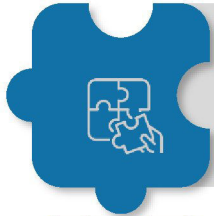
(in Rs. Mn)



Key Highlights

- ✓ The decline in revenue is a result of a 3% reduction in volume compared to the previous year. Majority of this reduction (12%) was in Q1FY24 and there is gradual improvement in Q2FY24
- ✓ EBITDA for H1FY24 saw a substantial increase (42%) compared to H1FY23 (excluding JV sale income), driven by improved operational efficiency and cost savings from windmill energy

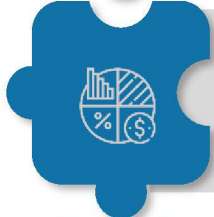
Operational Highlights



There is an uptick in the reclaim rubber volume compared to the previous quarter and improvement in EBITDA is on account of conversion cost reduction, supported by manpower efficiency and energy savings



The profit margins were positively impacted by ocean freight costs reduction from high of 19% of export sales in H1FY23 to 5% of export sales in H1FY24



Following the fire incident, the Engineering Plastics and Polymer Composite businesses have regained normalcy, and the order book is continually improving



As a result of enhanced working capital management and improved operating margins, working capital cycles have been reduced by 14 days (based on 3 months average sale of Q2) compared to the previous quarter

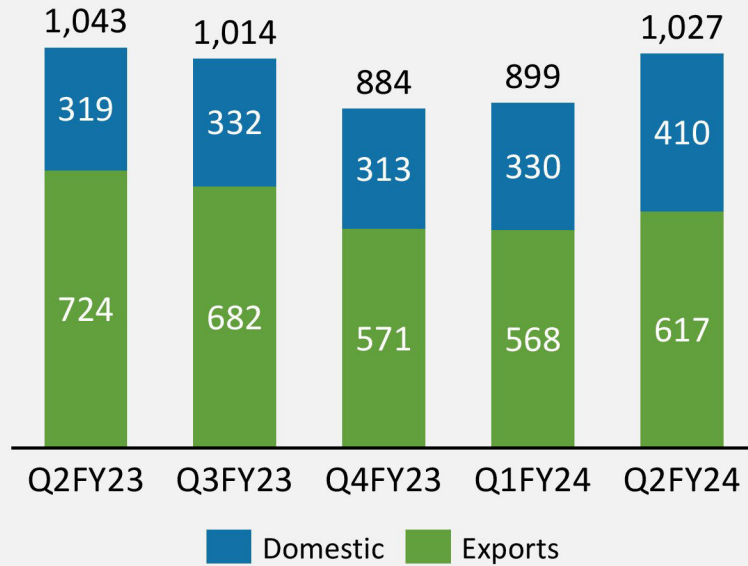


Investments in renewable energy have started to yield results, with overall savings of approximately Rs. 14 mn realized during the first half of the year

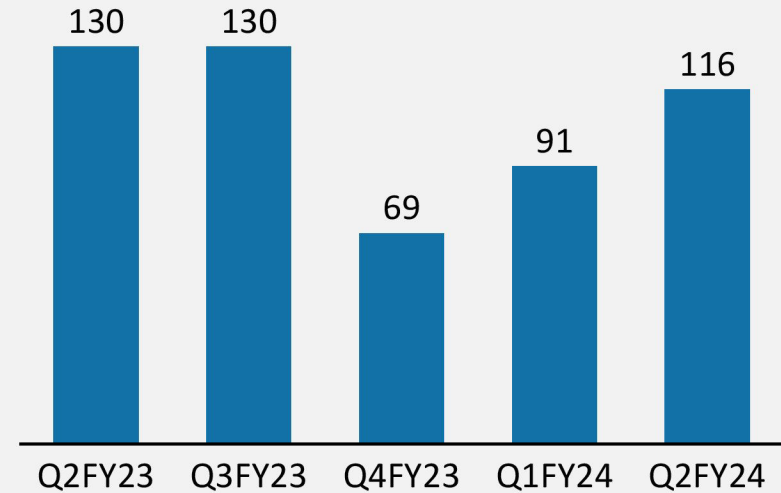
Segment Wise Quarterly Performance Trend - Standalone

(in Rs. Mn)

Reclaim Rubber Revenue* Trend



Non-Reclaim Rubber Revenue* Trend



Key Highlights

- ✓ The reduction in reclaim rubber revenue from Q2FY23 to Q2FY24 is on account of reduction in ocean freight from Rs 131 mn to Rs 38 mn in Q2FY24
- ✓ Post the fire incident in Q4FY23, Non Reclaim Rubber Revenue is gradually increasing Q-o-Q

Segmental Financial Highlights - Standalone

(in Rs. Mn)

