



# **HIRA**

## **GODAWARI POWER & ISPAT**

Q4 & FY20 Earnings Presentation  
June 2020

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# Q4 & FY20 Strategic Update

## Highest Ever Production



### Mining

16,57,629 MT

+ 7%



### Pellet

26,86,510 MT

+ 7%



### Sponge Iron

4,94,955 MT

+ 8%



### Billet

3,44,610 MT

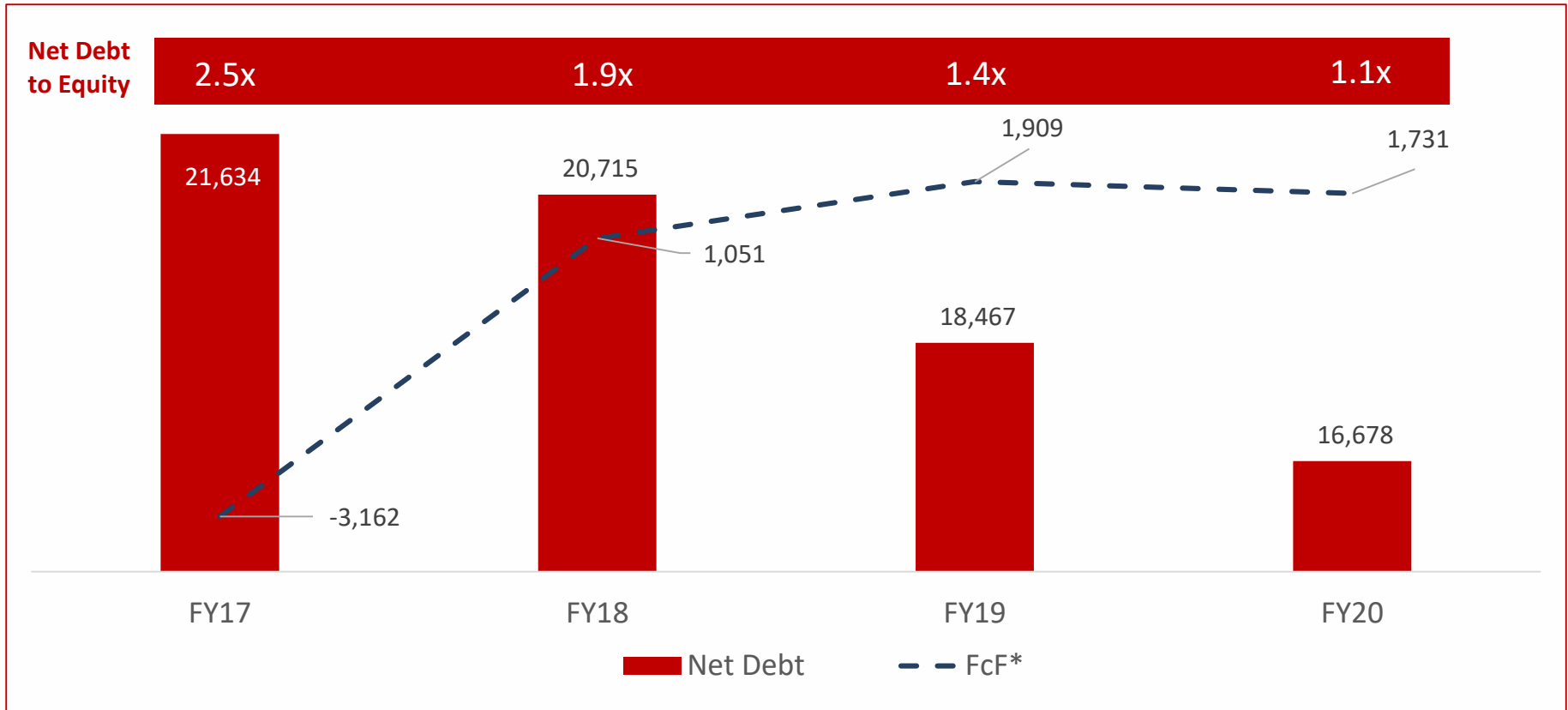
+ 15%

## Deleveraging Status

- Repaid INR 2.13 bn of long-term debt, more than twice of a full year scheduled repayment of 1.03 bn; Consolidated Net Debt to Equity stands at 1.1x
- Rolling mill commissioned in Feb 2020;
- Iron ore beneficiation plant (capacity 1 lakh ton) commissioned in Feb 2020
- Direct export of pellet started in FY20. 40% of sales quantity exported (5,46,086 MT).

# Focussed on Value Creation: Net Debt Reducing & FCF increasing

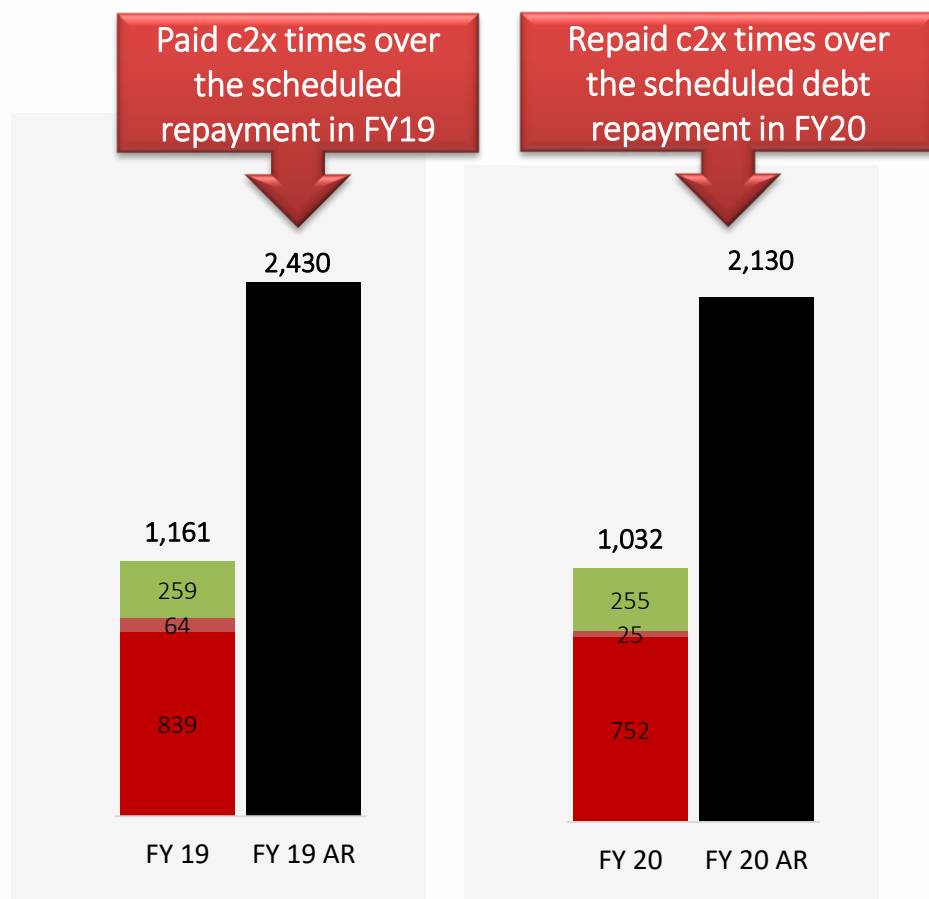
All figures in INR MN



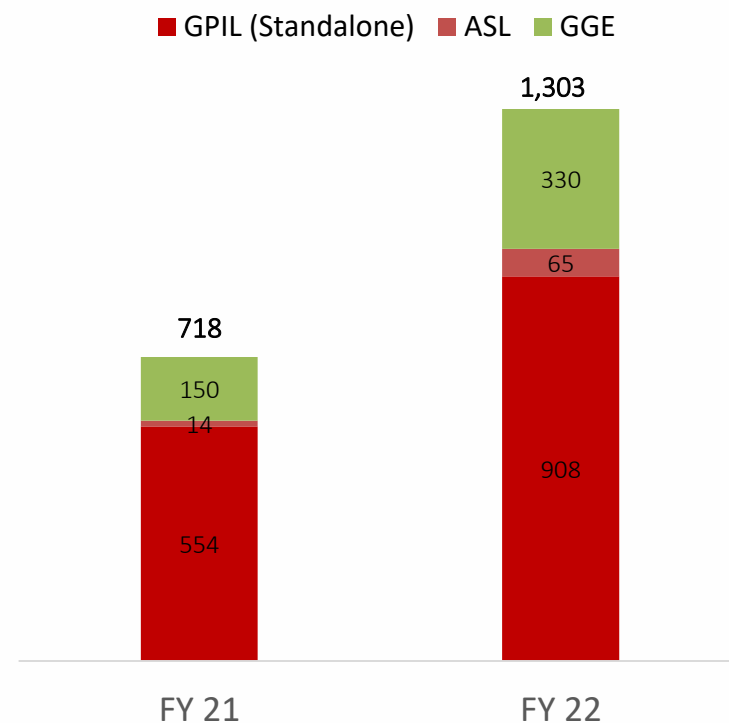
\*FcF = Cashflow from operation – capex - interest cost

# Incremental Cash Flows to be Utilised for De-Leveraging

All figures in INR MN



## Debt Repayment Schedule



Despite an uncertain environment; the company is focused on repaying higher than the scheduled payments

# Clear Strategic Priorities

The business environment remains highly uncertain. The performance will be driven by overall economic performance during the pandemic. However, given the company's strategic advantage of low cost iron ore, flexibility in product mix makes us confident of achieving EBITDA higher than our stated sustainable levels of INR 5 bn

## Initiatives to improve profitability

- Increase in export sales to offset weaker domestic demand
- Frequent adjustments to product mix, depending on demand environment, to maximise sales
- Focus on increasing high grade (67%+ Fe) pellet production; to be utilized for exports & for captive consumption in making higher quality steel billet.
- Increase in value added products with commissioning of rolling mill
- Debottlenecking in solar power plant to improve heat storage and extend operations by ~30 -60 mins per day

## Incrementally Higher FCFs for deleveraging

- Free cash flow from operation to be utilized towards deleveraging, aiming to become a long-term debt free company.

