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# HIRA

## GODAWARI POWER & ISPAT



To,  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai-400001.  
**Scrip Code: BSE: 532734**

To,  
**National Stock Exchange of India Limited**  
Exchange Plaza, C/1, Block G,  
Bandra Kurla Complex, Bandra (East),  
Mumbai-400051.  
**Scrip Code: GPIL**

**Sub: Submission of Press Release regarding GPIL Forays into Recycling of Non – Ferrous Metals Business Acquires 51% Stake in Jammu Pigments Limited.**

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a Press Release regarding **GPIL Forays into Recycling of Non – Ferrous Metals Business Acquires 51% Stake in Jammu Pigments Limited.**

This is for your information and record please.

Thanking you,  
Yours faithfully,

For **GODAWARI POWER AND ISPAT LIMITED**



**Y.C. RAO**  
**COMPANY SECRETARY**  
Encl: As Above

### 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

**P:** +91 771 4082333, **F:** +91 771 4082234

**Corporate Address:** Hira Arcade, Near New Bus Stand, Pandri, Raipur - 492001, Chhattisgarh, India

**P:** +91 771 4082000, **F:** +91 771 4057601

[www.godawaripowerispat.com](http://www.godawaripowerispat.com), [www.hiragroup.com](http://www.hiragroup.com)



## **GPIL Forays into Recycling of Non – Ferrous Metals Business Acquires 51% Stake in Jammu Pigments Limited**

**Raipur, 20 November 2024:** Godawari Power & Ispat Limited (the “Company” or “GPIL”), a dominant player in iron & steel industry, is pleased to announce that it has entered into definitive agreement to acquire 51% Stake in Jammu Pigments Limited (“JPL”) at a post money valuation Rs. 500 Crores approx. As a part of this deal, GPIL will infuse Rs. 175 crores in JPL for repayment of certain unsecured debt and growth capital and will acquire shares worth Rs. 79.52 Crores from the existing promoters of JPL in two tranches.

Jammu Pigments Limited is engaged in Recycling of Non – Ferrous Metals Business with operations covering recycling of Lead Acid Batteries and other Secondary Lead waste. The company and its subsidiaries are also equipped to process complex mixtures of Hazardous Industrial waste of non-ferrous metals to recover Lead, Tin, Zinc, Copper, Cadmium etc. JPL's advanced technical expertise enables the efficient extraction of trace metals from waste materials, ensuring highly cost-effective operations. JPL & its subsidiaries has manufacturing units located at Kathua district, Jammu & Kashmir and Kota, Rajasthan. The subsidiaries are 100% owned by JPL either directly or indirectly through other subsidiaries.

JPL group’s Consolidated Audited Financial Year results for last 3 years and H1FY25 (unaudited) are given hereunder:

(Rs in Crores)

Particulars	2021-22	2022-23	2023-24	H1FY25
Revenue	825.70	1013.38	1173.78	563.92
EBIDTA	37.84	52.45	75.25	54.13
PAT	11.41	17.17	26.98	24.22

The JPL group has bank borrowings of Rs 339 Crores (sanctioned limits) as on 31<sup>st</sup> Oct 2024, which includes fund-based loans of Rs 302 Crores and non-fund-based limits of Rs 37 Crores, which will continue following the change in management control.

The stake purchase will be two-tranche process and will be completed in the following manner:

- **Tranche 1- Purchase of 49% Stake:**
  - GPIL will infuse Rs 175.00 Crores in JPL for issue of Compulsory convertible Preference Shares which will get converted into Equity Shares upon completion of 6 months from the date of allotment and GPIL will purchase additional shares worth Rs. 79.52 Crores from promoters of JPL.
- **Tranche 2 – Purchase of additional 2% Stake**
  - GPIL will acquire additional 2% stake (equivalent to Rs. 10 Crores approx..).

