



HIRA

GODAWARI POWER & ISPAT



REF: GPIL/NSE&BSE/2021/4468

Date: 14.09.2021

To,

1. The Listing Department,
The National Stock Exchange of India Ltd,
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), MUMBAI – 400051
NSE Symbol: GPIL
2. The Corporate Relation Department,
The BSE Limited, Mumbai,
1st Floor, Rotunda Building,
Dalal Street, MUMBAI – 400 001
BSE Security Code: 532734

Dear Sir,

Sub: Outcome of the Board meeting

In compliance with Regulation 30 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“LODR Regulations”) we have to inform that Board of Directors of Godawari Power & Ispat Limited (“the Company”) in their meeting held today i.e., 14th September 2021 have approved the following proposals;

1. Withdrawal of Scheme of Arrangement with Jagdamba Power & Alloys Ltd:

It is decided to withdraw the Scheme of Arrangement for demerger of Power Business Undertaking of Jagdamba Power & Alloys Limited (“Demerged Company”) and merge into Godawari Power & Ispat Limited (“Resulting Company”) (hereinafter referred to as ‘Scheme’) approved by the Board of Directors in their meeting held on 24th December, 2019.

It is to be noted that the Scheme was approved in the meeting of the Board of Directors of the Company held on 24th December, 2019 with appointed date as 1st April, 2019 and the swap ratio was determined on the basis of fair values as on that date. The Board was expecting to complete the process of demerger in a period of 6 to 8 months but because of the ongoing pandemic there was a delay and even the first motion of application has taken over 19 months and is still not complete.

Godawari Power & Ispat Limited

An ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018 certified company
CIN L27106CT1999PLC013756

Registered Office and Works: Plot No. 428/2, Phase 1, Industrial Area, Siltara, Raipur - 493111, Chhattisgarh, India

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During this period of 20 months steel sector has witnessed a robust growth and market dynamics have been changed drastically. Hence, the valuations are incomparable and are not be commercially viable as envisaged at the time of approval of Scheme by the Board. It has, therefore, been decided to withdraw the Scheme in terms of the clause 31 of the said Scheme.

However, the existing arrangement of supply of power from JPAL will continue, till an alternate agreement is finalized for acquisition of Power business of JPAL comprising of asset & liabilities of 25MW power plant.

2. Withdrawal of proposal for divestment of equity stake in GGEL:

The Board of Directors of the Company in its meeting held on 01.05.2021 had approved proposal for divestment its entire shareholdings in GGEL, subject to approval of the shareholders of the Company, being a non core business and utilize the proceeds towards repayments of its outstanding debts. Subsequently, the proposal was also approved by the shareholders of the Company in their meeting held on 12.06.2021. However, before the deal could be finalized for sale of investments with any prospective buyers, the outstanding long-term debts of the Company have been fully repaid out of internal accruals due to improved financial position of the Company, led by increase in operating margins with increase in pellet prices in global markets.

Moreover, the Company is generating sufficient funds from internal accruals to meet the near-term funds requirement for proposed CAPEX and working capital. GGEL is generating around 12% return on investment, made by the Company and looking at no major investment opportunity at reasonable return on investment and pending feasibility study of the proposed expansion in steel business, it is considered appropriate to withdraw the proposal for disinvestment of equity stake held by the Company in GGEL.



3. Proposal for purchase of 56 lacs equity shares of GGEL held by External Investors:

The board approved the proposal for purchase 56 Lac equity shares of Godawari Green Energy Limited (GGEL) comprising of 22.18% of fully diluted equity capital of GGEL from external Investors at price of Rs.102 per share. The consideration is based on fair valuation of shares done by SEBI registered investment bank. Consequent upon said purchase of 56 lac equity shares, GGEL shall become wholly owned subsidiary of GPIL. The transaction is expected to be completed within 60 days.

4. Proposal for sub-division of each Equity Share of Face Value of Rs.10 each into 2 Equity Shares of Rs.5 each:

The board approved the proposal for sub-division of equity share of face value of Rs.10 each of the Company into 2 equity shares of Rs.5 each, subject to approval of the Shareholders of the Company.