## No Incremental Capex Plans

- Maintenance capex to be around INR 1 bn

## Simplifying group structure and improving operating efficiencies

- Jagdamba (power division) merger (25 MW) process ongoing
- Billet production increased through captive availability of power from Jagdamba. Highest ever production achieved in FY20

# Financial & Operational Impact of COVID-19

## Operational Impact

- Manufacturing operations were temporarily shut in steel business from 24th March
- From 9th April steps were taken to restart the operations
- Plants reached to near normal capacity by 3rd week of May 2020
- Solar business continued to operate without any disruption

## Financial Impact

- Profitability of Q4 FY20 affected on account of fall in production & sales
- Profitability of Q1 FY21 will also be affected on account of lower production & sales due to lockdown

## Liquidity

- Sufficient liquidity in place to meet its obligation for smooth operations
- The company had opted for moratorium on principal & interest payment on term loan & cash credit on standalone basis for the period of March to May 2020 to maintain enough liquidity for business operations. However, company is not seeking further deferment from June to August 2020 and has already repaid the deferred amount for the period of March to May 2020 to lenders.
- Subsidiary companies have not opted any moratorium & continues to make regular payment of their debt obligations
- Solar power subsidiary have prepaid its entire FY21 principal dues.
- The company has been making pre-payment of its debt obligations since last 2 year

## Future Impact

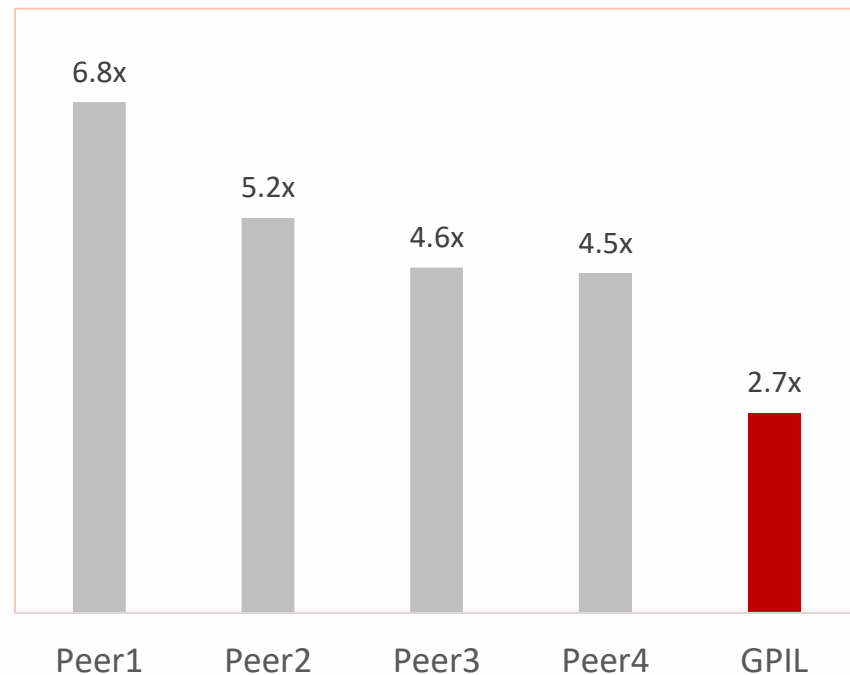
- In the Q1FY21, company expects to achieve 60%-90% production across the value chain depending on the demand scenario
- From Q2FY21, company expects to achieve normal operations
- Fall in interest rate will result in reduction of finance cost
- However, other market factors owing to pandemic may impact profitability.

# Balance Sheet Stronger compared to Large Cap Steel Companies

Net Debt to Equity (x)



Net Debt to EBITDA (x)



\* Peers- Large cap steel companies

# FY20 Operational & Financial Highlights

## FY20 Operational (Volume) Highlights\*

### Highest Ever Production across following segments

- Captive Iron Ore : **7% higher** at 16,57,629 MT
- Pellet : **7% higher** at 26,86,510 MT
- Sponge Iron : **8% higher** at 4,94,955 MT
- Steel billets : **15% higher** at 3,44,610 MT

## FY20 Financial Highlights\*

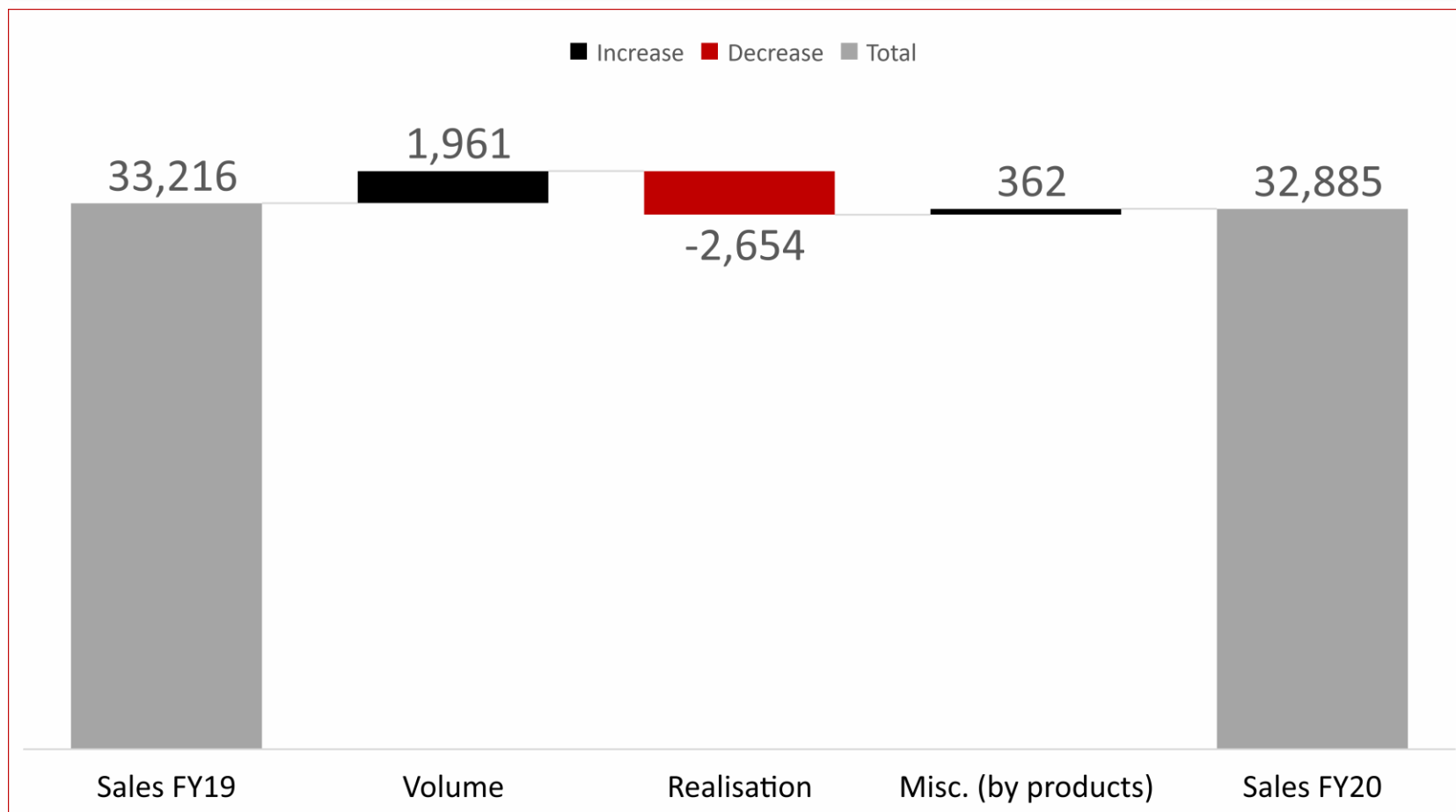
- Despite best operational efficiencies, profitability was impacted primarily due to lower realisations and temporary shutdown of operations on account of lockdown.
- Interest cost reduced by 16% YoY in FY20 to INR 2,119 Mn
- Repaid INR 2.13 bn of long-term debt, more than twice of a full year scheduled repayment of 1.03 Bn;
- Current credit rating of the company is BBB+

*\*consolidated*

# Higher Volumes offsets weaker Realisations

All figures in INR MN

## Sales Bridge



## Q4 & FY20 Production Summary

Production (in MT)	Q4FY20	Q4FY19	YoY (%)	Q3FY20	QoQ (%)	FY20	FY19	YoY (%)
Iron ore Mining	4,51,875	4,36,053	4%	4,49,554	1%	16,57,629	15,47,384	7%
Iron ore Pellets - GPIL	4,41,000	5,40,000	-18%	5,77,350	-24%	19,99,150	19,33,250	3%
Iron Ore Pellets - ASL	1,70,446	1,65,345	3%	1,93,175	-12%	6,87,360	5,72,673	20%
Sponge Iron	1,15,840	1,23,858	-6%	1,24,572	-7%	4,94,955	4,60,008	8%
Steel Billets	97,070	90,390	7%	91,785	6%	3,44,610	2,98,418	15%
M.S. Rounds	39,456	42,956	-8%	48,893	-19%	1,83,187	1,82,088	1%
H.B. Wires	25,510	32,062	-20%	38,459	-34%	1,30,807	1,34,558	-3%
Silico Manganese	2,814	3,647	-23%	965	192%	10,517	10,536	0%
Pre- Fab Galvanized	5,004	12,605	-60%	7,999	-37%	30,477	34,162	-11%
Captive Power-GPIL (in cr)	10.0	9.6	4%	11.7	-15%	43.8	44.0	-1%
GGEL - Solar Power (in cr)	2.3	2.0	14%	1.7	32%	9.1	8.5	7%

## Q4 & FY20 Sales Volume Summary

Sales Volume (in MT)	Q4FY20	Q4FY19	YoY (%)	Q3FY20	QoQ (%)	FY20	FY19	YoY (%)
Iron Ore Pellet - GPIL	2,89,189	4,01,771	-28%	3,83,680	-25%	13,62,296	14,52,549	-6%
Iron Ore Pellet - ASL	2,04,255	1,77,431	15%	1,94,365	5%	7,42,332	5,60,832	32%
Sponge Iron	14,683	30,729	-52%	29,888	-51%	1,31,419	1,40,218	-6%
Steel Billets	58,011	42,349	37%	42,103	38%	1,63,381	1,21,632	34%
M.S. Round	19,805	19,786	0%	20,953	-5%	80,297	79,099	2%
H.B. Wire	25,488	30,752	-17%	37,402	-32%	1,29,015	1,34,558	-4%
Silico Manganese	1,337	2,594	-48%	774	73%	7,210	7,664	-6%
Pre-Fab Galvanized	7,070	9,879	-28%	7,273	-3%	31,858	26,240	21%
GGEL (in Cr)	2.1	1.8	15%	1.6	33%	8.1	7.5	8%