Particulars (in Rs. Mn)*	Reclaim Rubber		Non-Reclaim Rubber	
	Q2FY23	Q2FY24	Q2FY23	Q2FY24
Total Income	1,095.2	1,031.2	129.6	116.7
Raw Material	446.8	476.1	82.7	65.5
Other Expenses	548.0	452.6	33.5	37.4
EBIDTA	100.4	102.6	13.5	13.8
EBIDTA Margin	9.2%	9.9%	10.4%	11.9%

Key Highlights

- ✓ EBIDTA margins for Reclaim Rubber expanded by 70 bps Y-o-Y basis on back of reduced ocean freights, and overall improved operational efficiency
- ✓ EBIDTA for Non-Reclaim Rubber business improved by 150 bps due to improved plant utilization and scale benefits

Profit & Loss Statement - Consolidated

Profit & Loss (Rs. Mn)	Q2FY24	Q2FY23	YoY	Q1FY24	QoQ	H1FY24	H1FY23	YoY
Revenue from Operations	1,144	1,170	-2%	993	15%	2,137	2,412	-11%
Other Income	4	64		5		10	65	
Total Income	1,148	1,234	-7%	999	15%	2,147	2,477	-13%
Cost of Goods Sold	541	524		471		1,012	1,115	
Gross Profit	608	710	-14%	528	15%	1,135	1,362	-17%
Gross Profit Margin	53%	58%		53%		53%	55%	
Employee Cost	131	132		138		269	266	
Other Expenses	362	455		319		681	910	
EBIDTA	115	124	-7%	70	64%	185	186	0%
EBITDA Margin	10%	10%		7%		9%	8%	
Depreciation	30	33		28		57	65	
Finance Cost	19	15		18		37	31	
PBT	66	76	-13%	25	169%	91	90	1%
Tax	20	15		5		25	18	
PAT	47	62	-24%	20	138%	67	72	-8%
PAT Margin	4%	5%		2%		3%	3%	

Balance Sheet - Consolidated

Assets (Rs. Mn)	Sep-23	Mar-23
Non-Current Assets	1,410	1,248
Property, Plant and Equipment	1,073	940
Capital work in progress	153	110
Right of use assets	82	83
Investment Property	10	10
Other Intangible assets	1	1
Intangible assets under development	1	1
Financial Assets		
(i)Investments	1	1
(ii)Others	0	0
Other Non-Current Assets	90	102
Current Assets	1,644	1,620
Inventories	435	464
Financial Assets		
(i) Investments	160	157
(ii)Trade receivables	780	707
(iii)cash & cash equivalents	3	6
(iv)Bank balances other than mentioned	1	1
(v)Other Financial assets	128	142
Current Tax Assets (Net)	3	13
Other Current Assets	134	130
Total Assets	3,054	2,867

Liabilities (Rs. Mn)	Sep-23	Mar-23
Equity Share Capital	13	13
Other Equity	1,503	1,461
Equity attributable to owners of the Company	1,516	1,474
Non-Controlling Interests	0	0
Total Equity	1,516	1,474
Non-Current Liabilities	340	389
Financial Liabilities		
(i)Borrowings	196	249
(ii)Lease Liabilities	5	5
(iii)Other Financial liabilities	1	1
Provisions	23	17
Deferred Tax Liabilities (Net)	115	117
Current Liabilities	1,198	1,004
Financial Liabilities		
(i)Borrowings	743	634
(ii)Lease Liabilities	3	4
(iii)Trade Payables	188	155
(iv)Other Financial Liabilities	26	42
Other Current Liabilities	222	154
Provisions	16	16
Total Equity & Liabilities	3,054	2,867



Industry Highlights

Tyre Graveyards are Increasing across the Globe

8 Billion people in the world



1.4 Billion vehicles on the road

1.7 Billion new tyres produced a year



Over 1 Billion waste tyres generated per year

Creating huge

TYRE GRAVEYARDS...

... HUGE OPPORTUNITY

...Presenting a HUGE OPPORTUNITY

Huge tyre graveyards that can be seen from space



GRP uses end-of-life tyres to recycle and manufacture



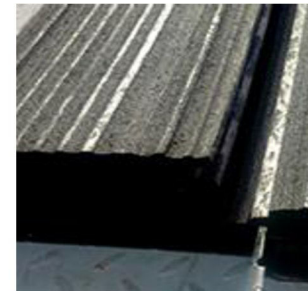
Reclaim rubber, Engineering plastics, Die-cut products & Polymer Composite products



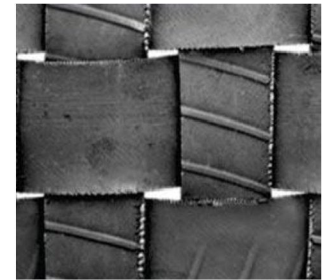
GRP RECLAIM RUBBER



GRP ENGINEERING PLASTICS



GRP POLYMER COMPOSITE



GRP CUSTOM DIE FORMS

...To Reduce, Reuse & Recycle



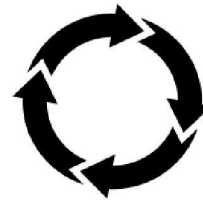
REDUCE



POLYMER COMPOSITE

- Manufactured from 100% recycled rubber and plastics
- Product is environmental friendly, strong and durable as a substitute to wood & concrete

