



GODAWARI POWER & ISPAT

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REF: GPIL/NSE & BSE/2024/5687

Date: 07.12.2024

To

1. The Listing Department,
The National Stock Exchange of India Ltd,
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai – 400051
2. The Corporate Relation Department,
The BSE Limited,
First Floor, Rotunda Building,
Dalal Street, Mumbai – 400 001

Dear Sirs/Ma'am,

Sub: Investor Presentation on Acquisition of Jammu Pigments Limited.

Ref: Equity Shares - NSE: GPIL & BSE: 532734

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 and our earlier intimations on acquisition of stake in Jammu Pigments Limited (JPL) and update dated 22.11.2024 regarding completion of acquisition of 49% Stake in JPL on fully diluted basis, we are enclosing herewith the Investor Presentation on Acquisition of JPL.

The copy of the said presentation is also being hosted on the website of the company viz., www.godawaripowerispat.com. The said presentation will also be shared with various Analysts/investors.

Thanking you,

Yours faithfully,

For, Godawari Power And Ispat Limited

Y.C. Rao
Company Secretary
Encl : As Above



Acquisition of Jammu Pigments Limited

(Pioneer in Non - Ferrous metal Recycling, Refining & Transforming waste to wealth)

Company Update – Investor Presentation

December 2024



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Certain statements in this presentation concerning our future growth prospects are forward looking statements which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The Risk and uncertainties relating to the statements include, but are not limited to, risks and uncertainties regarding fiscal policy, competition, inflationary pressures and general economic conditions affecting demand / supply and price conditions in domestic and international markets. The company does not undertake to update any forward -looking statement that may be made from time to time by or on behalf of the company.

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GPIL to acquire 51% stake in Jammu Pigment

Enters non-ferrous space with this acquisition of recycling business

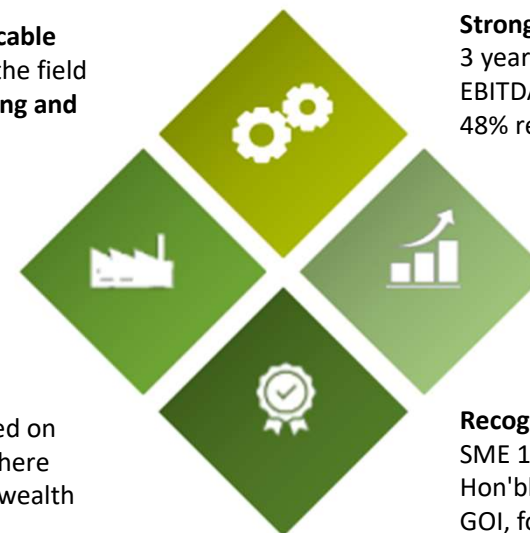
Godawari Power & Ispat Limited (GPIL) has entered into a definitive agreement to acquire upto 51% Stake in Jammu Pigments Limited (“JPL”) at a post money valuation Rs. 500 Crores (approx.). GPIL completed acquisition of 49% stake in JPL on a fully diluted basis and balance is to be acquired on compliance of certain conditions. JPL is a non-ferrous metals recycling company having plants spread across Kathua (J&K) and Kota (Rajasthan).

Metal Product	Existing Capacity
Lead (Alloy, Oxide & compounds)	1,26,198 TPA
Zinc (Oxide, Sulphate & compounds)	29,431 TPA
Copper (Cathode, Sulphate)	4,981 TPA
Cadmium (Metal, Alloy)	8,400 TPA
Other Metals	27,562 TPA

Waste, a by product in the production process, to be disposed or discarded, has become the **source of creating wealth** at Jammu Pigments

Renowned for **impeccable quality standards** in the field of **processing, recycling and refining**

Strong Financial Performance
3 year CAGR in Revenue, EBITDA & PAT at 28%, 38% & 48% respectively



Business model based on **circular economy**, where waste is turned into wealth at every turn