The details as required under this Regulation of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September 2015 are given hereunder:

S. No.	Particulars	Details		
1.	Split Ratio	Each existing Equity Share of Face Value of Rs. 10/- each will be split into 2 Equity Shares of Face Value of Rs. 5/- each.		
2.	Rationale behind the Split	To improve the Liquidity of the Company's Share on the Stock Market and also to facilitate small investors to deal in our shares.		
3.	Pre and Post Equity Share	Equity Share	Pre & Post Split	Remarks



	Capital – Authorized, Paid-up and Subscribed #	Capital		
		Authorized	Rs. 49,80,00,000	No Change
		Subscribed	Rs. 35,23,62,470*	No Change
		Paid-Up	Rs. 35,23,62,470*	No Change
		* includes 11,25,000 equity shares held in Trust by the company.		
4.	Expected Time of Completion	Approximately 2 to 3 months including the time required for seeking approval of the shareholders.		
5.	Class of Shares which are sub-divided	Equity Shares.		
6.	No. of Shares of each class pre and post split	Equity Shares	Pre Split	Post Split
		Authorized	4,98,00,000 Shares of Rs. 10/- each	9,96,00,000 Shares of Rs. 5/- each
		Subscribed	3,52,36,247 Shares of Rs. 10/- each	7,04,72,494 Shares of Rs. 5/- each
		Paid-Up	3,52,36,247 Shares of Rs. 10/- each	7,04,72,494 Shares of Rs. 5/- each
		Preference Shares	Pre Split	Post Split
		Authorized	32,00,000 Shares of Rs. 10/- each	32,00,000 Shares of Rs. 10/- each



		Subscribed	NIL	NIL
		Paid-Up	NIL	NIL
7.	No. of Shareholders who did not get any shares in sub-division and there pre and post split shareholding	Not Applicable.		

The present Authorized Share Capital of the Company is Rs 53,00,00,000 divided into 4,98,00,000 Equity Shares of Rs. 10 each and 32,00,000 Preference Shares of Rs. 10 each. There is no change in the Preference Share Capital of the Company.

5. Proposal for issue Bonus Shares:

In order to further improve the liquidity in shares of the Company and larger participation in equity shares of the Company by public shareholders and reward the long term shareholders of the company, it has been decided to issue bonus shares in the ratio of 1:1 by capitalizing the free reserves after the proposal for split of the shares is approved by the Shareholders of the company.

The details as required under this Regulation of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September, 2015 are given hereunder:

Sl.	Particulars	Details
1.	Whether bonus is out of free reserves created out of profits or share premium account;	The Bonus issue is proposed out of share premium account and free reserves created out of profits.
2.	Bonus ratio	One Equity Share of Rs.5 each as Bonus for every one Equity Share of 5 each fully paid up (Post Sub-division) of the Company.



3.	Details of share capital - pre and post bonus issue;	Equity Shares	Post Split	Post Bonus
		Authorized	9,96,00,000 Shares of Rs. 5/- each	14,16,00,000 Shares of Rs. 5/- each
		Subscribed	7,04,72,494 Shares of Rs. 5/- each	14,09,44,988 Shares of Rs. 5/- each
		Paid-Up	7,04,72,494 Shares of Rs. 5/- each	14,09,44,988 Shares of Rs. 5/- each
		Preference Shares	Post Split	Post Split
		Authorized	32,00,000 Shares of Rs. 10/- each	32,00,000 Shares of Rs. 10/- each
		Subscribed	NIL	NIL
		Paid-Up	NIL	NIL
4.	Free reserves and/ or share premium required for implementing the bonus issue;	Rs. 35,23,62,470 Say Rs.35.24 Crores		
5.	Free reserves and/ or share premium available for capitalization and the date as on which such balance is available;	Rs.1758.33 Crores as on 31.03.2021		
6.	Whether the aforesaid figures are audited;	Audited		



7.	Estimated date by which such bonus shares would be credited/dispatched;	Within 60 days.
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6. Increase in Authorised Share Capital:

In order to accommodate the proposed issue of Bonus Shares, it has been decided to increase the Authorised Equity Share Capital of the company from existing Rs.49.80 Crores to Rs.70.80 Crores by creation of additional 2.1 Crore Equity Shares of Rs.10 each (4.2 Crores Equity Shares of Rs.5 each post Sub-Division) subject to approval of the Shareholders of the Company.

7. Convening of EGM:

In order to obtain the approval of the Shareholders of the Company for Sub-division of Shares, Issue of Bonus Shares, Increase in Authorised Share Capital and for Alteration of Capital Clause of Memorandum of Association of the Company, it has been decided to convene and hold an Extra Ordinary General Meeting of the shareholders of the company on 14.10.2021 at 11.30 AM.

We request you to take the same on record.

The meeting begun at 10:00 A.M. and concluded at 10:50 A.M.

Thanking you,

Yours faithfully,

For Godawari Power and Ispat Limited

Y. C. Rao

Company Secretary