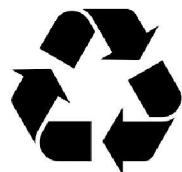
REUSE



CUSTOM DIE FORMS

- Custom die forms engineered from end of life truck and bus bias tyres used in application where low cost solutions are a necessity like door mats, impact resistance products and agriculture equipment

RECYCLE



ENGINEERING PLASTICS

- Recovery and Reuse of polyamide from end-of-life tyres, a key competitive advantage is the continuous availability of in-house raw materials

Global & Indian Tyre Industry Performance

Global Tyre Market

Passenger car/Light truck tire (PC/LT), 9MCY23 (% change Y-o-Y, in no. of tyres)					
Particulars	Europe	North & Central America	South America	Asia (Excl. China & India)	Global market
OE tyres	11%	9%	5%	11%	6%
RT tyres	-6%	-4%	11%	-6%	-1%
Truck tire, 9MCY23 (% change Y-o-Y, in no. of tyres)					
OE tyres	8%	-2%	-23%	4%	9%
RT tyres	-9%	-17%	4%	-4%	-2%

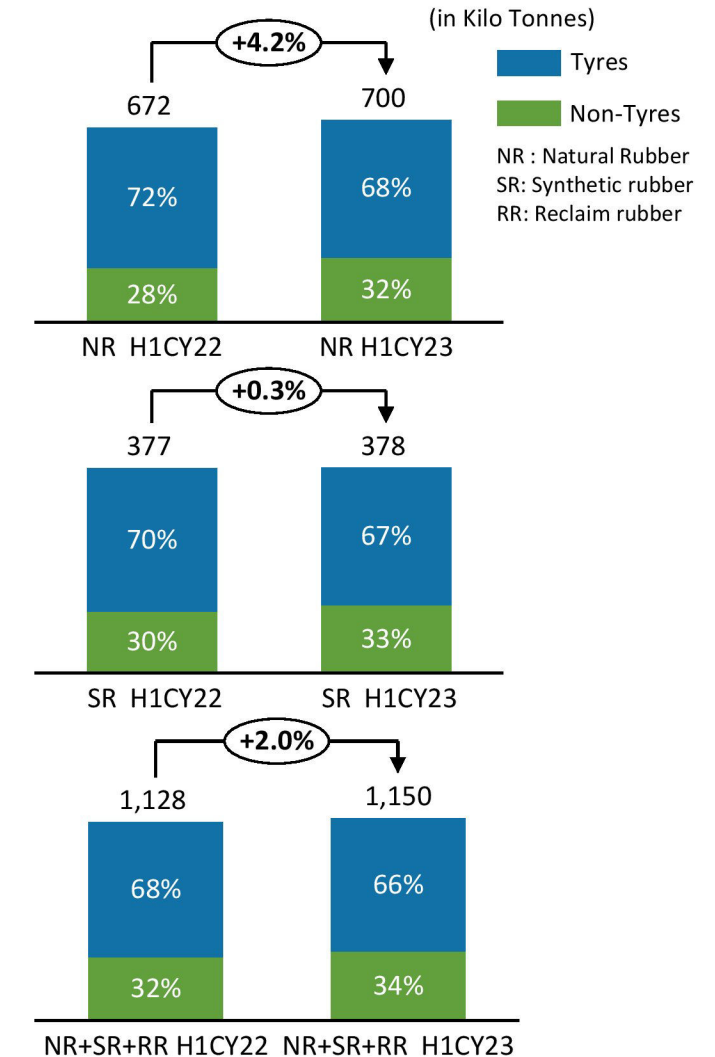
Global Tyre trends

- ✓ Demand for PC/LT tires has been flat globally
- ✓ PC/LT OE is up driven by supply chains ease
- ✓ RT Truck Tire (excl. China) decrease is driven by destocking from distribution

Indian market

- ✓ There is an uptick in non-tyre segment rubber consumption. However, RR consumption in non-tyre reduced marginally
- ✓ The degrowth in tyre segment is on account of flat sales, high inventory & destocking of the same
- ✓ Despite the increase in overall rubber consumption, there is a reduction in overall RR consumption by 8%

Indian Rubber Consumption



MoEFCC has introduced EPR norms for waste tyres

'Extended Producer Responsibility' means responsibility of producer of tyres to ensure environmentally sound management of waste tyres as per the provisions of this regulation

- ✓ The obligations to recycle waste tyre drives circularity and thereby, presents a positive outlook for GRP and industry in general

What it means to recyclers?