Recognition: Prestigious India SME 100 Award honored by Hon'ble Minister of MSME, GOI, for business excellence in 2018-19

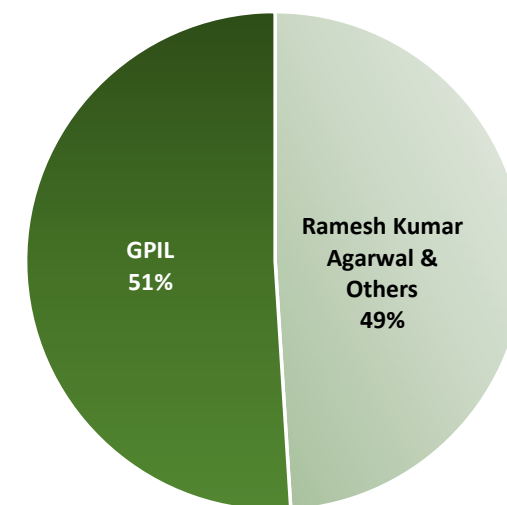
The Transaction Structure

GPIL enters non-ferrous space with this acquisition of recycling business

GPIL has signed definitive agreement to **acquire 51% stake on fully diluted basis** in Jammu Pigments Limited, a non-ferrous metals recycling company and its subsidiaries, having multiple plants spread across Kathua (J&K) and Kota (Rajasthan)

Particulars	No.of Share Acquired	% Stake	Rs. Cr
Market Cap of JPL		100%	500.00
a) Fund Infusion into JPL for issue of Compulsory Convertible Preference Shares (CCPS), each CCPS is convertible into one equity share of Face Value of Rs 10/-	58,92,256	35%	175.00
b) Secondary Sale by Promoters	26,77,506	16%	79.52
Deal Value (a+b)	85,69,762	51%	254.52

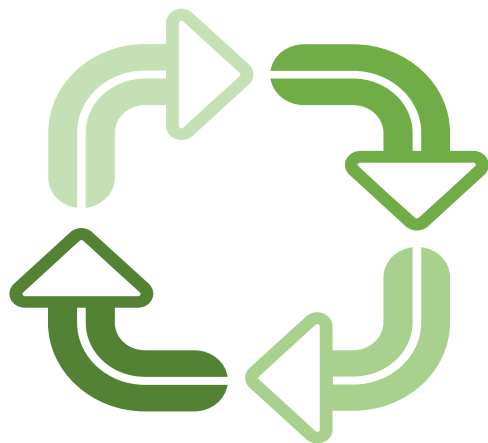
Post Acquisition Shareholding Pattern



Acquisition Rationale

The company believes that **green & sustainable non ferrous metals is the future**, which will give a boost to the recycling of non-ferrous metals in the coming years

India is a **net Importer** of non-ferrous metals like Lead, Zinc, Copper, Cobalt etc (Refer Table 1)



Synergy benefits, in the form of recycling of Zinc residue left over in the process of galvanizing undertaken at GPIL

With the introduction of **BWMR**, 2022, the recycling industry is expected to see a significant boost, with a reduction in the informal sector

Table 1: Imports in USD Millions

Metal	FY23	FY22
Lead (metals & compounds)	991	763
Zinc (alloys & sulphate)	851	870
Copper (alloys & metals)	9070	7540