The transaction is subject to satisfaction of Conditions Precedent. The transaction is expected to be fully consummated by 31<sup>st</sup> March 2024. Post the completion of the transaction, JPL will be subsidiary of GPIL and will be managed jointly by its existing promoter and GPIL representatives. Shri Ramesh Agrawal, the exiting Promoter and Managing Director will continue to lead the Company as Managing Director for a period of 5 years. GPIL will nominate its Directors on the Board and one of Director to be nominated by GPIL shall be Executive Director of JPL. Upon consummation of full transaction GPIL will have majority of Directors on Board of JPL.

This acquisition provides GPIL with strategic growth opportunity to enter into the highly capital-intensive non-ferrous metals business through a cost-efficient, low-capex approach, further enhancing the diversification of its business model.

GPIL Board in its meeting held on 6<sup>th</sup> November 2024 had approved to acquire stake in RG Pigments Pvt Ltd (RGPL). Since GPIL is now proposing to acquire 51% stake in JPL and under proposed transaction, RGPL will continue to be a subsidiary of JPL with 100% stake. Therefore, the proposed transaction with RG Pigments stands cancelled.

**Mr. B. L. Agrawal, Managing Director of GPIL, Stated,** *"GPIL's strategic acquisition of a majority stake in JPL aligns with its ESG objectives, advancing its commitment to portfolio diversification and environmental sustainability. This move not only strengthens GPIL's asset base but also mitigates risk and unlocks new market opportunities, underscoring the company's dedication to responsible growth. We are confident this acquisition will drive sustained growth and deliver significant value to all stakeholders.*

**Mr Ramesh Agarwal, Managing Director of Jammu Pigments, said:** *"We are delighted to Partner with Godawari Power and Ispat Limited as a Strategic partner through an acquisition of majority stake of 51% in Jammu Pigments Limited. GPIL's deep technical expertise and experience in managing dynamic, high-performing organizations make them exceptionally well-suited to guide our company into its next level. Their long-term commitment to our vision, combined with their strategic insights, positions us to achieve a higher growth trajectory and unlock new opportunities."*

#### **About Godawari Power & Ispat Limited**

Godawari Power & Ispat Limited is a fully integrated steel company that operates across the entire steel value chain. The Company's operations span from iron ore extraction from two captive iron ore mines to the production of iron ore pellets and high-value steel products. It is a prominent player in the Indian steel industry, renowned for its integrated steel plants and robust manufacturing capabilities. With a strong focus on efficiency and sustainability, the company has carved a niche for itself in the market. Leveraging state-of-the-art technology and a skilled workforce, Godawari Power & Ispat Limited consistently delivers high-quality steel products that meet the diverse needs of its customers across various sectors.

The Company has scaled its business through consistent reinvestments across market cycles. The Company has been responsible, committed to forward-looking investments in clean technologies and resources. The Company has deepened its sustainability through progressive debt repayments and business integration. The result is that the Company is a respected value-creator positioned to take its business to the next orbit. Through its relentless pursuit of excellence and dedication to sustainable growth, Godawari Power & Ispat Limited continues to strengthen its position as a leading player in the Indian steel industry.

**DISCLAIMER:** Certain statements that may be made or discussed at the conference call may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like significant changes in the economic environment in India and abroad. Actual results might differ substantially from those expressed or implied. The Company shall not be in any way responsible for any action taken based on such statements and discussions. The Company also undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

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#### Contact Information

Investor Relations – Go India Advisors

Ms. Sana Kapoor - [sana@GoIndiaAdvisors.com](mailto:sana@GoIndiaAdvisors.com) - 81465 50469

Ms. Sheetal Khanduja - [sheetal@GoIndiaAdvisors.com](mailto:sheetal@GoIndiaAdvisors.com) - 97693 64166

Godawari Power & Ispat Ltd.

Mr. YC Rao (Company Secretary) - [Yarra.rao@hiragroup.com](mailto:Yarra.rao@hiragroup.com)