- ✓ It provides a larger opportunity to support manufacturers to handle their waste better
- ✓ Streamlines sourcing of waste tyres being generated in the country
- ✓ Secures credit for contributing to circular economy

Proposed EPR targets for manufacturers or importers of new tyres

Year% of the quantity of new manufactured or tyres imported in year
FY23	35%, FY21
FY24	70%, FY22
FY25	100%, FY23
FY25+ (Year Y)	100%, Year (Y-2)

For Units established after 1st Apr. 2022, the EPR obligation shall start after two years (Y) and shall be 100% of the new tyres manufactured or imported in the year (Y-2)



Our Business

About GRP

- ❖ GRP was established in **1974**, it is a diversified Indian corporation **manufacturing and providing high quality sustainable materials to global polymer product companies**
- ❖ GRP operates **5 business vertical** (Reclaim Rubber, Engineering plastics, Custom Die Forms, Polymer composite & Repurposed Polyolefins)
- ❖ GRP has **6 manufacturing units across India** with an installed capacity to handle around **87,000 tons/annum*** to service the needs of the global polymer industry and help save valuable resources of the planet
- ❖ GRP has a highly structured Integrated management system consisting of **IATF 16949:2016, ISO 9001: 2015, ISO 14001:2015 and ISO 45001:2018** for all its reclaim rubber manufacturing units. Reclaim Rubber products are also all **REACH Certified** for EU Zone