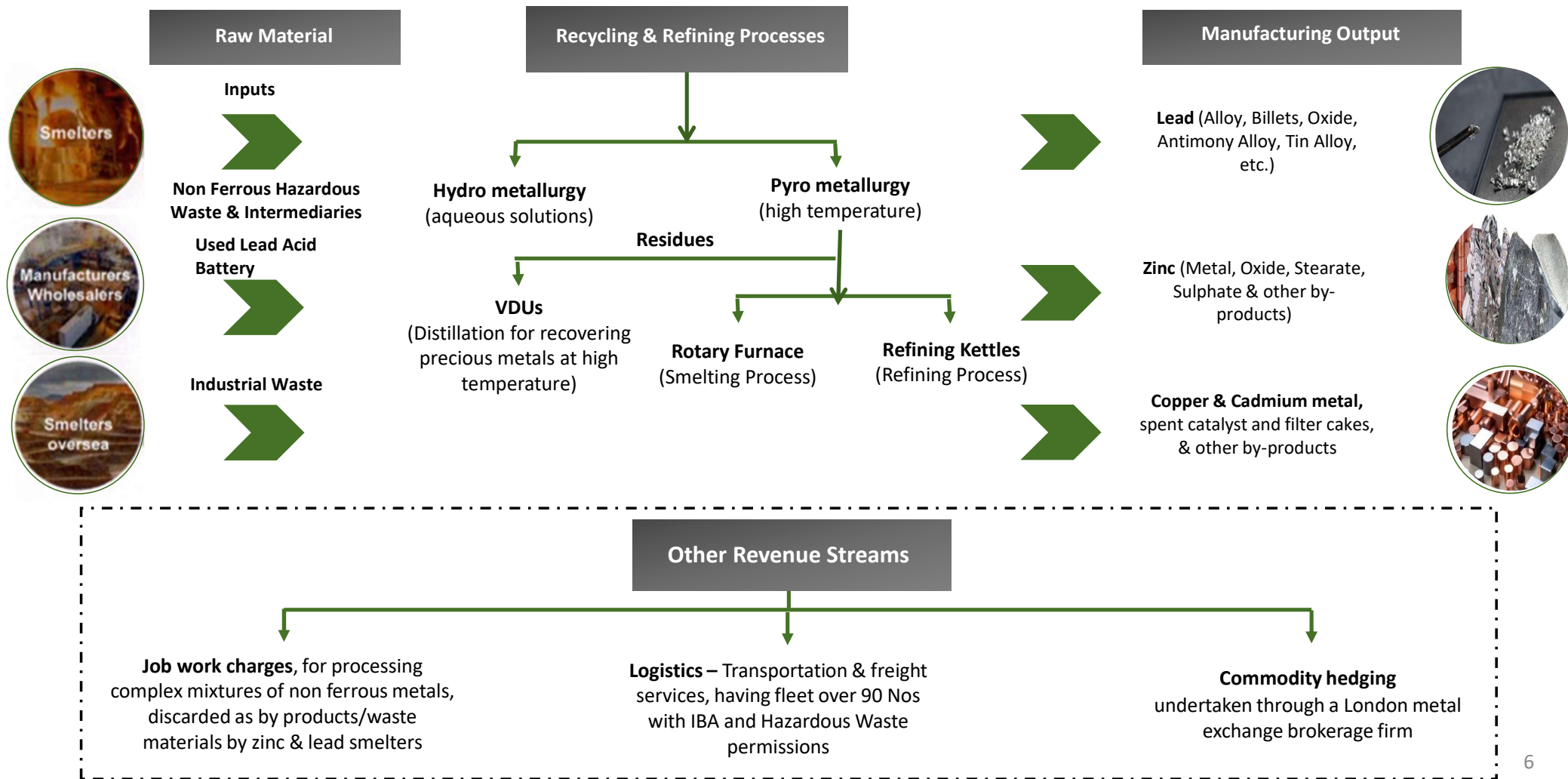
Table 2: Peer comparison for FY24 (Mkt cap as on 26.11.24) (Rs.Cr)

Particulars	Mkt Cap - BSE	Capacity (TPA)	Revenue (FY24)	EBITDA (FY24)	PAT (FY24)	EPS (FY24)	PE (x)	EV/EBITDA (x)
Jammu Pigments Ltd.	500*	1,96,572	1,174**	72**	29**	22	15.2	6.1
Gravita India Ltd.	14,833	3,02,859	3,161	361	242	35	61.3	52.2
Pondy Oxides & Chemicals Ltd.	2,191	1,59,000	1,616	107	61	27	68.5	31.3
NILE Ltd.	591	1,07,000	881	50	34	104	19.1	12.8
POCL Enterprises Ltd.	567	57,345	1,056	33	13	32	31.5	14.5

*Post money valuation of Jammu Pigments Ltd.

