

# Godawari Power & Ispat Limited

Q2FY21  
Earnings Presentation  
November 2020

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**Q2FY21:**

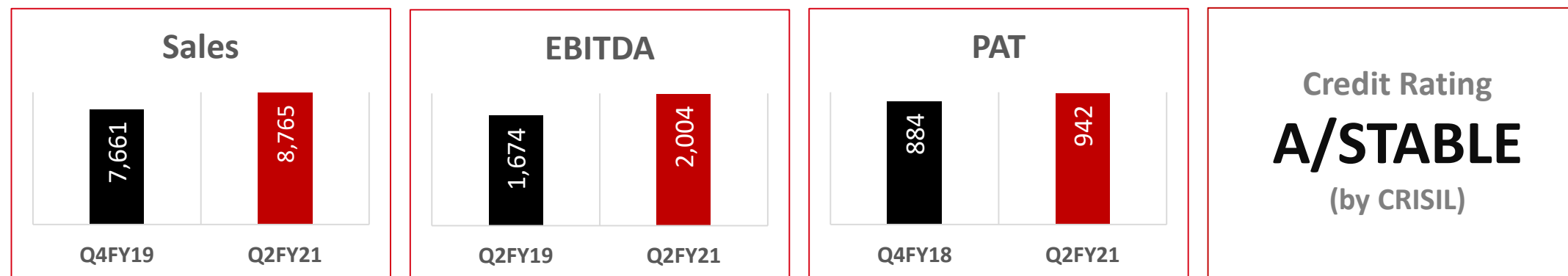
# Best Quarter in the Company's History driven by strong Operating and Financial Performance

COMPARISON WITH PREVIOUS BEST ON STANDALONE BASIS

## Highest Ever Quarterly Production/Sales (in MT)



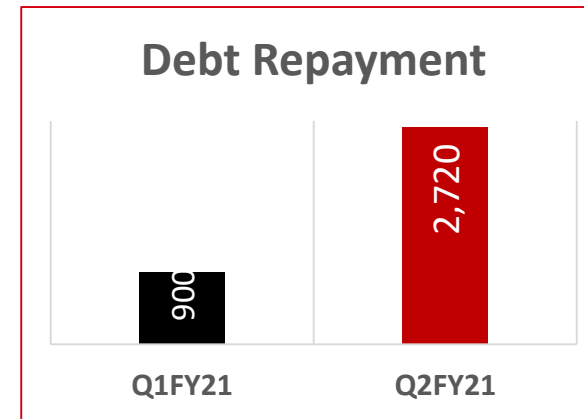
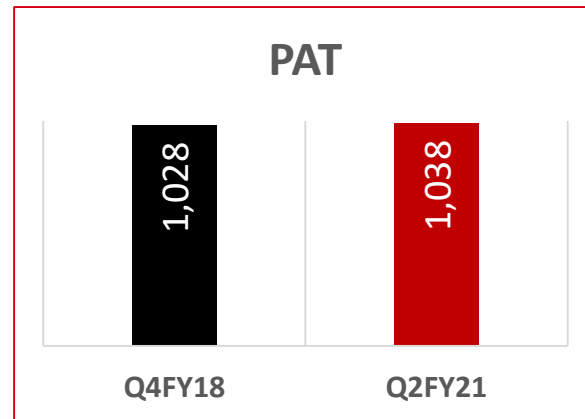
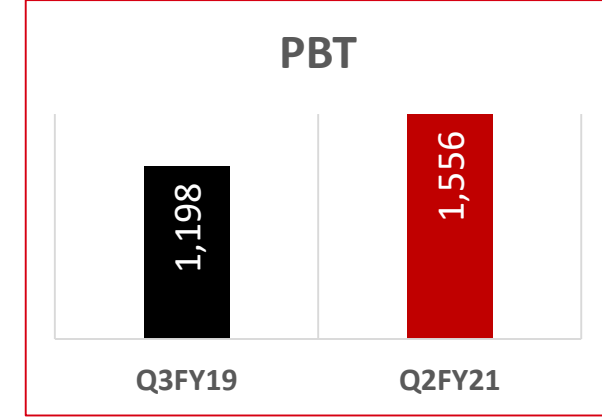
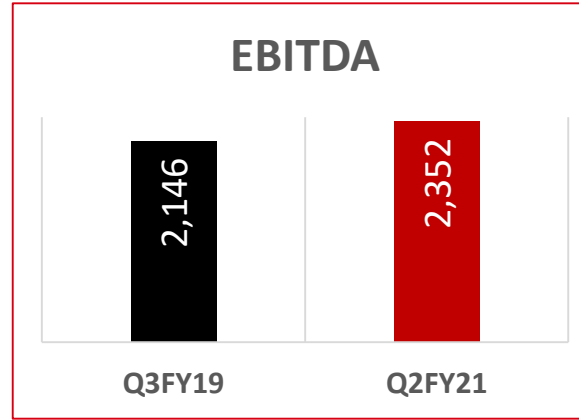
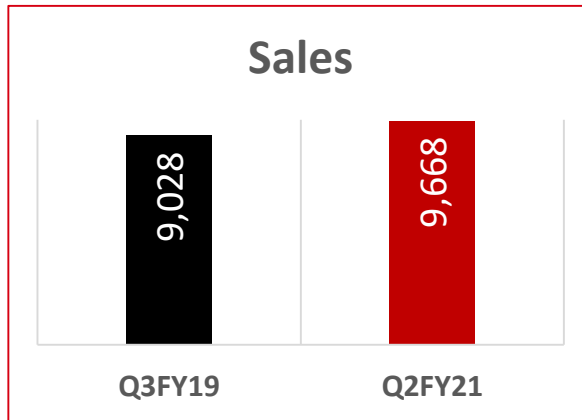
## Best Quarterly Financial Performance (in Mn)