## Q4 & FY20 Realisation Summary

Realisation	Q4FY20	Q4FY19	YoY (%)	Q3FY20	QoQ (%)	FY20	FY19	YoY (%)
Iron Ore Pellet - GPIL*	7,525	6,737	12%	6,486	16%	7,091	6,809	4%
Iron Ore Pellet - ASL*	5,646	5,489	3%	5,178	9%	5,600	6,051	-7%
Sponge Iron	19,165	18,501	4%	15,969	20%	16,897	19,736	-14%
Steel Billets	29,730	31,942	-7%	26,465	12%	28,590	33,072	-14%
M.S. Round	32,579	37,346	-13%	30,459	7%	33,327	38,741	-14%
H.B. Wire	35,100	39,910	-12%	32,564	8%	35,182	40,667	-13%
Silico Manganese	63,184	67,082	-6%	58,042	9%	63,898	67,612	-5%
Pre-Fab Galvanized	58,871	65,330	-10%	59,429	-1%	58,616	72,073	-19%
GGEL (in Cr)	12.2	12.2	0%	12.2	0%	12.2	12.2	0%

*\*Realisation includes export freight expenses.*

# GPIL Consolidated - Profit & Loss

Particulars (in Mn)	Q4FY20	Q4FY19	YoY (%)	Q3FY20	QoQ (%)	FY20	FY19	YoY (%)
<b>Net Sales</b>	<b>7,901</b>	<b>8,944</b>	<b>-12%</b>	<b>8,368</b>	<b>-6%</b>	<b>32,885</b>	<b>33,216</b>	<b>-1%</b>
Total Expenses	6,345	7,066	-10%	7,082	-10%	26,643	25,323	5%
Other Income	-23	30	-178%	38	-162%	47	59	-21%
<b>EBITDA</b>	<b>1,533</b>	<b>1,907</b>	<b>-20%</b>	<b>1,323</b>	<b>16%</b>	<b>6,289</b>	<b>7,952</b>	<b>-21%</b>
<b>EBITDA Margin (%)</b>	<b>19.4%</b>	<b>21.3%</b>		<b>15.8%</b>		<b>19.1%</b>	<b>23.9%</b>	
Depreciation	352	334	5%	335	5%	1,369	1,329	3%
Finance Costs	497	627	-21%	516	-4%	2,119	2,526	-16%
<b>PBT</b>	<b>684</b>	<b>947</b>	<b>-28%</b>	<b>472</b>	<b>45%</b>	<b>2,801</b>	<b>4,097</b>	<b>-32%</b>
Exceptional Item	103	-	-	-	-	103	-	-
Tax	239	357	-33%	169	42%	954	1,529	-38%
<b>PAT</b>	<b>342</b>	<b>591</b>	<b>-42%</b>	<b>303</b>	<b>13%</b>	<b>1,744</b>	<b>2,568</b>	<b>-32%</b>
<b>EPS (INR)</b>	<b>9.47</b>	<b>17.28</b>	<b>-45%</b>	<b>8.41</b>	<b>13%</b>	<b>47.33</b>	<b>71.55</b>	<b>-34%</b>

## GPIL Standalone - Profit & Loss

Particulars (in Mn)	Q4FY20	Q4FY19	YoY (%)	Q3FY20	QoQ (%)	FY20	FY19	YoY (%)
<b>Net Sales</b>	<b>6,467</b>	<b>7,661</b>	<b>-16%</b>	<b>7,187</b>	<b>-10%</b>	<b>27,740</b>	<b>28,753</b>	<b>-4%</b>
Total Expenses	5,414	6,148	-12%	6,228	-13%	23,340	22,556	3%
Other Income	3	9	-66%	11	-70%	29	30	-3%
<b>EBITDA</b>	<b>1,056</b>	<b>1,522</b>	<b>-31%</b>	<b>970</b>	<b>9%</b>	<b>4,429</b>	<b>6,226</b>	<b>-29%</b>
<b>EBITDA Margin (%)</b>	<b>16.3%</b>	<b>19.9%</b>		<b>13.5%</b>		<b>16.0%</b>	<b>21.7%</b>	
Depreciation	222	224	-1%	234	-5%	916	905	1%
Finance Costs	354	454	-22%	380	-7%	1,537	1,821	-16%
<b>PBT</b>	<b>480</b>	<b>844</b>	<b>-43%</b>	<b>357</b>	<b>35%</b>	<b>1,976</b>	<b>3,500</b>	<b>-44%</b>
Tax	210	385	-45%	146	44%	762	1,367	-44%
<b>PAT</b>	<b>270</b>	<b>459</b>	<b>-41%</b>	<b>211</b>	<b>28%</b>	<b>1,214</b>	<b>2,133</b>	<b>-43%</b>
<b>EPS (INR)</b>	<b>12.63</b>	<b>13.02</b>	<b>-3%</b>	<b>5.98</b>	<b>111%</b>	<b>35.30</b>	<b>60.52</b>	<b>-42%</b>

## Ardent Steel Limited Standalone - Profit & Loss

Particulars (in Mn)	Q4FY20	Q4FY19	YoY (%)	Q3FY20	QoQ (%)	FY20	FY19	YoY (%)
<b>Net Sales</b>	<b>1,157</b>	<b>1,054</b>	<b>10%</b>	<b>1,007</b>	<b>15%</b>	<b>4,171</b>	<b>3,540</b>	<b>18%</b>
Total Expenses	902	904	0%	795	13%	3,165	2,628	20%
Other Income	6	2	281%	0	2950%	7	3	119%
<b>EBITDA</b>	<b>261</b>	<b>152</b>	<b>72%</b>	<b>212</b>	<b>23%</b>	<b>1,013</b>	<b>915</b>	<b>11%</b>
<b>EBITDA Margin (%)</b>	<b>22.5%</b>	<b>14.4%</b>		<b>21.0%</b>		<b>24.3%</b>	<b>25.9%</b>	
Depreciation	54	35	53%	36	50%	157	120	31%
Finance Costs	34	42	-18%	27	28%	135	179	-25%
PBT	173	75	132%	149	16%	721	617	17%
Tax	45	-31	-	33	37%	194	176	10%
PAT	128	105	22%	117	10%	527	441	19%
<b>EBITDA Per Ton</b>	<b>1,277</b>	<b>917</b>	<b>39%</b>	<b>1,088</b>	<b>17%</b>	<b>1,365</b>	<b>1,632</b>	<b>-16%</b>

## Godawari Green Energy Limited - Profit & Loss

Particulars (in Mn)	Q4FY20	Q4FY19	YoY (%)	Q3FY20	QoQ (%)	FY20	FY19	YoY (%)
<b>Net Sales</b>	<b>256</b>	<b>229</b>	<b>12%</b>	<b>193</b>	<b>32%</b>	<b>1,003</b>	<b>928</b>	<b>8%</b>
Total Expenses	40	13	208%	49	-18%	163	143	14%
<b>EBITDA</b>	<b>216</b>	<b>234</b>	<b>-8%</b>	<b>144</b>	<b>50%</b>	<b>840</b>	<b>786</b>	<b>7%</b>
<b>EBITDA Margin (%)</b>	<b>84%</b>	<b>102%</b>		<b>75%</b>		<b>84%</b>	<b>85%</b>	
Other Income	-	19	-	1	-	8	26	-67%
Depreciation	75	74	1%	68	10%	296	304	-3%
Finance Costs	110	131	-16%	112	-2%	455	532	-15%
Exceptional Items	103	-	-	-		103	-	
PBT	-73	29	-	-35	109%	-5	-24	-80%
Tax	-19	-10	-	-10	101%	-3	-14	-81%
PAT	-53	27	-	-25	112%	-2	-10	-80%

# GPII Standalone - Balance Sheet

Particulars	31.03.2020	31.03.2019	Particulars	31.03.2020	31.03.2019
<b>EQUITY AND LIABILITIES</b>			<b>ASSETS</b>		
<i>Equity</i>			<i>(1) Non -current assets</i>		
(a) Equity share capital	341	341	(a) Property, Plant and Equipmen	13,689	13,115
(b) Other equity	11,631	10,434	(b) Capital work-in-progress	529	448
			(c) Other intangible assets	1,029	1,133
<i>Liabilities</i>			(d) Financial assets		
<i>(1) Non-current liabilities</i>			(i) Investments	3,463	3,478
(a) Financial Liabilities			(ii) Loans	-	1
- Borrowings	9,959	11,173			
(b) Provisions	117	89	(e) Deferred tax assets (Net)	-	-
(c) Deferred tax liabilities (Net)	402	23	(e) Other non-current assets	120	77
(d) Other non-current liabilities	21	16	<i>(2) Current-assets</i>		
<i>(2) Current liabilities</i>			(a) Inventories	4,459	5,584
(a) Financial Liabilities			(b) Financial assets		
(i) Borrowings	1,527	1,275	(i) Trade Receivables	1,554	1,231
(ii) Trade Payables	1,298	1,822	(ii) Cash and cash equivalents	14	7
(iii) Other Financial Liabilities	649	835	(iii) Bank balances	154	274
(b) Other current liabilities	317	388			
(c) Provisions	7	6	(c) Current tax assets (net)	2	-
(d) Current tax liabilities (Net)	-	230	(d) Other current assets	1,256	1,284
<b>Total Equity and Liabilities</b>	<b>26,269</b>	<b>26,633</b>	<b>Total Assets</b>	<b>26,269</b>	<b>26,633</b>