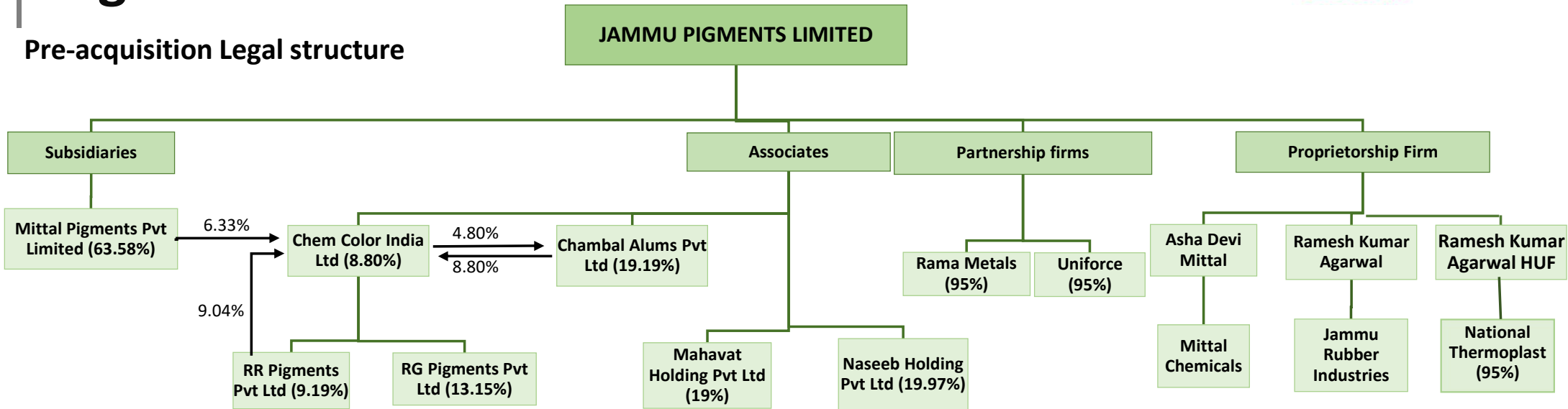
** Pre Consolidation of Group Companies/Partnership Firms