# Q2FY21: Strong Performance amid uncertain environment

PREVIOUS BEST VS CURRENT CONSOLIDATED BASIS

## Best Quarterly Financial Performance (in Mn)



# Q2FY21: Operating & Financial Highlights

## Consolidated Operational Highlights

- Production & Sales were higher across segments on account of improvement in domestic demand and realisation
- Export of value added products (wire rods) commenced
- Operations normalised and back to pre covid levels; current utilisation rate of >90% across divisions
- Ardent steel production lower on account of 46 days maintenance shutdown in the month of August & September
- Generation of solar power plant 15% higher

## Consolidated Financial Highlights – Best Quarterly Performance

- Highest ever quarterly Revenue of INR 9.7 Bn- up 36% QoQ & 17% YoY on account of higher sales and realisation.
- Highest ever quarterly EBITDA of INR 2.4 Bn - up 48% QoQ & 41% YoY
  - EBITDA margins improved to 24% from 22% in Q1FY21
- Highest ever quarterly PAT of INR 1.03 Bn - up by 106% QoQ & 96% YoY
- Repaid INR 3.7 bn of long term debt as on date in excess of the schedule repayment of INR 0.7 bn
  - Long Term debt reduced 26% to INR 11.7 Bn as on date from INR 15.4 Bn as on March'20.
  - Interest cost reduced 7% QoQ & 21% YoY in Q2FY21 to INR 434 Mn.
- Credit rating of the company improved to **A/Stable** from BBB+.

# Strategic Stake Sale in Ardent Steel

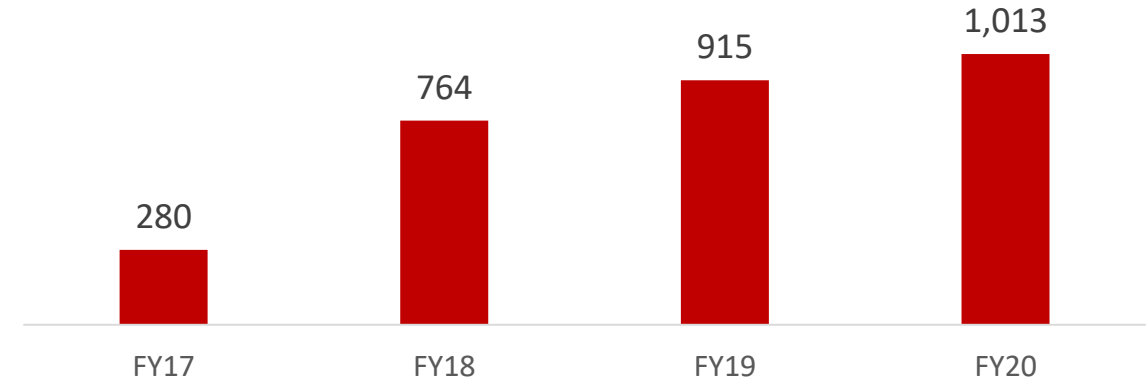
## Transaction Overview

- GPIL and its step down subsidiary Hira Energy will sell c.42% stake in Ardent Steel Limited (ASL) to Transtek Coal & Minerals Pvt. Ltd. for a cash consideration of INR 95 cr
- The Deal values Ardent steel at EV of INR 2.6 Bn.
- GPIL will continue to hold 38% in ASL and also retains management control

## Strategic Rationale

- Post Iron Ore mines auction in Orissa, Iron Ore availability has been challenging
- The transaction will help ASL secure long term raw material security by leveraging the network of a strong local partner
- Transtek is a 12 year old lead by Mr Anand Poddar and is engaged in trading of iron ore and other minerals based in the state of Odisha. It is substantial experience in sourcing iron ore.

## Ardent Steel EBITDA (INR Mn)



## Valuation Parameters

- **EV/EBITDA** – Based on a 6 year average EBITDA of INR 48 Cr, the deal values ASL at an EV/EBITDA of c5.5x
- **Replacement Cost** - ASL valued at INR 214/share – a premium of 29% over the replacement cost of INR 175 Crore (INR 166/share)

# Clear Strategic Priorities

## Near Term Priorities and Targets

### Deleveraging and Balance Sheet Improvement

- Free cash flow from operation to be utilized towards deleveraging,
- Cash flows from sales of non-core business like Ardent Steel and Godawari Green Energy Limited

**Target : aiming to become a long-term debt free company at standalone level within next 2 years**

### Leverage Portfolio Flexibility to maximise profits

- Frequent adjustments to product mix, depending on demand environment - Increase in volumes of value added products with commissioning of rolling mill
- Focus on increasing high grade (65%+ Fe, low alumina) pellet production.