❖ Founded in 1974

❖ Listed in 1977

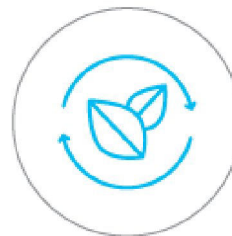
❖ Headquartered in Mumbai

Supplies to 8 out of top 10 global tyre companies

35% of India's Export in reclaim rubber & 16% share in Indian Market

300+ customers and export presence in 60+ countries

Our Values



Sustainability



Trust

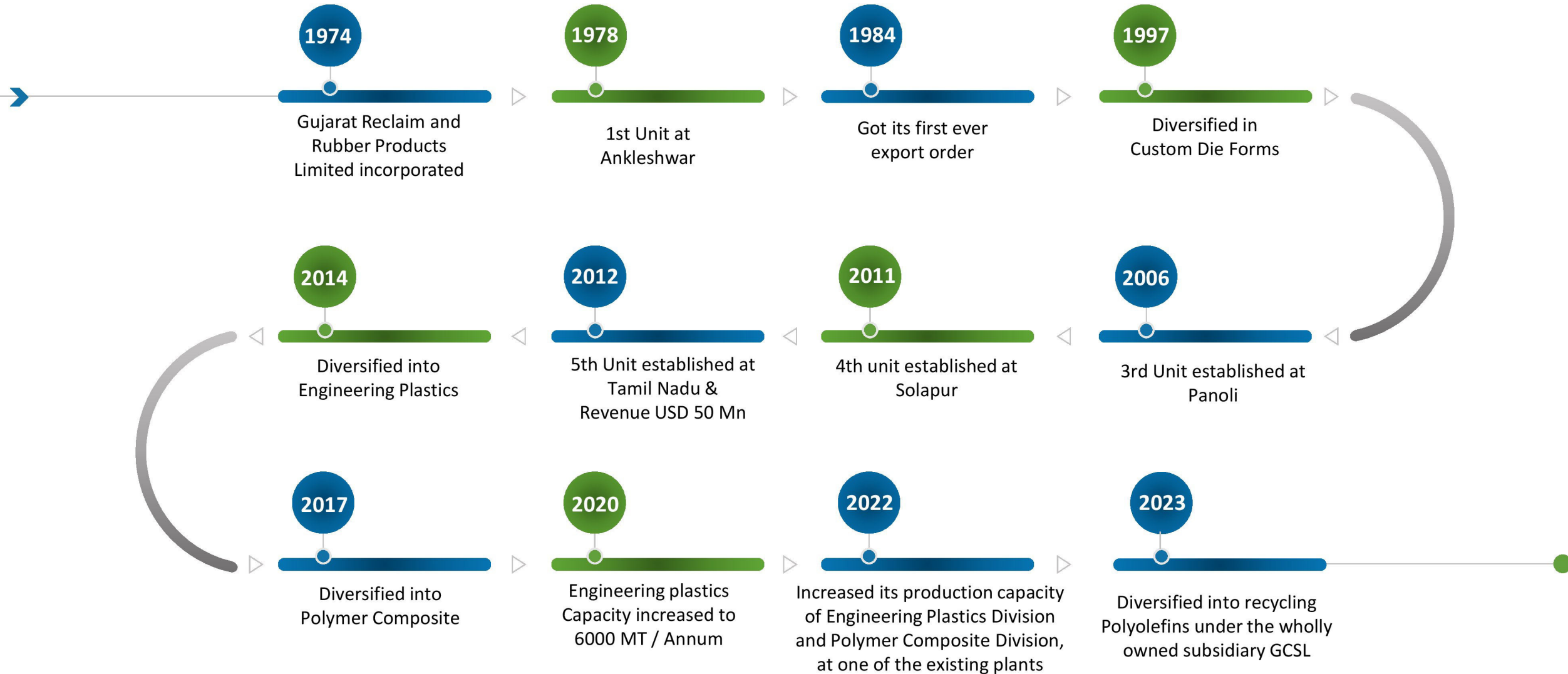


Commitment

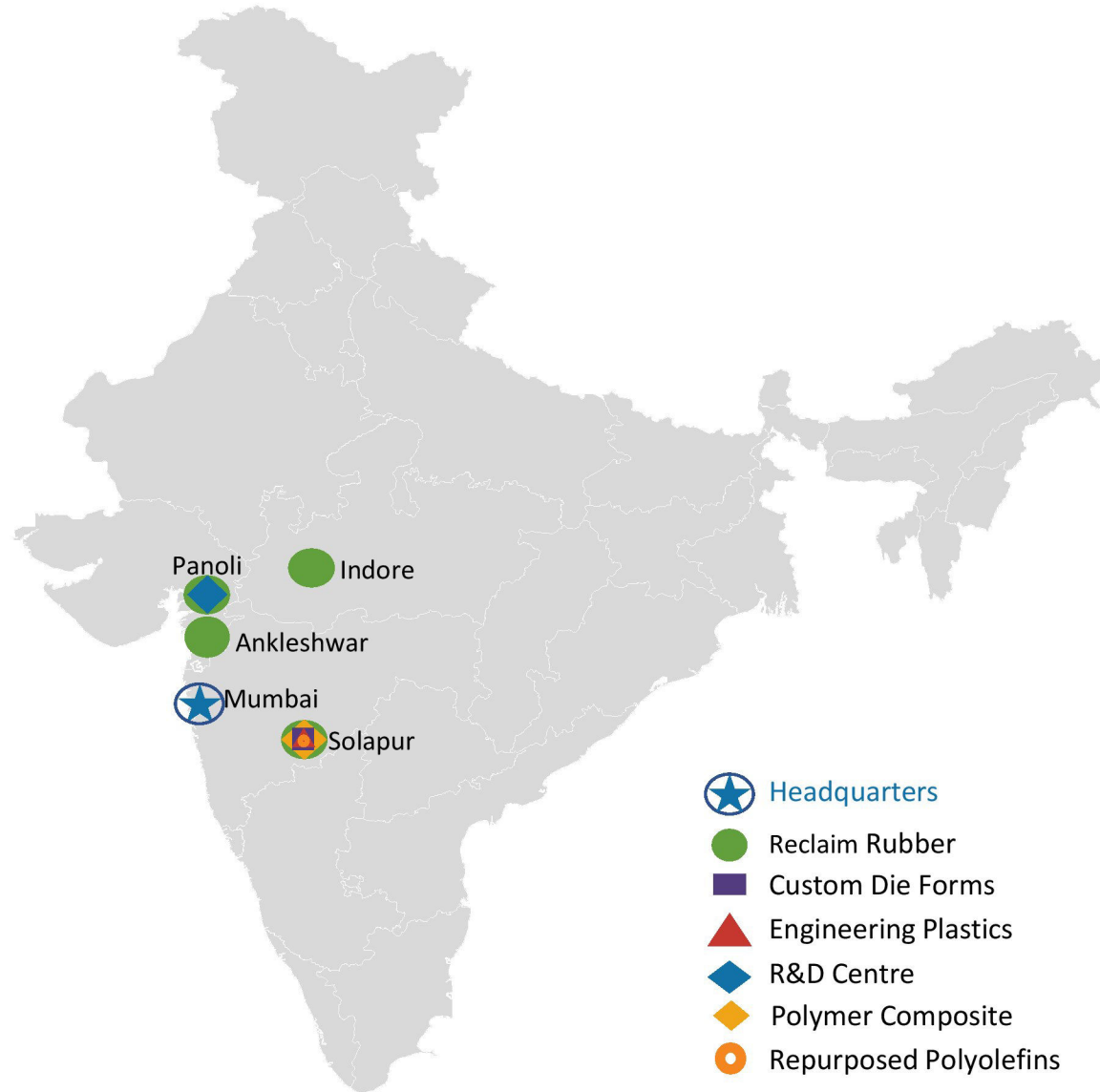


Integrity

Gearing Up Towards Fifth Decade & Counting



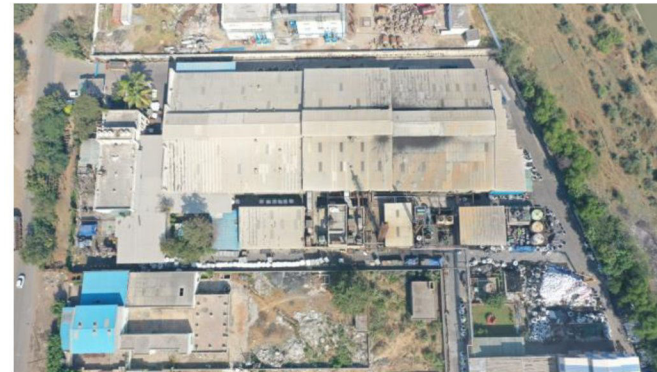
Strategically Located State of the Art Facilities