# GPII Consolidated - Balance Sheet

Particulars	31.03.2020	31.03.2019	Particulars	31.03.2020	31.03.2019
<b>EQUITY AND LIABILITIES</b>			<b>ASSETS</b>		
<b>Equity</b>			<b>(1) Non -current assets</b>		
(a) Equity share capital	341	341	(a) Property, Plant and Equipment	21,646	21,332
(b) Other equity	12,912	11,352	(b) Capital work-in-progress	1,375	1,302
<b>Owners Equity</b>	<b>13,253</b>	<b>11,693</b>	(c) Other intangible assets	1,047	1,156
Non-controlling interest	1,773	1,672	(d) Intangible assets under development	-	-
<b>Total equity</b>	<b>15,026</b>	<b>13,364</b>	(d) Investments in associates and joint ver	1,116	1,165
<b>Liabilities</b>			(e) Financial assets		
<b>(1) Non-current liabilities</b>			- Investments	119	156
(a) Financial Liabilities			(ii) Others		
- Borrowings	14,645	16,431	(f) Deferred tax assets (net)		
(b) Provisions	136	102	(f) Other non-current assets	181	151
(c) Deferred Tax Liabilities (net)	448	8		<b>25,483</b>	<b>25,261</b>
(d) Other non-current liabilities	21	16	<b>(2) Current-assets</b>		
	<b>15,250</b>	<b>16,558</b>	(a) Inventories	5,574	6,164
<b>(2) Current liabilities</b>			(b) Financial assets		
(a) Financial Liabilities			(i) Trade Receivables	1,768	1,490
(i) Borrowings	1,604	1,393	(ii) Cash and cash equivalents	23	23
(ii) Trade Payables	1,783	2,030	(iii) Bank Balances	267	365
(iii) Other Financial Liabilities	816	1,118			
(b) Other current liabilities	329	411	(iv) Others	178	230
(c) Provisions	8	8	(c) Current tax assets (net)	5	24
(d) Current tax liabilities (net)	-	230	(d) Other current assets	1,517	1,553
	<b>4,540</b>	<b>5,189</b>		<b>9,332</b>	<b>9,850</b>
<b>Total Equity and Liabilities</b>	<b>34,815</b>	<b>35,111</b>	<b>Total Assets</b>	<b>34,815</b>	<b>35,111</b>

## FY20 Return & Liquidity Ratios

	Unit	Standalone	Ardent	GGEL	Consolidated
RoE	%	11%	32%	0%	12%
RoCE	%	15%	33%	7%	15%
BVPS	INR	340	-	-	426
Net Debt to EBITDA	x	2.68	0.75	5.51	2.65
Net Debt to Equity	x	0.99	0.40	1.67	1.11
Interest Coverage	x	2.88	7.51	1.64	2.97

# International & Domestic Tailwinds

## International Market

- Iron ore globally continues to grow in strength and have hit a 12 month high recently even when everyone expected it to wilt under COVID19 pressure. China demand has been particularly strong amid fears of supply disruption in Brazil due to rising coronavirus spread has improved sentiment.
- Iron ore pellet prices have been tracking iron ore prices and have remained strong at US\$117/t CNF China allowing GPIL to export.
- GPIL export contract booked till July 2020.

## Domestic Market

- Indian iron ore cost curve is likely to bump up as the winning bid premium on recently held auction in Odisha has been between 90%-150% of IBM iron ore prices.



**GODAWARI POWER & ISPAT**

INVESTOR PRESENTATION

# Integrated Asset Portfolio; Unique Presence Across Steel Value Chain

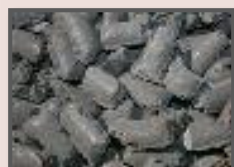
## Asset



Iron Ore Mining



Iron Ore Pellets



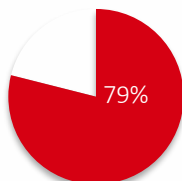
Sponge Iron



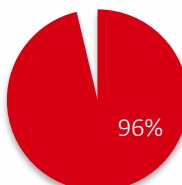
Steel Billets

Capacity FY20 Utilisation (%)

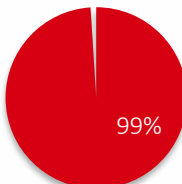
2.1 mt



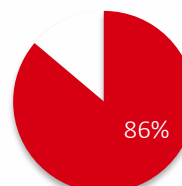
2.7 mt



0.5 mt



0.4 mt



## Asset



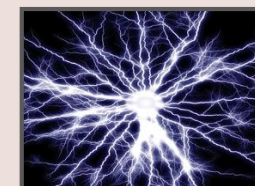
MS Rounds



HB Wires



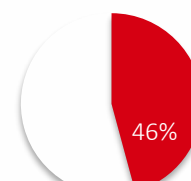
Ferro Alloys



Power

Capacity FY20 Utilisation (%)

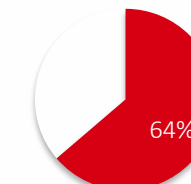
0.4 mt



0.15 mt



16,500 mt



98 MW\*;  
86 cr units



# GPII – Focused on Generating Shareholder Value



## Clear Strategy

Focus on **Integrated Steel** Value Chain

**No unrelated diversification;**  
Non-core assets to be divested



## Portfolio Optimisation

Increasing value addition by **enhancing captive power** availability

Supply Chain optimisation through **rolling mill expansion (brownfield)**



## Improving Financials

FY20 **Revenue Flat YoY**  
EBITDA Margin: 19%

FY20 ROE: 12%  
Net Debt/Equity: 1.1x  
Int. Coverage: 2x



## Balance Sheet De-Leveraging

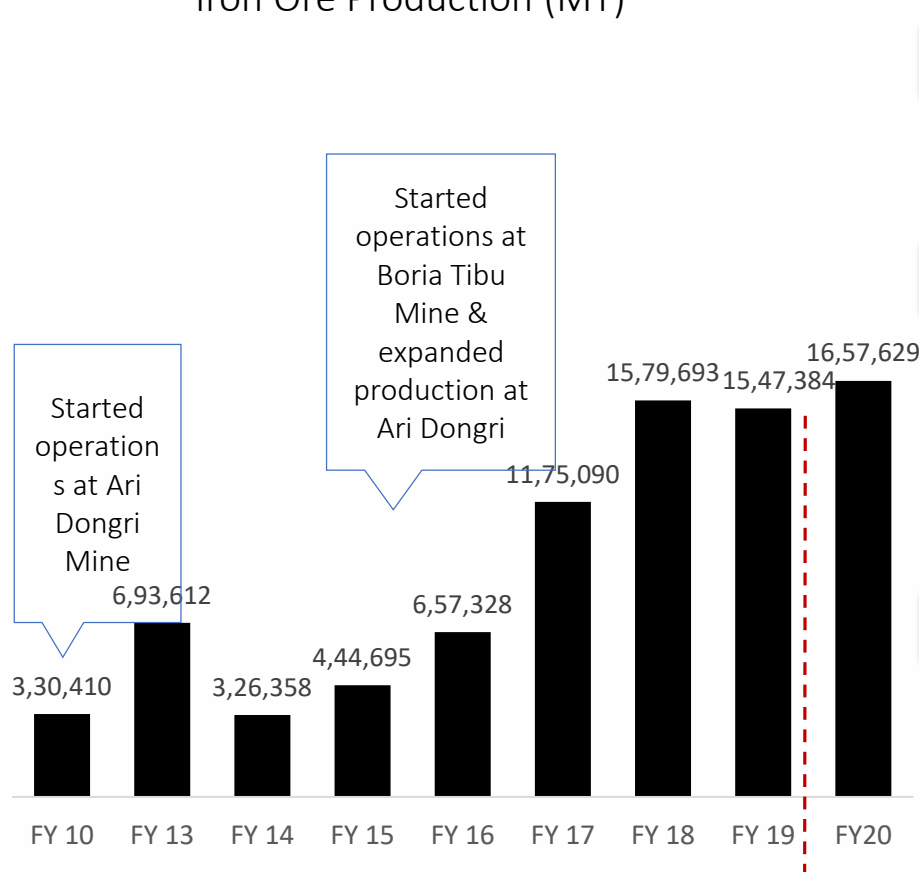
Net Debt to equity Reduced to 1.1x from 3x; **Target <1x**

Credit Rating Updated to Investment Grade **BBB+**

# Increased Captive Consumption Provides Significant Margin Expansion

Significant captive mining capacity aid in lowering costs & improving margins

Iron Ore Production (MT)



## Captive Mining

- Increased captive mining to aid in lowering cost and improving margins.