### Debottlenecking with marginal Capex

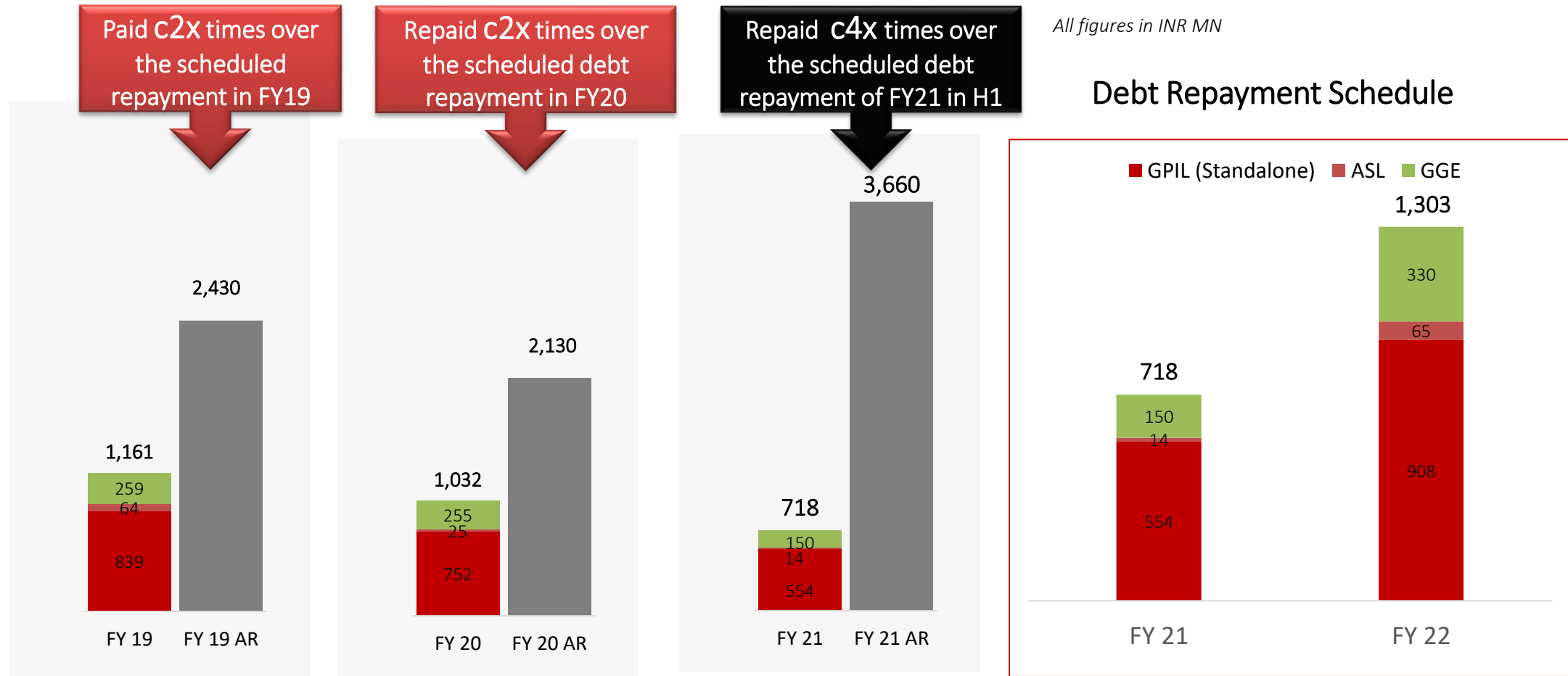
- No Major capex planned during the year
- Debottlenecking in solar power plant to improve heat storage and extend operations by ~30 -60 mins per day
- Increase the sustainable EBITDA & PAT through capacity enhancement through debottlenecking & efficiency improvement

## Long Term Roadmap

### Integration of Iron Ore and Mining Assets

- Post De-leveraging, the company intends to add steel Capacity in GPIL through internal accruals only and move up the steel value chain

# Long Term Debt Reduced by 50% in last 3 Years



*Consistently making Higher than scheduled repayments over last 3 Years*



# Financial & Operational Impact of COVID-19

## Operational Impact

- Manufacturing operations were temporarily shut in steel business from 24th March to 9th April steps were taken to restart the operations
- Plants reached to near normal capacity by 3rd week of May 2020. Continues to operate over 90% utilization.
- Solar business continued to operate without any disruption during lockdown.

## Financial Impact

- Profitability of Q4 FY20 affected on account of fall in production & sales
- Profitability of Q1 FY21 affected on account of lower production & sales due to lockdown.
- Operations are now back to pre covid levels.

## 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 and has already repaid the deferred amount for the period of March to May 2020 to lenders. The Company has not sought further deferment from June to August 2020.
- Subsidiary companies did not opted for any moratorium & continues to make regular payment of their debt obligations
- Solar power subsidiary have prepaid its entire FY21 principal dues and further upto December 21.
- The company with subsidiaries have been making pre-payment of its debt obligations since last 2 year

## Future Impact

- Fall in interest rate will result in reduction of finance cost.
- However, other factors owing to pandemic may impact profitability. Any Increase in Covid-19 cases in the area of operation may impact volumes & profitability.

# Q2FY21 Production Summary

Production (in MT)	Q2FY21	Q1FY21	QoQ (%)	Q2FY20	YoY (%)	H1FY21	H1FY20	FY20
Iron ore Mining	4,19,657	3,21,807	30%	3,07,286	37%	7,41,464	7,56,200	16,57,629
Iron ore Pellets - GPIL	6,17,300	4,64,150	33%	5,04,100	22%	10,81,450	9,80,800	19,99,150
Iron Ore Pellets - ASL	1,01,354	1,85,149	-45%	1,90,834	-47%	2,86,503	3,23,739	6,87,360
Sponge Iron	1,52,406	76,396	99%	1,32,275	15%	2,28,802	2,54,543	4,94,955
Steel Billets	1,00,660	56,510	78%	79,290	27%	1,57,170	1,55,755	3,44,610
M.S. Rounds	72,314	38,486	88%	47,923	51%	1,10,800	94,837	1,83,187
H.B. Wires	36,845	17,618	109%	33,785	9%	54,463	66,837	1,30,807
Silico Manganese	3,601	2,360	53%	3,337	8%	5,961	6,739	10,517
Pre- Fab Galvanized	9,917	5,263	88%	6,425	54%	15,180	17,474	30,477
Captive Power-GPIL (in cr)	12.3	7.0	77%	10.7	15%	19.3	22.2	44
GGEL - Solar Power (in cr)	2.5	3.4	-25%	2.0	27%	5.9	5.1	9.1