Our Solapur Facility - Maharashtra



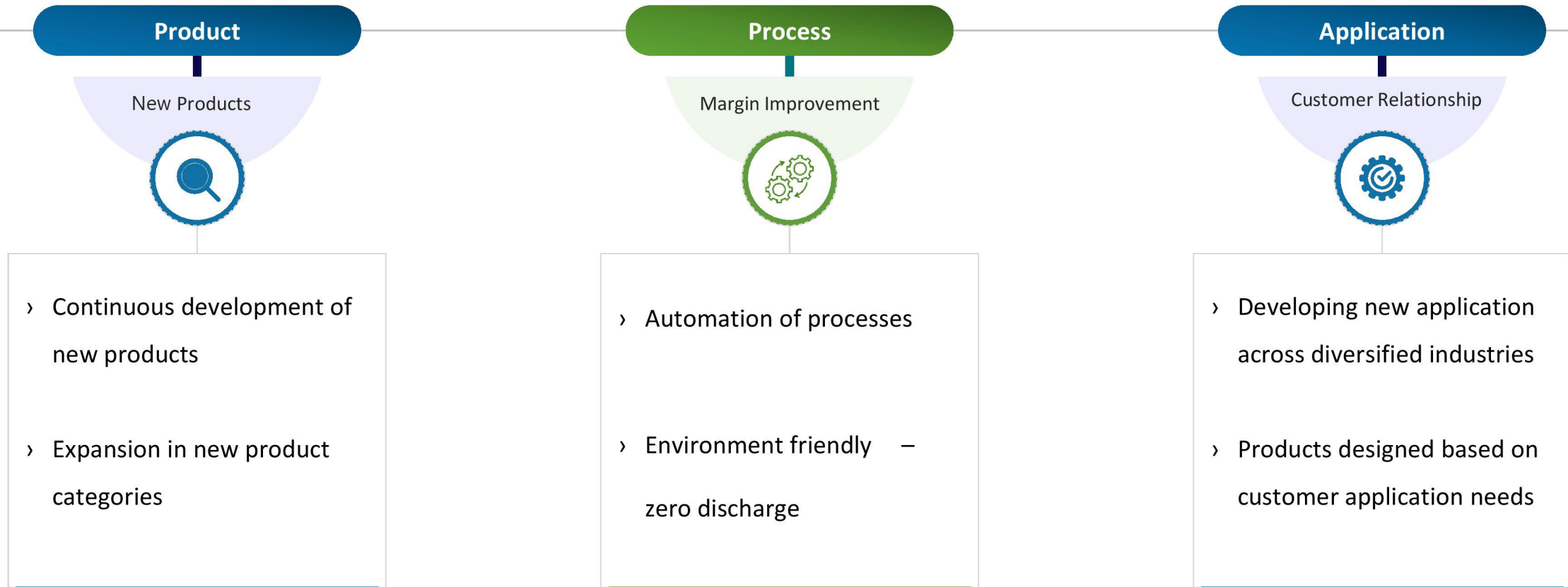
Our Ankleshwar Facility - Gujarat



Our Panoli Facility - Gujarat



Our Indore Facility - Madhya Pradesh



Diversified Product Applications Across Business Verticals...

Reclaim Rubber

Tyre Applications



Tyre Treads & Retreads



Tyre Side Walls



Tyre Piles



Inner Tubes



Inner Liner

Non - Tyre Applications



Conveyor Belts



Roofing



Footwear



Adhesives



Moulded Goods

Automotive Profiles



Matting

Diversified Product Applications Across Business Verticals...

Engineering Plastics

Industry Applications

Consumer

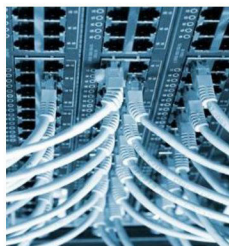
Automotive

Electrical & Electronics

Industrial



Reprocessed Nylon
Glass Filled



Reprocessed
Nylon Unfilled



Modified Nylon

Custom Die Forms

Applications

Link Mats

Door Mats

Industrial Mats

Dock Bumpers



Door Mats



Harvester Pads



Dock Bumpers

Diversified Product Applications Across Business Verticals...