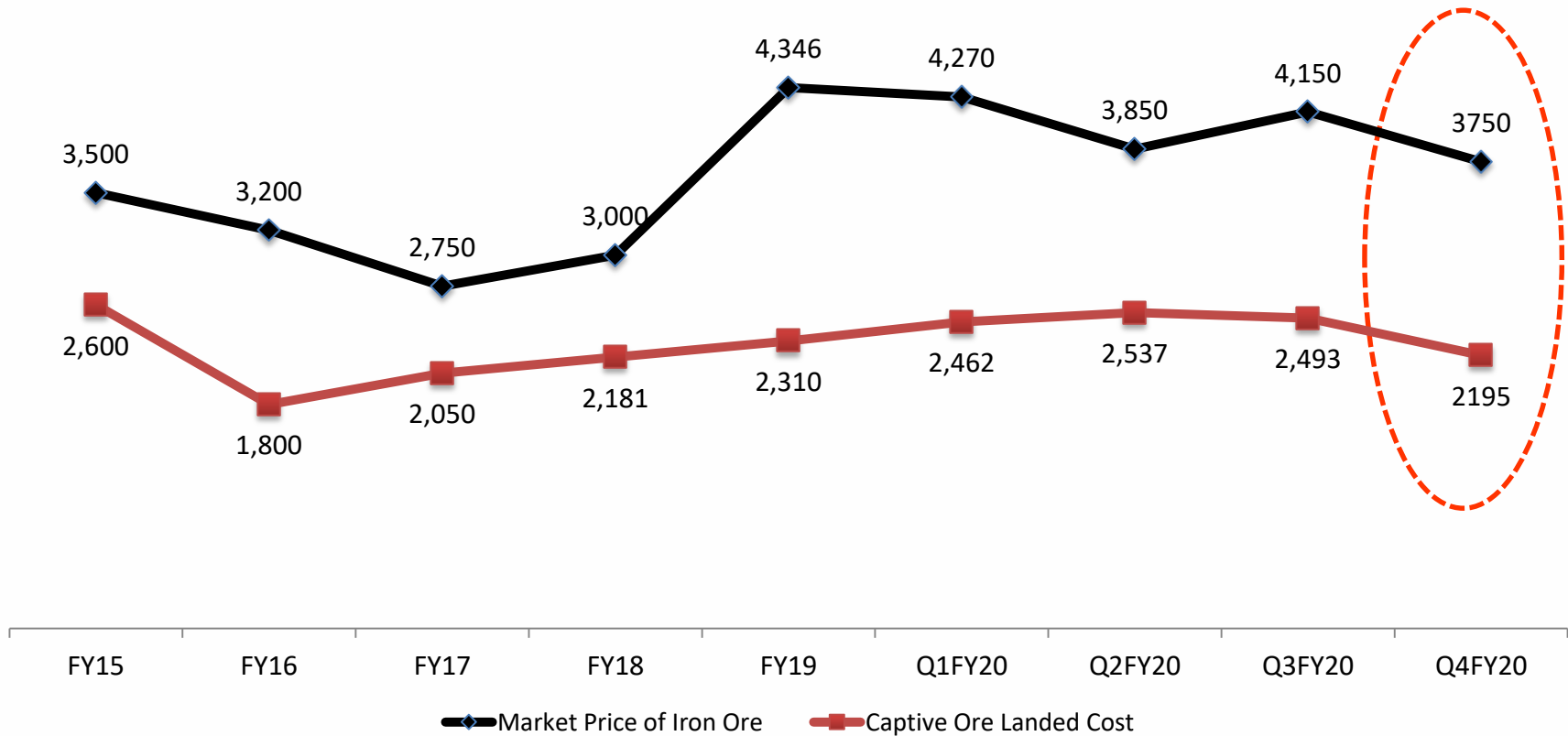
## Power

- In-plant power generation capacity of 73 MW
- 42 MW captive energy from waste heat recovery + 11 MW from coal thermal plant + 20 MW biomass power capacity
- Additional 25 MW from Jagdamba Power

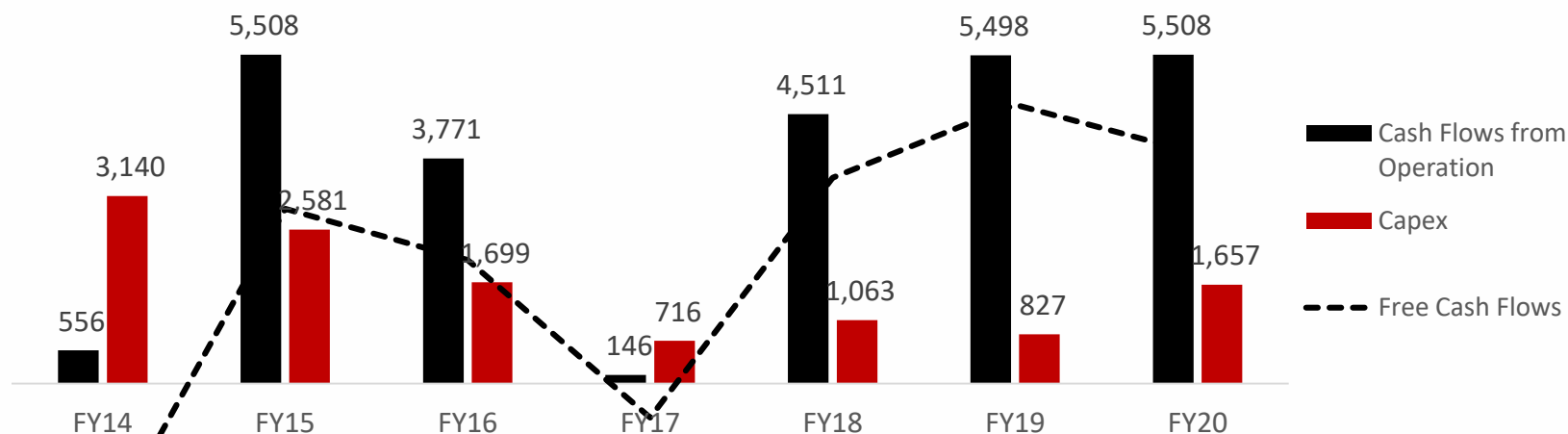
## Water

- Agreement with Chhattisgarh Ispat Bhoomi Ltd to draw 10,000 KL of water/day

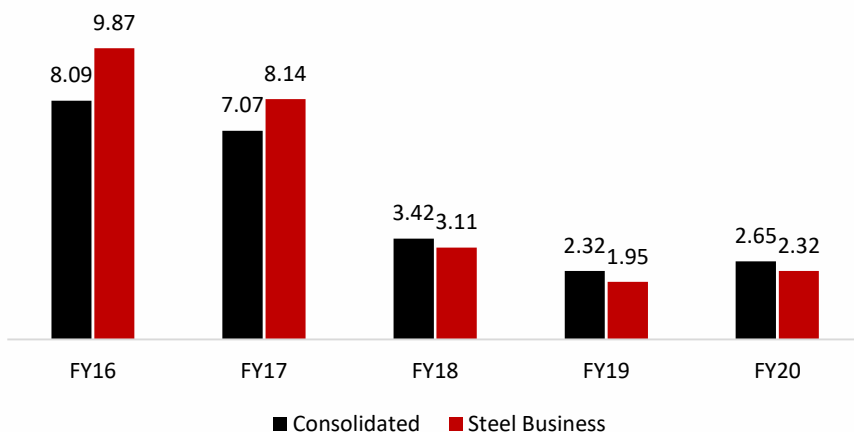
# Captive Mining Leading To Huge Raw Material Costs Saving