Jammu Pigment - Business Model

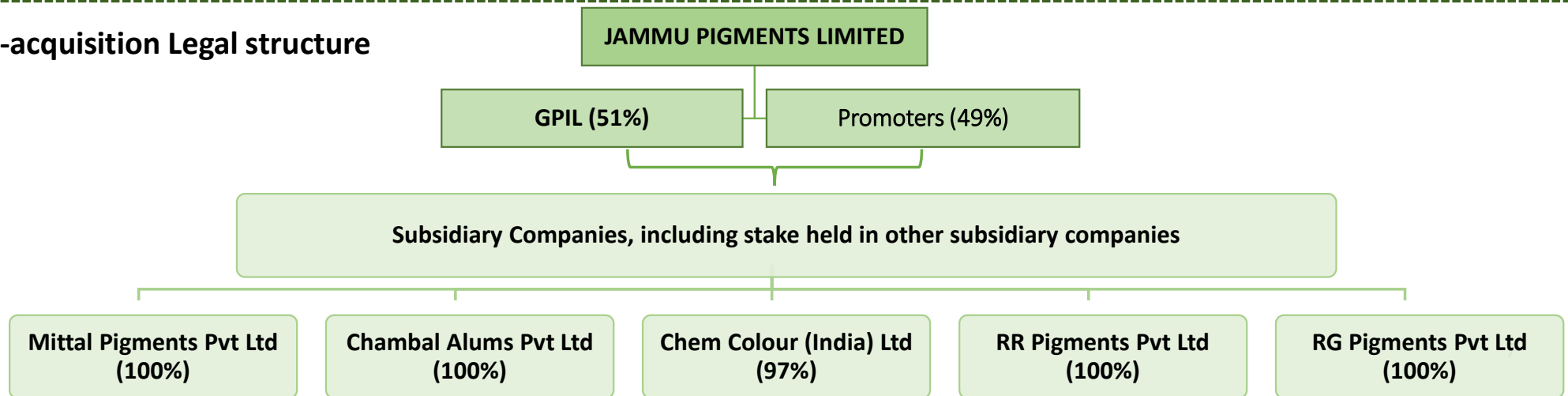


Legal Structure

Pre-acquisition Legal structure



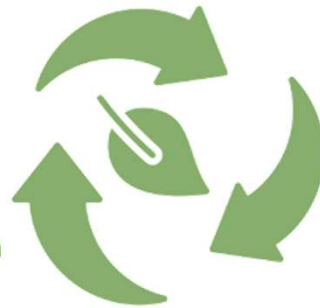
Post-acquisition Legal structure



Jammu Pigment - USP

Flexible and Integrated Business Model

- ❑ **Varied raw material sourcing** – multiple industry wastes and scraps being sourced from across the world
- ❑ **Multiple and Innovative Hydro, Pyro and other metallurgy facilities** under one umbrella – to **recover all major non ferrous metals**



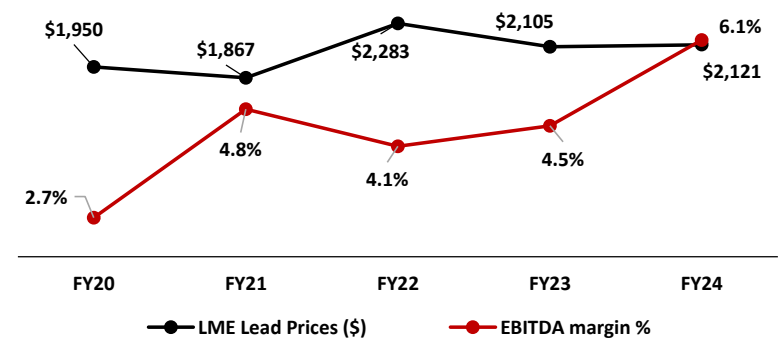
Tax incentives under J&K Industrial Policy, 2021 & New Central Sector Scheme, 2021

- ❑ **GST Linked Incentive** - 100% GST paid, except GST on export, for max period of 10 years and upto maximum of 300% of investment in Plant and Machinery
- ❑ **Capital Interest Subvention** - 6% p.a. interest subvention for max period of 7 years, on purchase of new P&M
- ❑ **Capital Investment Incentive** - Incentive @ 30% of investment in new P&M or Rs. 5 crs, whichever is lower

Diversified revenue stream

- ❑ Manufacturing of lead along with other **metals**, like copper, zinc & cadmium
- ❑ **Own transportation fleet** over 90 Nos. for captive use & external revenue

Commodity hedging on LME, to mitigate commodity price fluctuations risk.



JPL – Expansion Plans

Metal Product	Existing Capacity	Capacity Addition	Capacity after expansion	Total Capex (Rs. Cr.)
		(Upto FY27)		
Lead (Alloy, Oxide, compounds)	126,198	50,950	177,148	200
Zinc (Oxide, Sulphate & compounds) with electrolysis planned under expansion	29,431	10,047	39,478	
Copper (Cathode, Sulphate)	4,981	1,250	6,231	
Cadmium (Metal, Alloy)	8,400	5,500	13,900	
Other Metals	27,562	3,250	30,812	
Total	196,572	70,997	267,569	

JPL Historical Financial Data – Income Statement (Consolidated)