Polymer Composite

Industry Applications

Commercial transportation

Livestock transportation

Military and Government

Oil fields



Transportation floor beds



Oil rigs set back areas



Air drop pallets

Repurposed Polyolefins

Applications

Paint Pail

Lubricant Pail

Automotive battery cover

Pallets



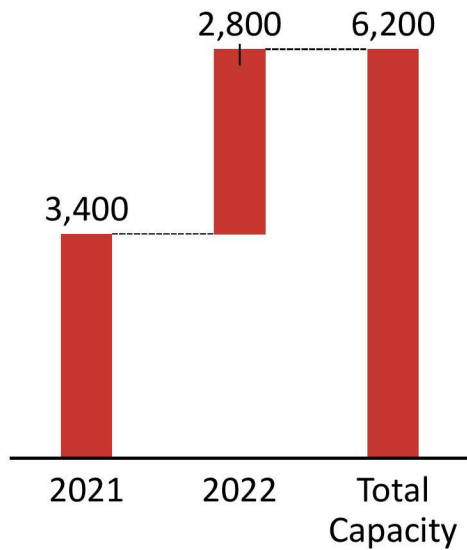
Paint & Lubricant Pail



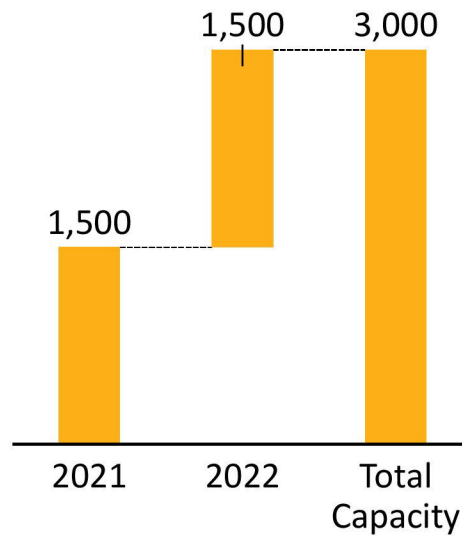
Automotive battery cover

Capacity Addition and Capital Expenditure

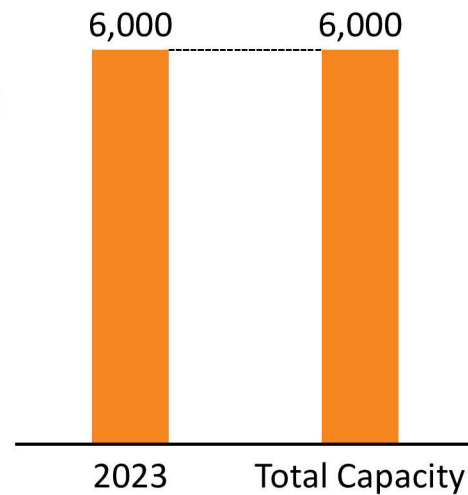
Engineering Plastics



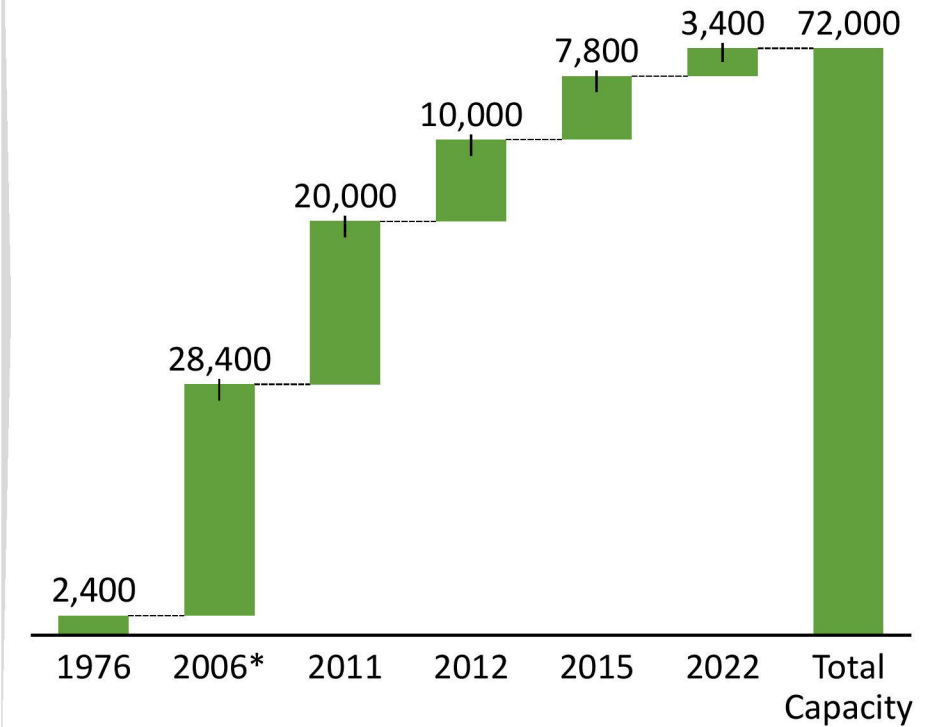
Polymer Composite



Repurposed Polyolefins



Build up additional capacity for Reclaim Rubber and Allied Business over the years (Installed capacity in MT)