# Q2FY21 Sales Volume Summary

Sales Volume (in MT)	Q2FY21	Q1FY21	QoQ (%)	Q2FY20	YoY (%)	H1FY21	H1FY20	FY20
Pellet - GPIL - Domestic	89,793	18,751	379%	1,07,194	-16%	1,08,544	2,93,326	6,39,219
Pellet - GPIL - Export	3,34,701	3,61,550	-7%	2,56,410	31%	6,96,251	3,96,101	7,23,077
Pellet - ASL	1,09,967	1,80,166	-39%	2,15,129	-49%	2,90,133	3,43,612	7,42,332
Sponge Iron	39,250	8,284	374%	49,894	-21%	47,534	86,849	1,31,419
Steel Billets	35,287	21,333	65%	29,598	19%	56,620	63,267	1,63,381
M.S. Round	35,924	22,733	58%	15,113	138%	58,657	39,551	80,297
H.B. Wire	34,572	20,939	65%	32,332	7%	55,511	66,134	1,29,015
Silico Manganese	2,222	1,836	21%	2,277	-2%	4,058	5,100	7,210
Pre-Fab Galvanized	7,005	5,269	33%	5,953	18%	12,274	13,563	31,858
GGEL Solar Power	2.2	3.0	-26%	1.7	28%	5.2	1.7	8.1

# Q2FY21 Realisation Summary

Realisation	Q2FY21	Q1FY21	QoQ (%)	Q2FY20	YoY (%)	H1FY21	H1FY20	FY20
Iron Ore Pellet - GPIL*	7,059	6,125	15%	6,605	7%	6,617	6,486	6,259
Iron Ore Pellet - ASL	5,817	5,643	3%	5,925	-2%	5,709	5,811	5,600
Sponge Iron	17,854	15,100	18%	16,043	11%	17,374	16,832	16,897
Steel Billets	29,298	27,999	5%	26,702	10%	28,809	28,959	28,590
M.S. Round	32,871	32,714	0%	32,304	2%	32,810	35,211	33,327
H.B. Wire	34,937	33,395	5%	33,954	3%	34,356	36,692	35,182
Silico Manganese	60,355	61,915	-3%	63,861	-5%	61,061	64,973	63,898
Pre-Fab Galvanized	56,804	56,062	1%	62,628	-9%	56,486	63,362	58,616
GGEL (in Cr)	12.2	12.2	0%	12.2	0%	12.2	12.2	12.2

\* Ex-plant realisation (excluding export freight & expenses).

# GPIL Consolidated - Profit & Loss

Particulars (in Mn)	Q2FY21	Q1FY21	QoQ (%)	Q2FY20	YoY (%)	H1FY21	H1FY20	FY20
<b>Net Sales</b>	<b>9,668</b>	<b>7,113</b>	<b>36%</b>	<b>8,279</b>	<b>17%</b>	<b>16,780</b>	<b>16,621</b>	<b>32,885</b>
Total Expenses	7,323	5,535	32%	6,623	11%	12,858	13,216	26,643
Other Income	7	11	-32%	16	-54%	18	28	47
<b>EBITDA</b>	<b>2,352</b>	<b>1,588</b>	<b>48%</b>	<b>1,672</b>	<b>41%</b>	<b>3,940</b>	<b>3,434</b>	<b>6,289</b>
<b>EBITDA Margin (%)</b>	<b>24.3%</b>	<b>22.3%</b>		<b>20.2%</b>		<b>23.5%</b>	<b>20.7%</b>	<b>19.1%</b>
Depreciation	363	356	2%	349	4%	719	683	1,369
Finance Costs	434	466	-7%	548	-21%	900	1,106	2,119
<b>PBT</b>	<b>1,556</b>	<b>766</b>	<b>103%</b>	<b>775</b>	<b>101%</b>	<b>2,322</b>	<b>1,645</b>	<b>2,801</b>
Exceptional Item	-	-	-	-	-	-		103
Tax	518	262	97%	245	111%	781	547	954
<b>PAT</b>	<b>1,038</b>	<b>504</b>	<b>106%</b>	<b>530</b>	<b>96%</b>	<b>1,541</b>	<b>1,099</b>	<b>1,744</b>
<b>EPS (INR)</b>	<b>29.55</b>	<b>13.19</b>	<b>124%</b>	<b>14.02</b>	<b>111%</b>	<b>42.74</b>	<b>29.46</b>	<b>47.33</b>