Particulars (in Rs. Crores)	FY20	FY21	FY22	FY23	FY24
Net Sales	904	565	826	1,013	1,174
Total Expenses	877	536	790	964	1,100
Other Income	3	3	2	3	1
EBIDTA	29	32	38	52	75
<i>EBIDTA Margin (%)</i>	3%	6%	5%	5%	6%
Depreciation	5	5	7	8	8
Finance Costs	14	14	14	19	27
PBT	11	12	18	25	41
Tax	4	3	5	7	11
PAT from Ordinary Activities	8	9	12	19	29
Minority Interest	0.5	0.7	1.1	1.4	2.2
Net Profit after Tax	7.2	8.4	11.4	17.2	26.9
EPS (in Rs.)	5.88	6.84	9.29	13.98	21.97

*All figures are for JPL CFS, which consolidates only JPL & MPPL

JPL Historical Financial Data – Balance Sheet (Consolidated)

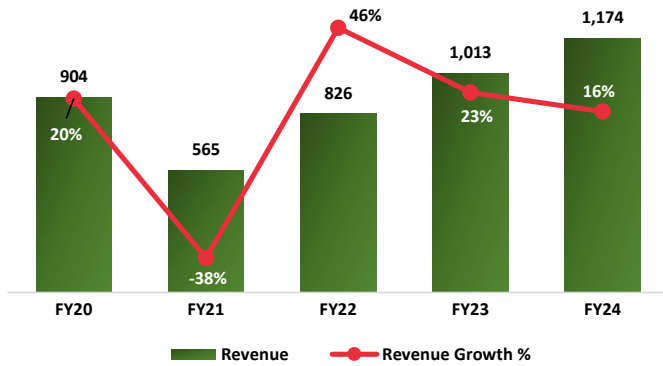


Particulars (in Rs. Crore)	FY20	FY21	FY22	FY23	FY24	Particulars (in Rs. Crore)	FY20	FY21	FY22	FY23	FY24
ASSETS						EQUITY AND LIABILITIES					
Non Current assets						EQUITY					
(a) Property, Plant and Equipment	55.82	57.43	56.79	57.56	68.72	(a) Equity Share Capital	12.28	12.28	12.28	12.28	12.28
(h) Non-Current Investment	11.12	19.52	21.21	24.68	28.71	(b) Reserves and Surplus	75.62	85.42	99.22	117.99	142.83
(i) Other Non Current Assets	0.84	0.49	0.61	0.84	1.15						
Sub Total - Non Current Assets	67.78	77.43	78.60	83.08	98.58	Minority Interest	15.94	16.60	17.66	19.08	19.30
						Non -Current liabilities					
						(a) Long-Term Borrowings	44.08	49.15	59.52	61.85	32.60
Current Assets						(b) Other Non Current Liabilities	1.12	1.36	1.56	1.80	2.77
(a) Inventories	106.89	139.11	163.23	215.86	259.44						
(b) Trade Receivables	70.76	71.61	98.31	69.22	106.87	Current liabilities					
(c) Cash and Cash Equivalents	11.19	7.69	7.12	6.21	11.19	(a) Short-Term Borrowings	52.62	84.22	108.27	132.37	85.39
(d) Other Current Assets	59.54	47.78	62.01	79.90	67.94	(b) Trade Payables	86.36	84.53	88.38	92.97	213.13
Sub Total - Current Assets	248.38	266.18	330.66	371.19	445.45	(c) Other Current Liabilities	28.15	10.05	22.39	15.95	35.74
Total Assets	316.17	343.61	409.27	454.27	544.03	Total Equity and Liabilities	316.17	343.61	409.27	454.27	544.03