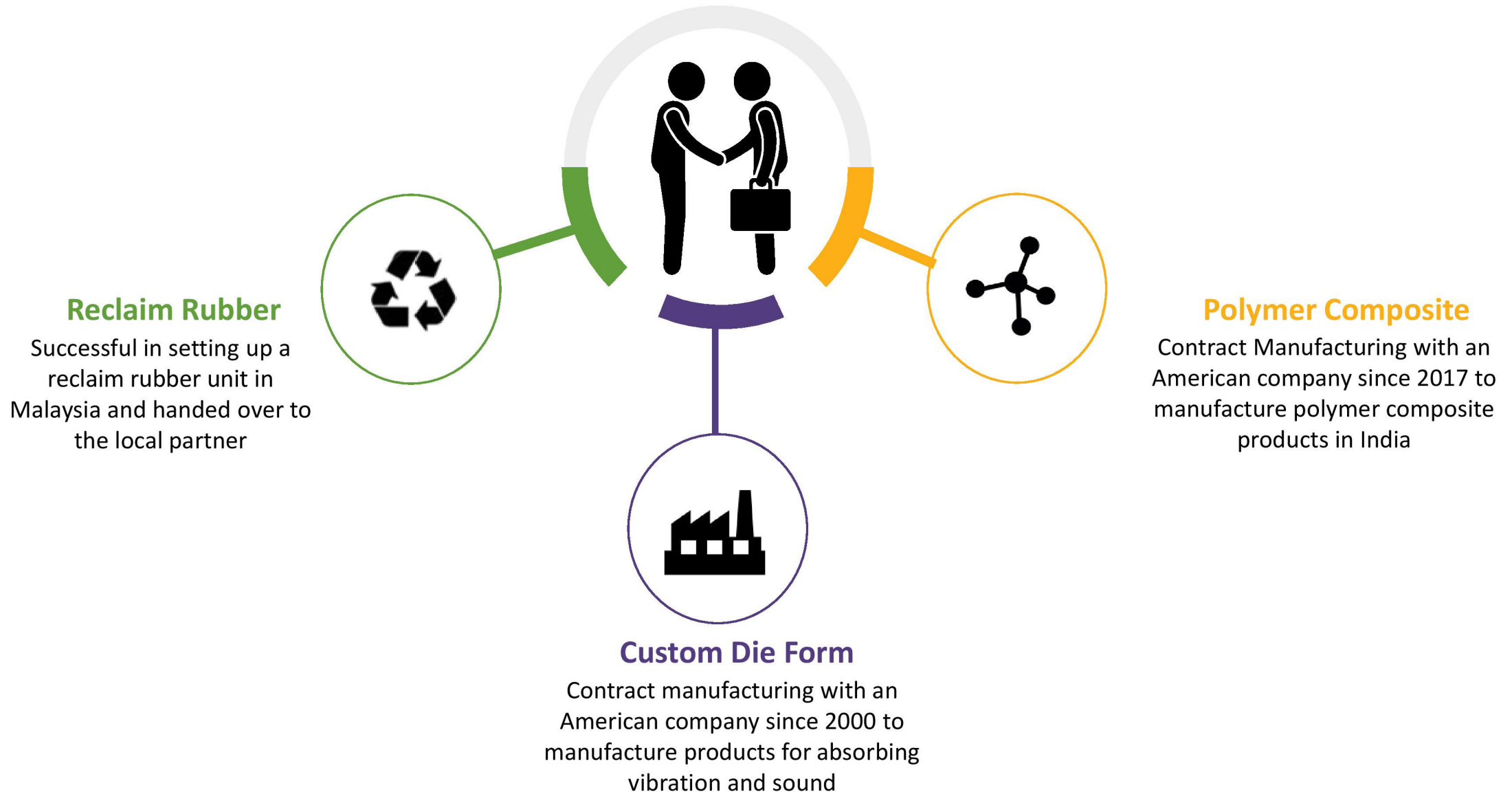
During the fiscal year FY23, 6000 MTPA capacity is added under Repurposed Polyolefins

Reputed Tyre and Non-Tyre Customers

Reputed Tyre and Non-Tyre Customers



Board of Directors



Rajendra Gandhi
Managing Director

More than 40 years in General Management. Graduate engineer from Indian Institute of Technology, Mumbai. Also, a director in Steelcast Ltd.



Harsh Gandhi
Joint Managing Director

16 years in various Managerial positions. OPM program from Harvard Business School, USA & holds a Bachelor of Science in Management Purdue University, USA



Hemal Gandhi
Executive Director

More than 10 years in Branding and Corporate Communications. Pursued her studies at SVT college, Mumbai & completed the women entrepreneurship programme at IIM Ahmedabad and Science of well being online course from Yale University