# GPIL Standalone - Profit & Loss

Particulars (in Mn)	Q2FY21	Q1FY21	QoQ (%)	Q2FY20	YoY (%)	H1FY21	H1FY20	FY20
<b>Net Sales</b>	<b>8,765</b>	<b>5,740</b>	<b>53%</b>	<b>6,803</b>	<b>29%</b>	<b>14,504</b>	<b>14,082</b>	<b>27,740</b>
Total Expenses	6,765	4,776	42%	5,692	19%	11,542	11,698	23,340
Other Income	5	9	-42%	9	-41%	14	20	29
<b>EBITDA</b>	<b>2,004</b>	<b>972</b>	<b>106%</b>	<b>1,120</b>	<b>79%</b>	<b>2,977</b>	<b>2,403</b>	<b>4,429</b>
<b>EBITDA Margin (%)</b>	<b>22.9%</b>	<b>16.9%</b>		<b>16.5%</b>		<b>20.5%</b>	<b>17.1%</b>	<b>16.0%</b>
Depreciation	246	243	1%	232	6%	489	460	916
Finance Costs	316	338	-7%	398	-21%	653	803	1,537
<b>PBT</b>	<b>1,443</b>	<b>392</b>	<b>268%</b>	<b>490</b>	<b>194%</b>	<b>1,834</b>	<b>1,140</b>	<b>1,976</b>
Tax	501	145	245%	162	210%	647	407	762
<b>PAT</b>	<b>942</b>	<b>246</b>	<b>282%</b>	<b>329</b>	<b>187%</b>	<b>1,188</b>	<b>734</b>	<b>1,214</b>
<b>EPS (INR)</b>	<b>26.73</b>	<b>6.99</b>	<b>282%</b>	<b>9.32</b>	<b>187%</b>	<b>33.72</b>	<b>20.82</b>	<b>34.45</b>

# Ardent Steel Limited Standalone - Profit & Loss

Particulars (in Mn)	Q2FY21	Q1FY21	QoQ (%)	Q2FY20	YoY (%)	H1FY21	H1FY20	FY20
Net Sales	636	1,020	-38%	1,273	-50%	1,656	2,007	4,171
Total Expenses	505	721	-30%	908	-44%	1,225	1,467	3,165
Other Income	0	0	300%	0	0%	1	1	7
EBITDA	132	300	-56%	365	-64%	432	541	1,013
EBITDA Margin (%)	20.8%	29.4%		28.7%		26.1%	26.9%	24.3%
Depreciation	42	41	2%	36	17%	82	68	157
Finance Costs	16	23	-31%	34	-53%	39	74	135
PBT	75	236	-68%	295	-75%	310	398	721
Tax	7	81	-92%	87	-	88	114	194
PAT	68	154	-56%	207	-67%	222	284	527
EBITDA Per Ton	1,200	1,649	-27%	1,697	-29%	1,489	2,497	1,365

# Godawari Green Energy Limited - Profit & Loss

Particulars (in Mn)	Q2FY21	Q1FY21	QoQ (%)	Q2FY20	YoY (%)	H1FY20	H1FY20	FY20
<b>Net Sales</b>	<b>271</b>	<b>367</b>	<b>-26%</b>	<b>213</b>	<b>28%</b>	<b>638</b>	<b>553</b>	<b>1,003</b>
Total Expenses	57	52	9%	35	65%	109	74	163
<b>EBITDA</b>	<b>214</b>	<b>315</b>	<b>-32%</b>	<b>178</b>	<b>20%</b>	<b>529</b>	<b>480</b>	<b>840</b>
<b>EBITDA Margin (%)</b>	<b>79%</b>	<b>86%</b>		<b>84%</b>		<b>83%</b>	<b>87%</b>	<b>84%</b>
Other Income	2	2	-	6	-	3	7	8
Depreciation	75	72	4%	78	-4%	147	171	296
Finance Costs	105	107	-3%	119	-12%	212	233	455
Exceptional Items	-	-	-	-	-	-	-	103
PBT	36	137	-	-13	-	173	84	-5
Tax	10	36	-	-4	-	46	21	-3
PAT	26	101	-	-9	-	127	62	-2



# GPIL Standalone – Balance Sheet

Particulars	30.09.2020	31.03.2020	Particulars	30.09.2020	31.03.2020
<b>ASSETS</b>			<b>EQUITY AND LIABILITIES</b>		
<b>Non Current assets</b>			<b>EQUITY</b>		
(a) Property, Plant and Equipment	13,303	13,689	(a) Equity share capital	341	341
(b) Capital work-in-progress	621	529	(b) Other equity	12,816	11,631
(c) Other intangible assets	978	1,029	(c) Non Controlling/Minority	-	-
(d) Investment in associates and joint ventures	-	-	<b>Sub Total - Equity</b>	<b>13,157</b>	<b>11,972</b>
(e) Financial assets	-	-	<b>LIABILITIES</b>		
(i) Investments	3,464	3,463	<b>Non-current liabilities</b>		
(ii) Loans	-	-	(a) Financial Liabilities		
(iii) Others	-	-	(i) Borrowings	8,082	10,023
(ii) Other financial assets	-	-	(b) Provisions	120	117
(f) Other non current assets	110	120	(c) Deferred Tax Liabilities (net)	732	402
<b>Sub Total - Non Current Assets</b>	<b>18,476</b>	<b>18,830</b>	(d) Other non-current liabilities	23	21
<b>Current Assets</b>			<b>Sub Total - Non Current Liabilities</b>	<b>8,957</b>	<b>10,563</b>
(a) Inventories	4,138	4,459	<b>Current liabilities</b>		
(b) Financial assets	-	-	(a) Financial Liabilities		
(i) Trade Receivables	1,790	1,554	(i) Borrowings	1,455	1,527
(ii) Bank, Cash and cash equivalents	290	14	(ii) Trade Payables	1,736	1,298
(iii) Bank balances other than (iii) above	197	154	(iii) Other financial liabilities	433	585
(iv) Other financial assets	-	-	(b) Other current liabilities	348	317
(c) Current tax assets (net)	-	2	(c) Provisions	15	7
(d) Other current assets	1,249	1,256	(d) Current tax liabilities (net)	39	-
<b>Sub Total - Current Assets</b>	<b>7,664</b>	<b>7,439</b>	<b>Sub Total - Current Liabilities</b>	<b>4,027</b>	<b>3,734</b>
<b>Total Assets</b>	<b>26,140</b>	<b>26,269</b>	<b>Total Equity and Liabilities</b>	<b>26,140</b>	<b>26,269</b>