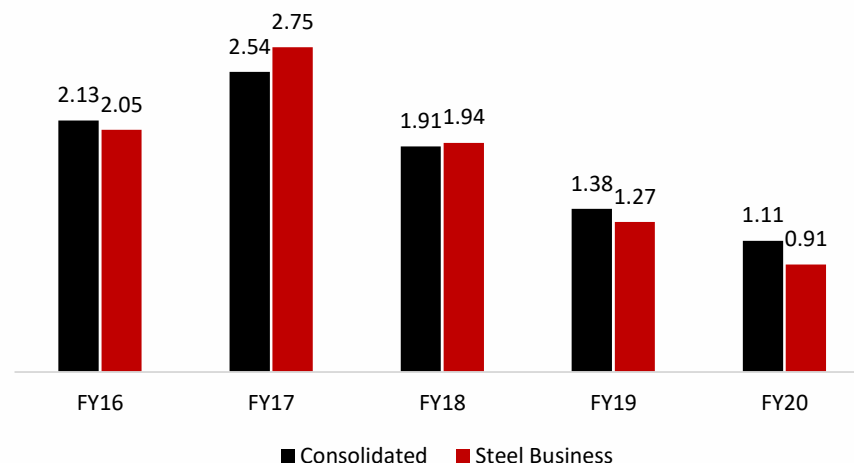
# Improving Liquidity Ratios



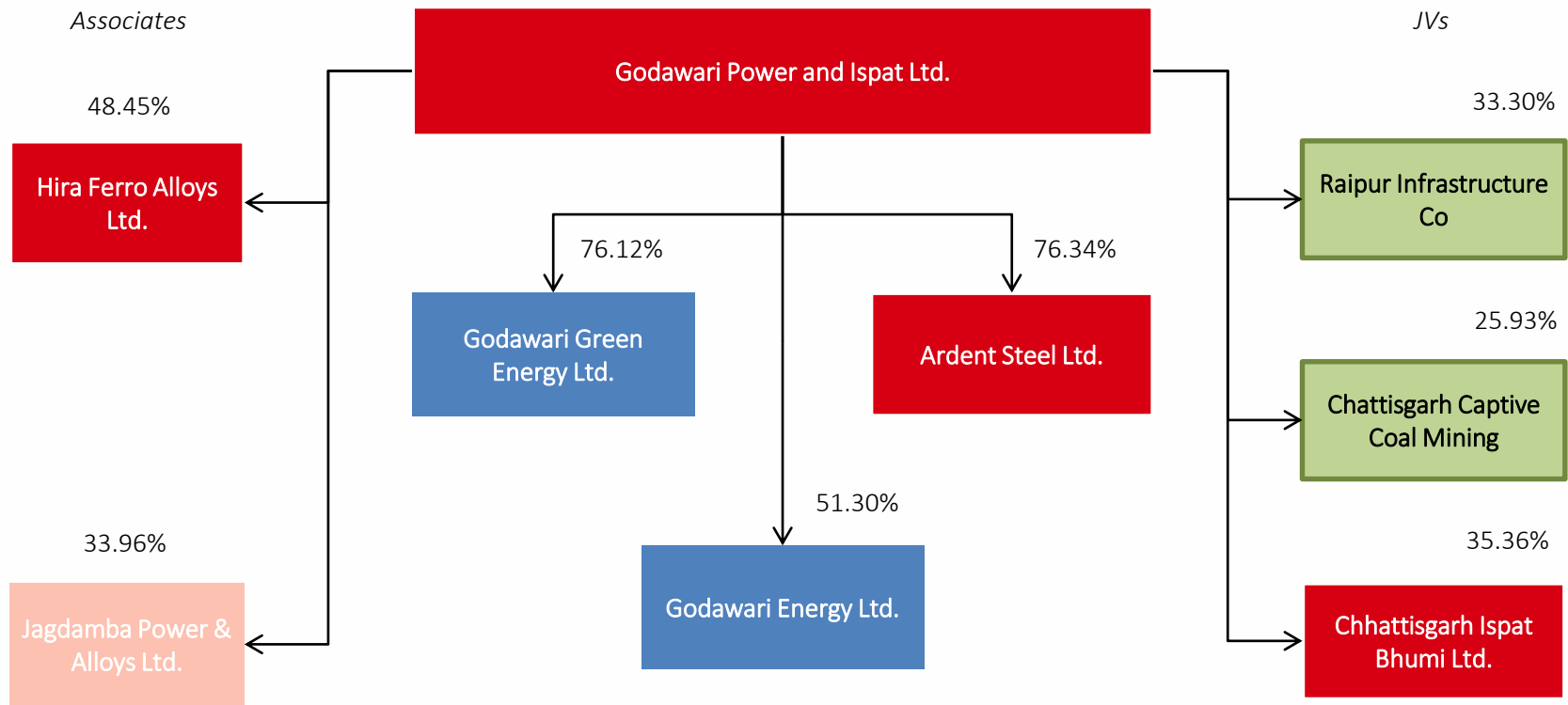
Net Debt to EBITDA



Net Debt to Equity



# Group Structure



Merger in process



Non-core  
businesses

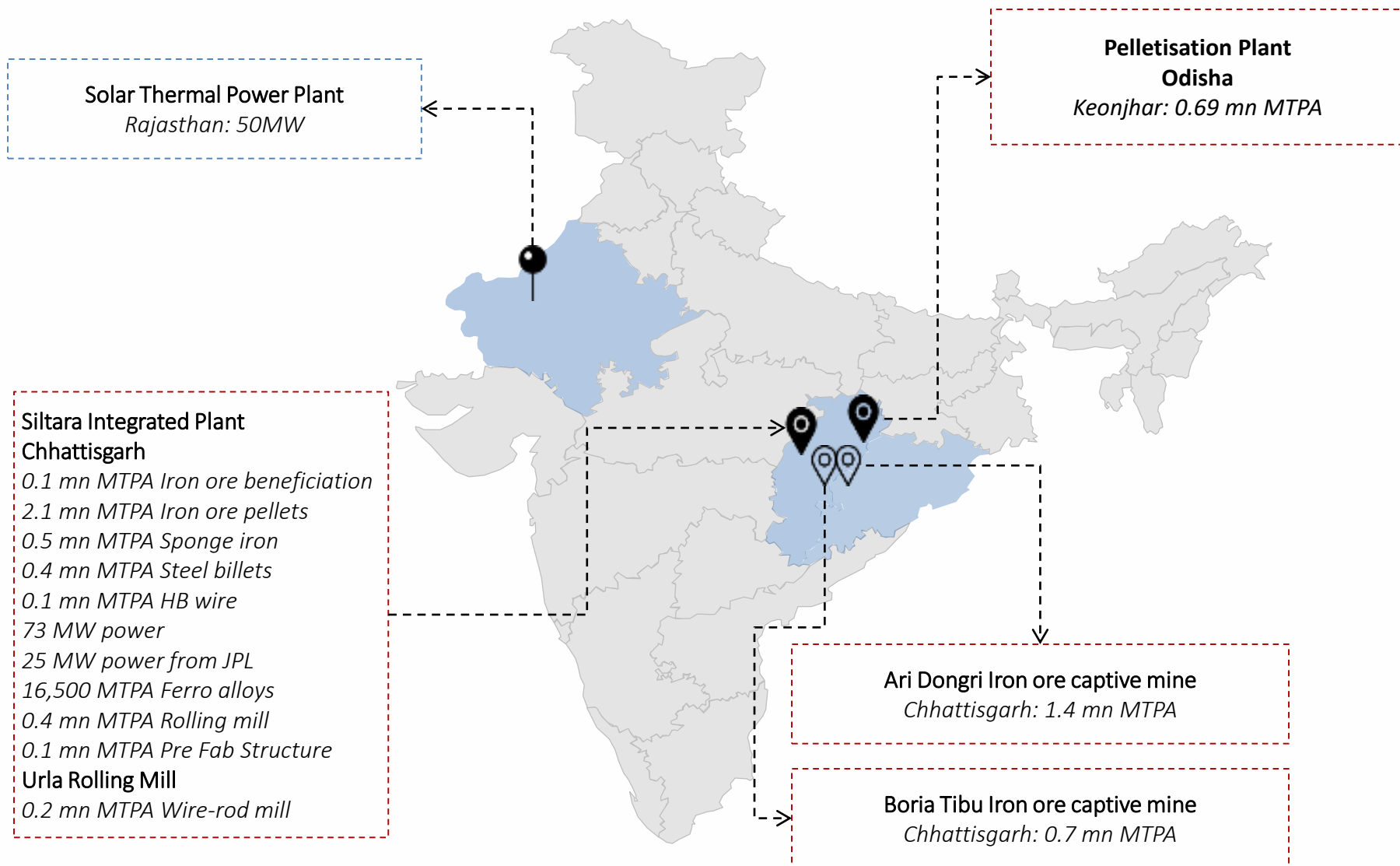


No change in structure;  
will remain as they are



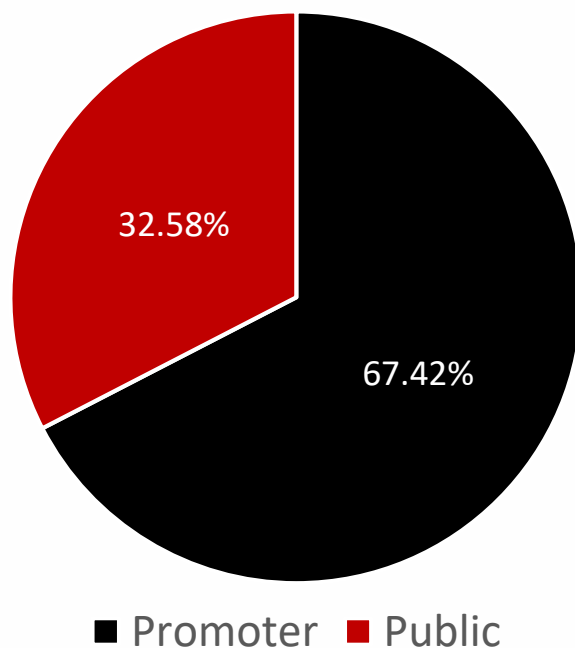
To be wound down;  
operations discontinued

# Large Portfolio of Long-life Assets



# Shareholding Pattern as on March 2020

## Shareholding Pattern



## Break up of Shareholding Pattern

Public Shareholding	% of Total Sh.
HSBC Global	2.82%
Others	29.76%
Total	32.58%

Promoter Shareholding	% of Total Sh.
Pledge*	32.55%
Total	67.42%

*\* Pledged with lenders as an additional collateral for working capital & long term loans taken by the company and is not on a mark to market basis. Thus there are no margin calls on account of fluctuations in stock price. The pledge has been with the banks for more than 10 years. Promoters has not availed any loan against the pledge of shares.*

# Board of Directors



**Mr Biswajit Choudhary (Chairman & Independent Director)**

5 decades of experience in Engineering, Banking & Finance; Mechanical Engineering from IIT, Kharagpur



**Mr BL Agarwal  
Managing Director**

- 1<sup>st</sup> generation entrepreneur with almost 4 decades of experience; Graduated as an electronic; started GPIL



**Mr. Dinesh Agrawal (Executive Director)**

2+ decades of association with GPIL; 2nd generation entrepreneur; Electrical Engineer; Overseeing setting up of captive power plant



**Mr Abhishek Agarwal (Executive Director)**

2nd generation entrepreneur; Masters in International Business from Leeds University, Started pellet plant in GPIL



**Mr. Vinod Pillai (Executive Director)**

2 decades of experience in Sales, Administration, Liaison & Logistics; Commerce graduate; plays vital role in commissioning of new projects of Hira Group of Industries



**Mr. Siddharth Agrawal (Non-Executive Director)**

Managing Director of subsidiary Godawari Green Energy Limited ; MBA with over 10 years of experience in various competencies

# Board of Directors



Mr. Dinesh Gandhi  
(Non-Executive Director)

3 decades of experience in  
Accounts, Finance & Project  
Financing; Chartered Accountant



Mr. Shashi Kumar (Independent  
Director)

4+ decades of experience; B.Sc. In  
Mining Engineering; Advisor to  
NTPC, IFFCO & Chhattisgarh Power  
Ltd



Mr. B N Ojha (Independent Director)  
Bachelor of Electrical Engineering  
from BIT Sindari with over 4  
decades of experience; Member of  
Export Committee, Department of  
Atomic Energy, Govt of India



Ms. Bhavna G. Desai (Woman  
Independent Director)

Over 2 decades of capital market  
experience; Bachelor of Commerce  
from University of Mumbai

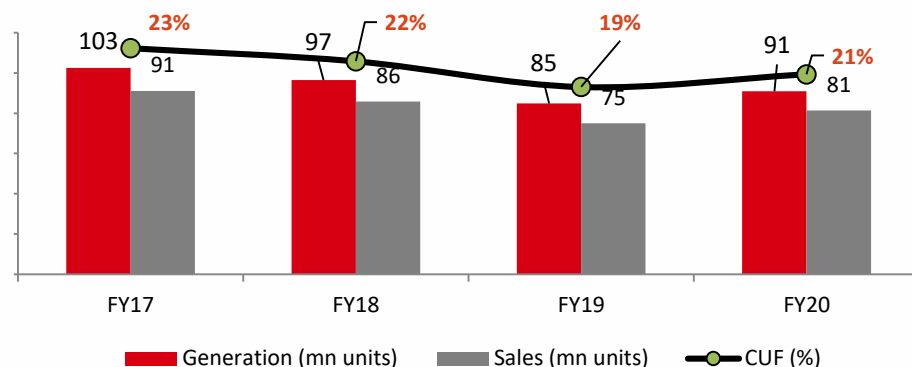


Mr. Harishankar Khandelwal  
(Independent Director)  
Almost 3 decades of experience in  
corporate planning & strategy,  
financial analysis, budgeting etc  
Chartered accountant by profession

## Subsidiary | Godawari Green Energy

- Facility located in village Naukh, Jaisalmer, Rajasthan
- GGEL has been set up to implement project awarded under Jawaharlal Nehru National Solar Mission, Phase I of Govt. of India
- The first plant to be commissioned in India & is operational since FY14
- Take-off arrangement under fixed price PPA with NTPC Vidyut Vyapar Nigam (NVVN) for 25 years at 12.20 per unit of power supplied
- Project debt structured under 5-25 scheme for infrastructure project thereby giving a repayment tenor of 15 years, beginning from September 2016
- Operating cash-flow of solar plant is self sufficient to meet its debt obligation, without resorting to GPIL standalone cash-flow.
- GGEL paid its entire term loan commitment for FY21