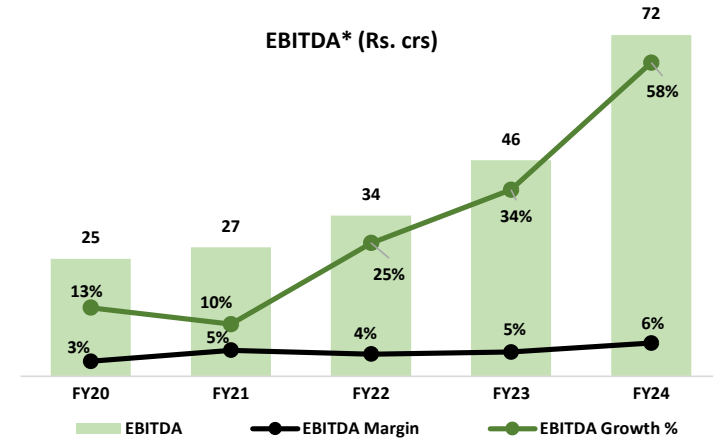
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Financial Highlights**

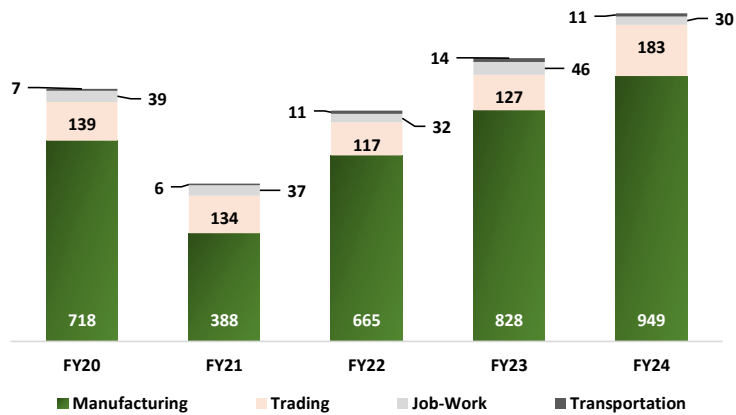
Revenue* (Rs. crs)



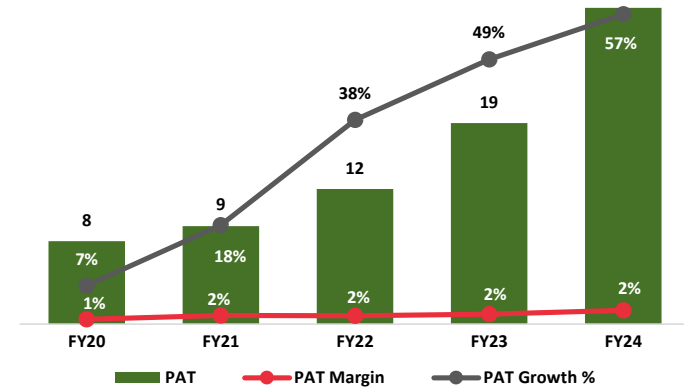
EBITDA* (Rs. crs)



Segment Revenue* (Rs. crs)



PAT* (Rs. crs)