# GPII Consolidated – Balance Sheet

Particulars	30.09.2020	31.03.2020	Particulars	30.09.2020	31.03.2020
<b>ASSETS</b>			<b>EQUITY AND LIABILITIES</b>		
<b>Non Current assets</b>			<b>EQUITY</b>		
(a) Property, Plant and Equipment	21,050	21,646	(a) Equity share capital	341	341
(b) Capital work-in-progress	1,476	1,375	(b) Other equity	14,525	12,912
(c) Other intangible assets	993	1,047	(c) Non Controlling/Minority	1,846	1,773
(d) Investment in associates and joint ventures	1,273	1,116	<b>Sub Total - Equity</b>	<b>16,712</b>	<b>15,026</b>
(e) Financial assets	-	-	<b>LIABILITIES</b>		
(i) Investments	110	119	<b>Non-current liabilities</b>		
(ii) Loans	-	-	(a) Financial Liabilities		-
(iii) Others	-	-	(i) Borrowings	12,075	14,645
(ii) Other financial assets	-	-	(b) Provisions	144	136
(f) Other non current assets	110	181	(c) Deferred Tax Liabilities (net)	824	448
<b>Sub Total - Non Current Assets</b>	<b>25,011</b>	<b>25,483</b>	(d) Other non-current liabilities	23	21
<b>Current Assets</b>			<b>Sub Total - Non Current Liabilities</b>	<b>13,066</b>	<b>15,250</b>
(a) Inventories	4,870	5,574	<b>Current liabilities</b>		
(b) Financial assets	-	-	(a) Financial Liabilities		
(i) Trade Receivables	1,890	1,768	(i) Borrowings	1,621	1,604
(ii) Bank, Cash and cash equivalents	300	23	(ii) Trade Payables	1,915	1,783
(iii) Bank balances other than (iii) above	306	267	(iii) Other financial liabilities	600	816
(iv) Other financial assets	178	178	(b) Other current liabilities	388	329
(c) Current tax assets (net)	1	5	(c) Provisions	16	8
(d) Other current assets	1,833	1,517	(d) Current tax liabilities (net)	73	-
<b>Sub Total - Current Assets</b>	<b>9,378</b>	<b>9,332</b>	<b>Sub Total - Current Liabilities</b>	<b>4,612</b>	<b>4,540</b>
<b>Total Assets</b>	<b>34,390</b>	<b>34,815</b>	<b>Total Equity and Liabilities</b>	<b>34,390</b>	<b>34,815</b>

# TTM H1FY21 Return & Liquidity Ratios

	Unit	Standalone	Ardent	GGEL	Consolidated
RoE	%	33%	22%	2%	33%
RoCE	%	17%	30%	10%	14%
BVPS	INR	373	-	-	474
Net Debt to EBITDA	x	1.81	0.47	3.95	1.93
Net Debt to Equity	x	0.69	0.20	1.36	0.78
Interest Coverage	x	3.61	9.04	2.05	3.55

\* TTM Basis

# International & Domestic Tailwinds

## International Market

- Iron ore prices have climbed from a low of US\$ 80/t seen in April'20 to US\$ 128/t, almost touching two year high. Iron ore prices remained well supported despite global players returning to production and maintaining their guidance. Demand from China continues to remain strong.
- Pellet prices have been tracking higher iron ore prices and have remained strong at US\$135/t CIF China.
- With onset of winter season, despite fall in iron ore prices by 10% from recent pick, pellet prices continues to remain strong and pellet spread over iron ore continues to improve.