Operating Performance



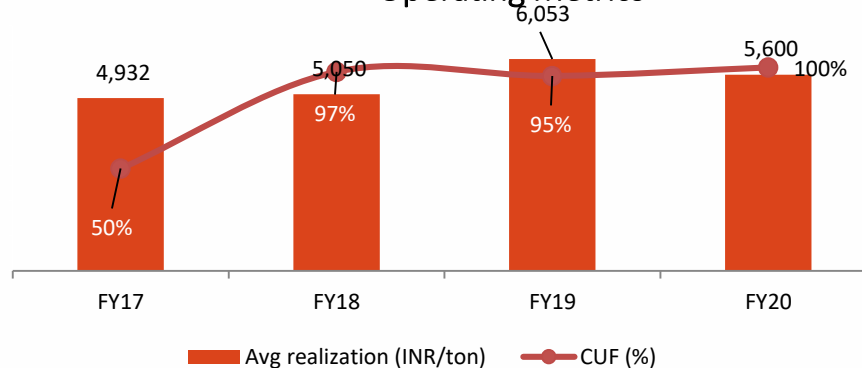
Summary Historical financials

Particulars (INR mn)	FY17	FY18	FY19	FY20
Net Sales	1,113	1,066	928	1003
EBITDA	1,025	899	762	840
EBITDA Margin (%)	92%	84%	82%	84%
Depreciation	308	311	304	296
Finance Costs	624	580	532	455
PAT	65	6	-10	-2
PAT Margin (%)	5.8%	0.6%	-	-

## Subsidiary | Ardent Steel

- The company has a total production capacity of 0.69 mn MTPA pellet which located in Phuljhar, Keonjhar, Odisha
- The plant uses iron ore from the merchant mines in Barbil, located in the Keonjhar district
- The debt has also been restructured by the lenders for a for a tenor of 14 years starting FY17
- FY 20 – INR 340 mn has been repaid in current year against scheduled repayment of INR 25 mn. Reducing the term debt to 750 mn from 1,090 mn.
- Target to become Net Debt free company in FY21

Operating Metrics

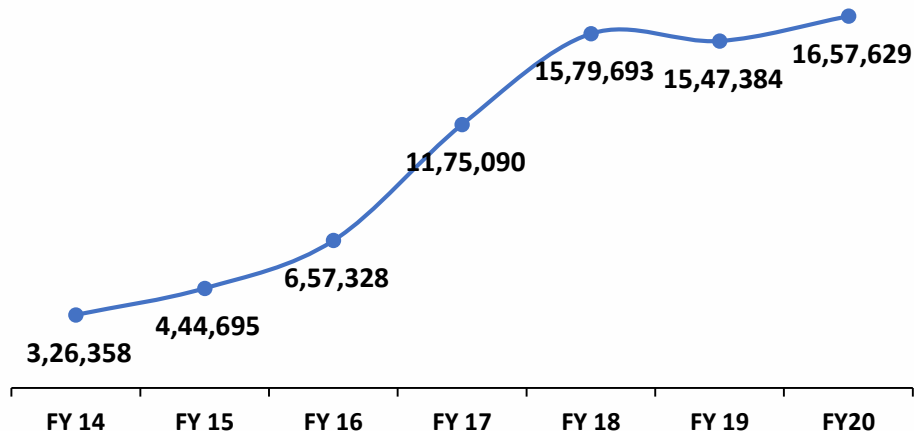


Summary Historical financials

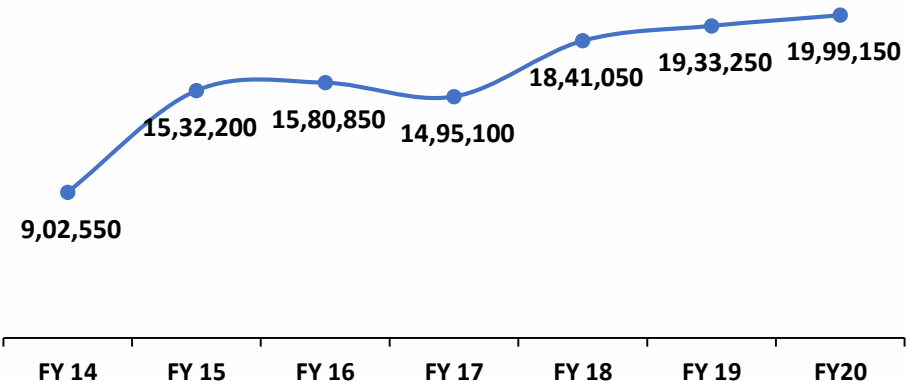
Particulars (INR mn)	FY17	FY18	FY19	FY20
Net Sales	1,471	2,966	3,540	4,171
EBITDA	280	764	915	1,013
EBITDA Margin (%)	19%	26%	26%	24%
Depreciation	111	112	120	157
Finance Costs	216	223	179	137
PAT	(32)	282	441	527
PAT Margin (%)	(2.2%)	9.5%	12%	13%

# GPIL Standalone – Past Operational Performance at a Glance...

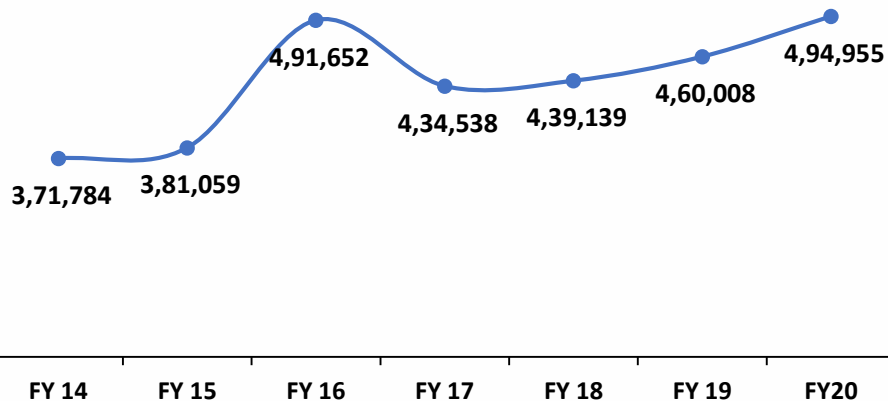
## Trend of Iron Ore Mining (mt)



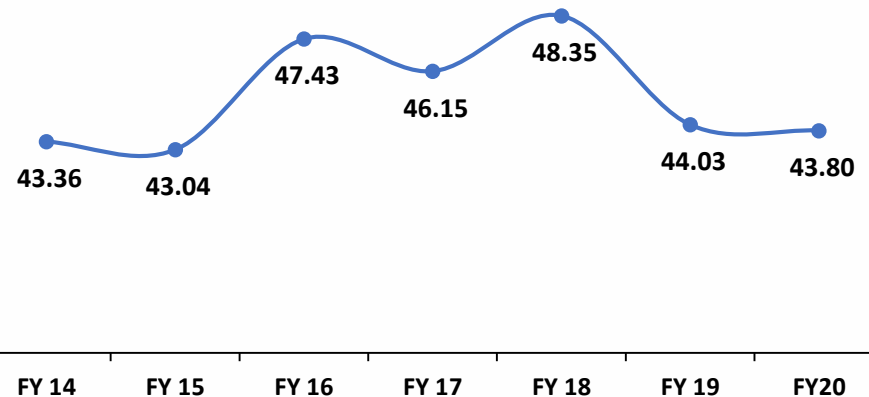
## Trend of Pellets Production (mt)



## Trend of Sponge Iron Production (mt)

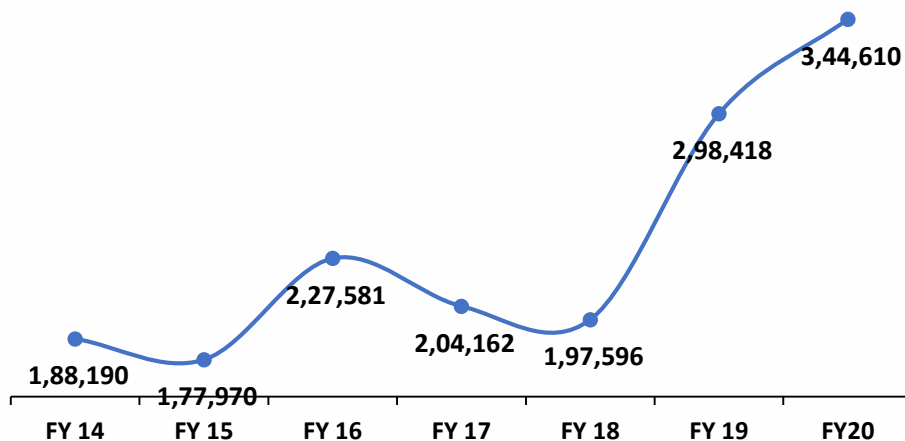


## Trend of Power Generation (kwh in cr)

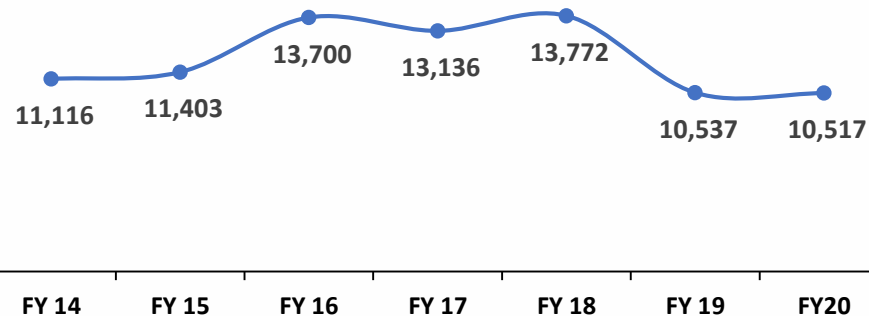


# GPII Standalone – Past Operational Performance at a Glance...

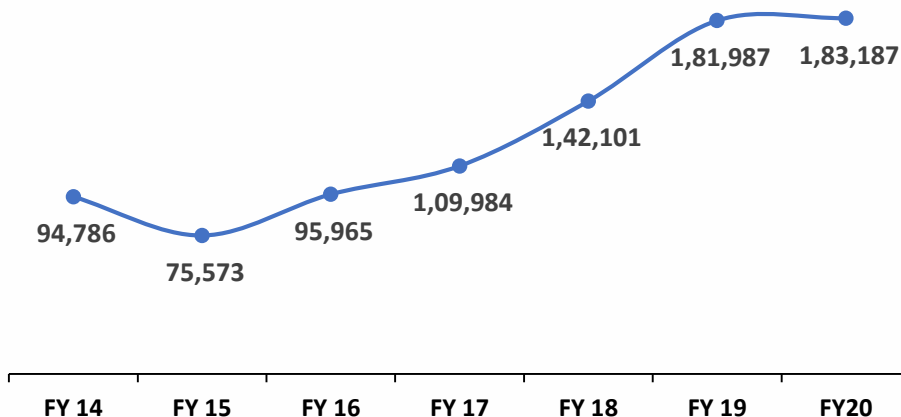
## Trend of Steel Production (mt)