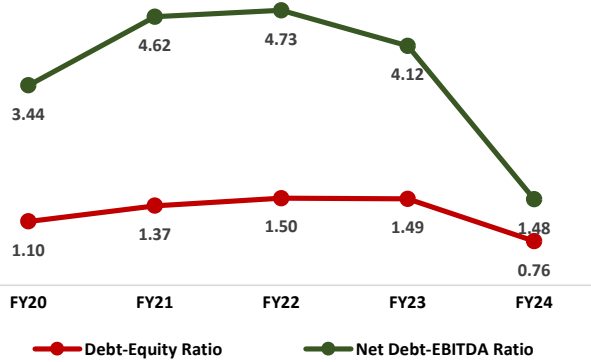


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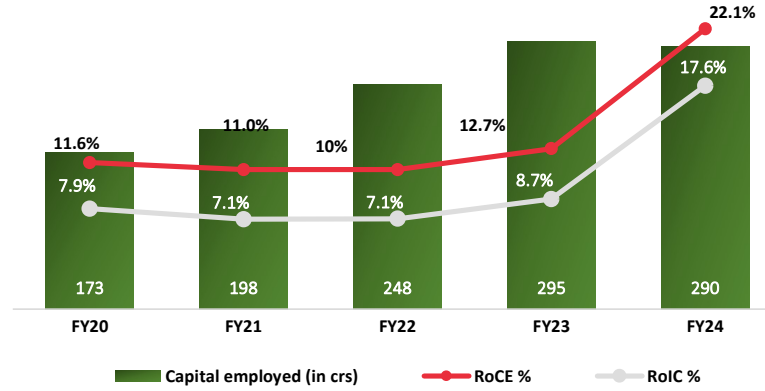
** Before Consolidation of Group Companies into JPS

Ratios

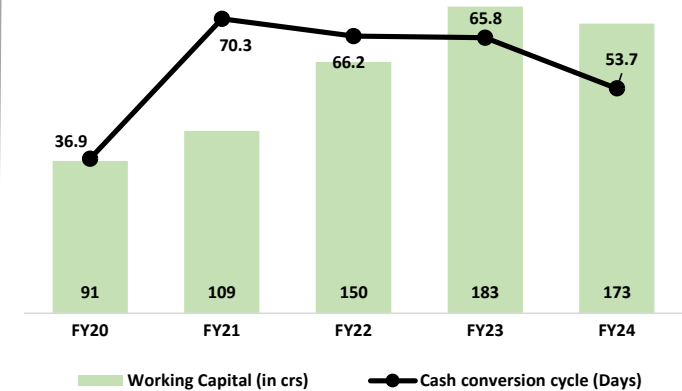
Debt to Equity Ratios*



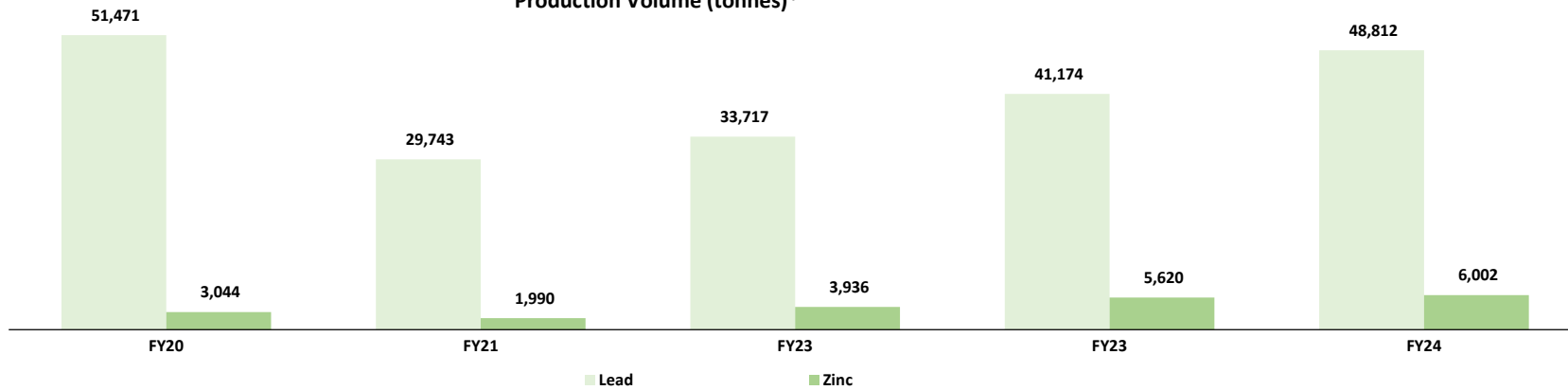
Capital Employed & Return Ratios



Working Capital*



Production Volume (tonnes)*



*All figures are for JPL CFS, which consolidates only JPL & MPPL

Thank You

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