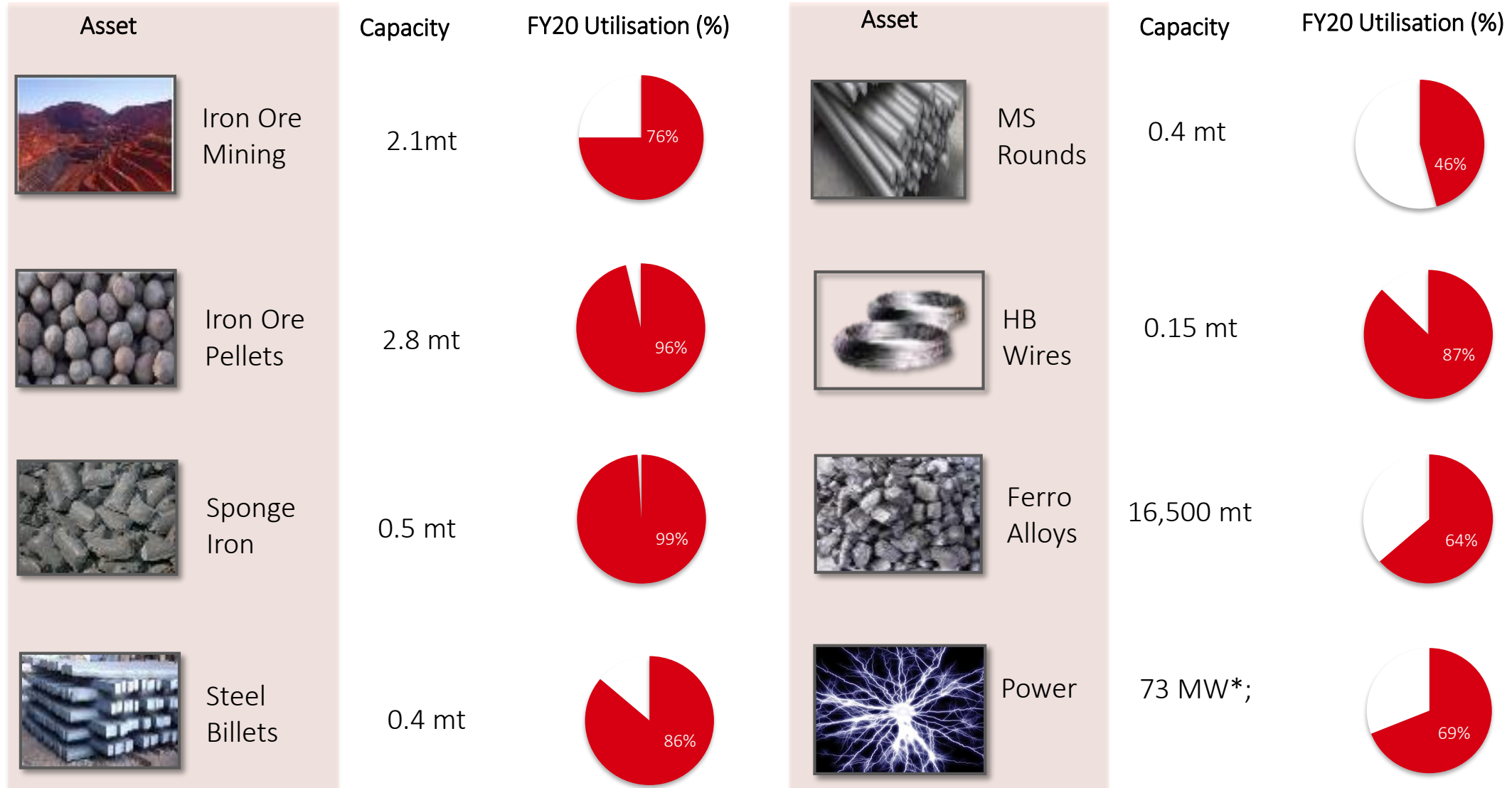
## Domestic Market

- Indian iron ore prices have doubled in last 6 months to 6200/t for 64% Fe (Orissa iron ore fines). Indian iron ore prices are still at a steep discount to global iron ore prices and hence there is still scope for Indian prices to go up further.
- Indian iron ore cost curve have bumped up in short to medium term as the winning bid premium on recently held auction in Odisha has been between 90%-150% of IBM iron ore prices and only 5 of those mines have started production.
- Pellet prices in India have hit 2 year high. Domestic Pellet demand & prices are on rise due to shortage of iron ore. Current pellet prices are trading close to 9500/t for 64%/63% Fe.
- With increase in domestic demand GPIL has shifted sale in local market and reduced export volumes. Majority of pellet are now sold in domestic markets.

# Godawari Power & Ispat Limited

**INVESTOR PRESENTATION**

# Integrated Asset Portfolio; Unique Presence Across Steel Value Chain



# GPIL – 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

TTM H1FY21  
**Revenue Flat YoY**  
EBITDA Margin: 21%

TTM H1FY21  
ROE: 33%  
Net Debt/Equity: 0.8x  
Int. Coverage: 3.5x



## Balance Sheet De-Leveraging

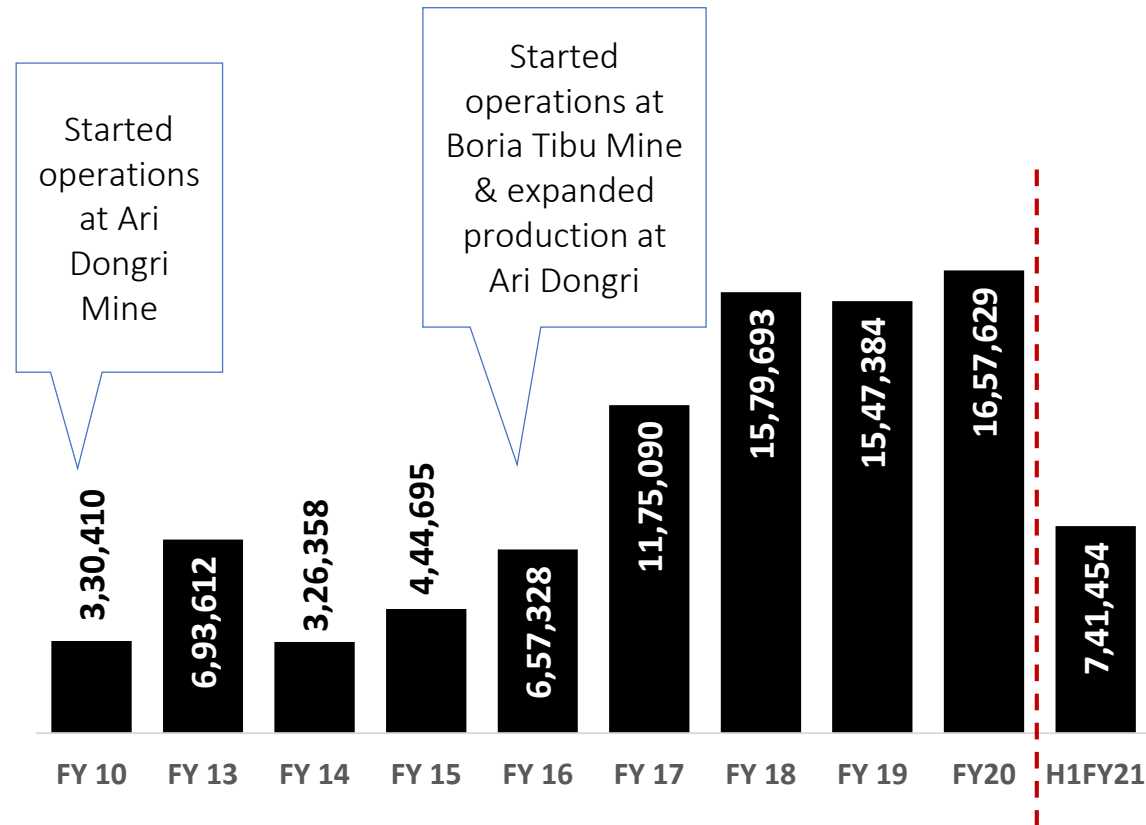
Net Debt to equity Reduced to 0.8x from 3x in 2017; **Target <0.5x**