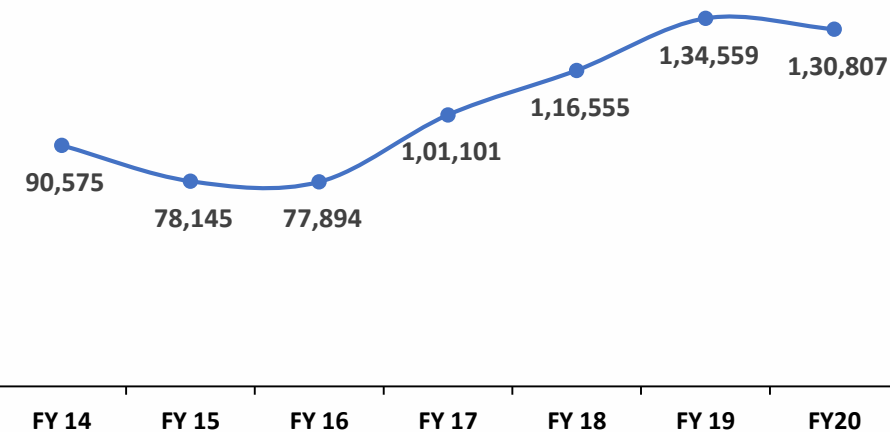
## Silico Manganese (mt)



## MS Rounds Production (mt)

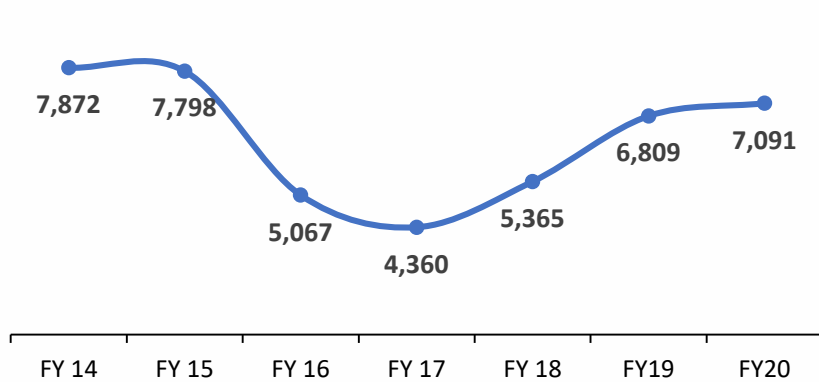


## HB Wire Production (mt)

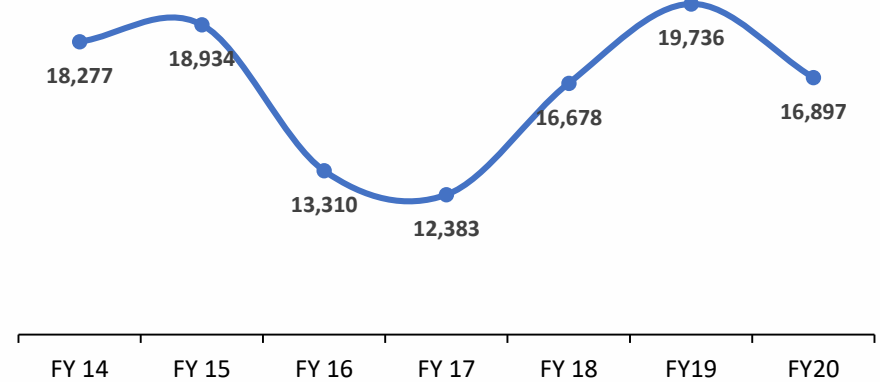


# Past Sales Realisations

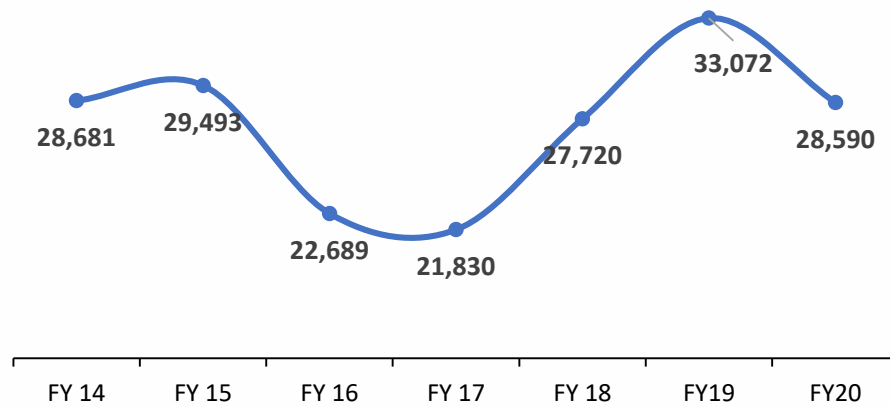
## Iron ore Pellet



## Sponge Iron

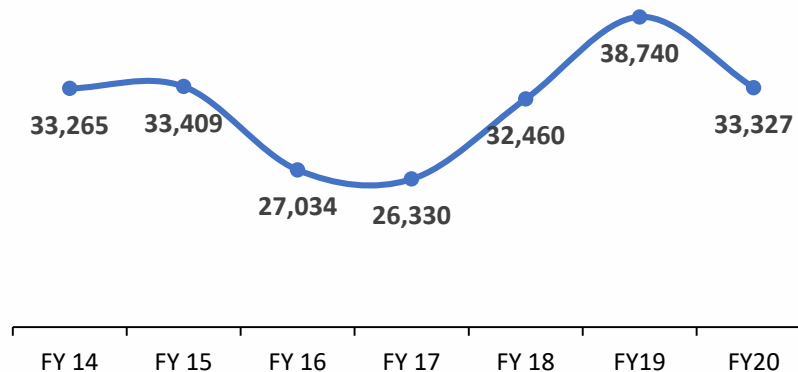


## Steel Billets

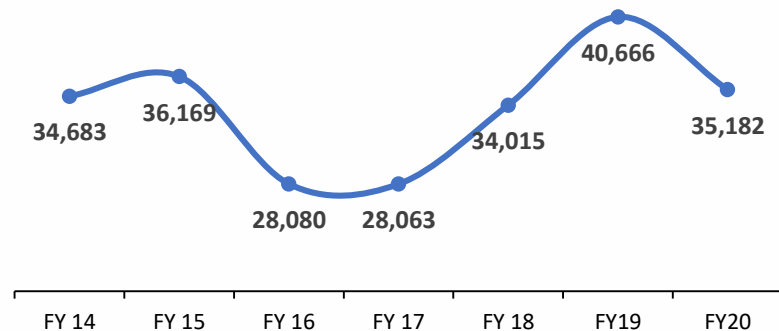


# Past Sales Realisations

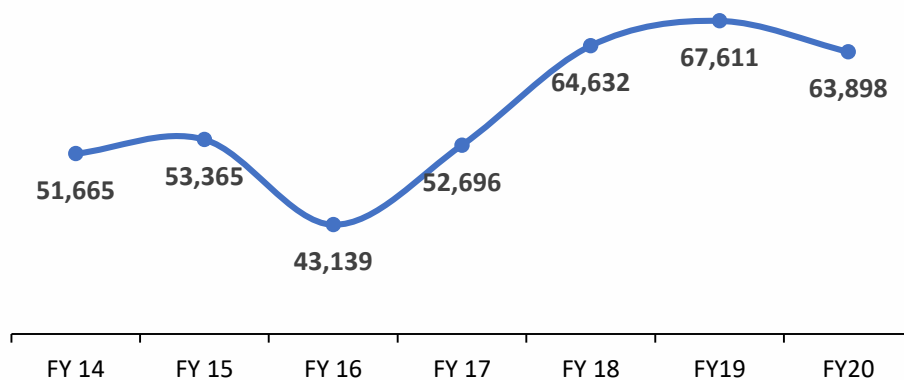
## M.S. Round



## H.B. Wire



## Silico Manganese



## GPIL Consolidated – Historical Profit & Loss

Particulars (in Million)	FY20	FY19	FY18	FY17
<b>Net Sales</b>	32,885	33,216	25,274	19,941
Total Expenses	26,643	25,323	19,305	17,033
Other Income	47	58	87	153
<b>EBITDA</b>	<b>6,289</b>	<b>7,952</b>	<b>6,056</b>	<b>3,061</b>
<b>EBITDA Margin (%)</b>	<b>19%</b>	<b>24%</b>	<b>23%</b>	<b>15%</b>
Depreciation	1,369	1,329	1,318	1,201
Finance Costs	2,119	2,526	2,633	2,592
PBT	2,801	4,097	2,104	-729
Tax	954	1,529	-64	7
PAT	1,744	2,607	2,147	-736

## GPIL Consolidated – Historical Balance Sheet

Particulars (INR mn)	FY20	FY19	FY18	FY17
<b>Net Worth</b>	15,026	13,364	10,837	8,503
<b>Non-Controlling Interest</b>	1,773	1,672	1,604	1,533
<b>Debt</b>				
Long Term Debt	14,645	16,431	18,730	19,799
Short Term Debt	1,604	1,393	1,344	1,955
Other Long Term Liabilities	605	127	103	82
<b>Current liabilities</b>				
Accounts Payable	1,783	2,030	1,611	1,247
Other Current Liabilities (including current maturities of LT Debt)	1,153	1,766	1,892	948
<b>Total Liabilities and Equity</b>	<b>34,815</b>	<b>35,111</b>	<b>34,517</b>	<b>32,532</b>
<b>Non Current Assets</b>				
Net Fixed Assets	21,646	21,332	21,377	22,221
Other Long Term Assets	2,463	3,930	5,059	3,733
<b>Current Assets</b>				
Inventory	5,574	6,164	4,323	3,044
Accounts Receivable	1,768	1,669	1,558	1,136
Loans and Advances and Other Current Assets	1,700	1,628	1,678	1,889
Cash and Cash Equivalents (Including bank balances)	290	389	522	511
<b>Total Application of Funds</b>	<b>34,815</b>	<b>35,111</b>	<b>34,517</b>	<b>32,532</b>

# Thank you

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**GODAWARI POWER & ISPAT**