Credit Rating Updated to **A/Stable** from BBB+ (By Crisil)

# 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

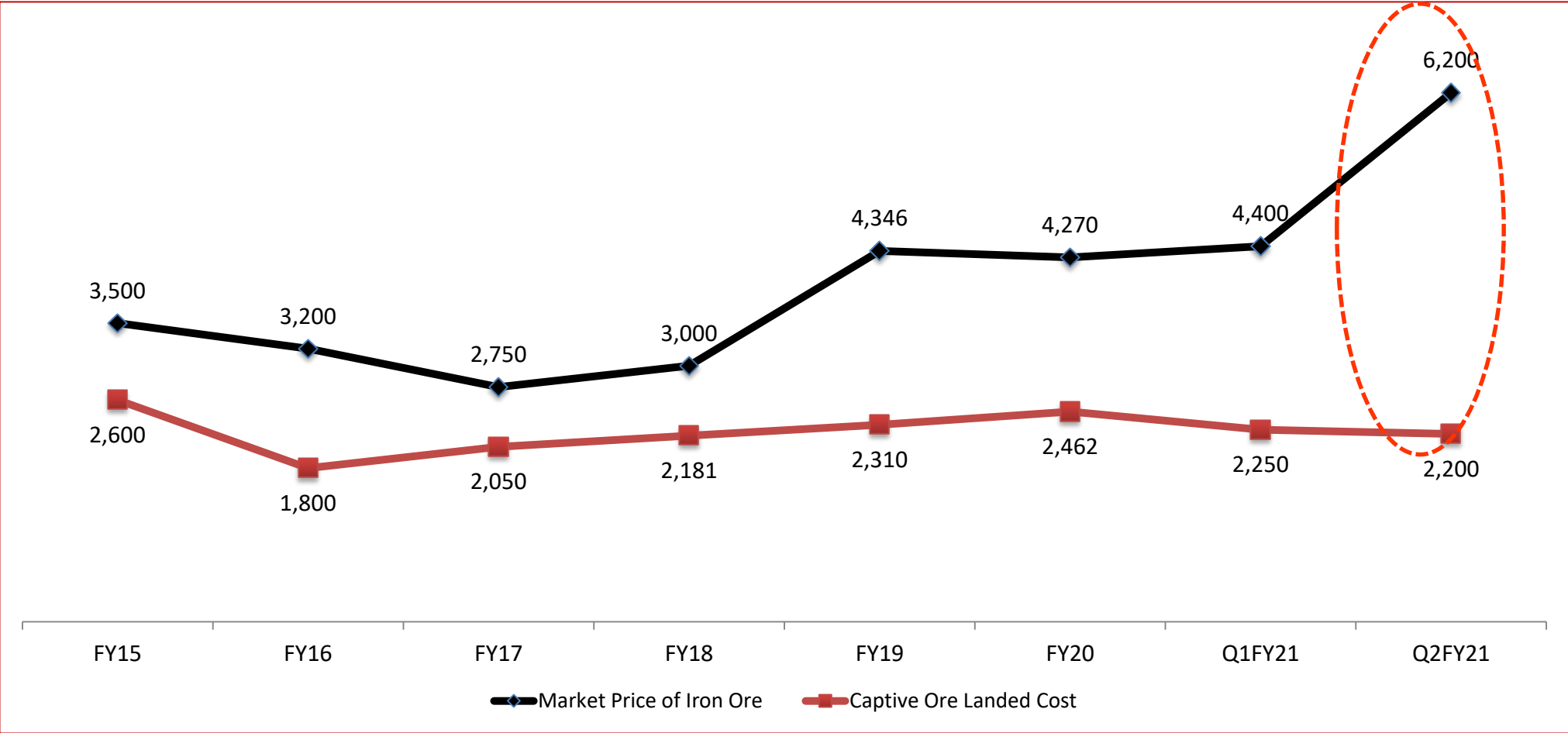
- In-plant power generation capacity of 73 MW
- 42 MW captive energy from waste heat recovery + 11 MW from coal thermal plant + 20 MW biomass power capacity
- Additional 25 MW from Jagdamba Power

## Water

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

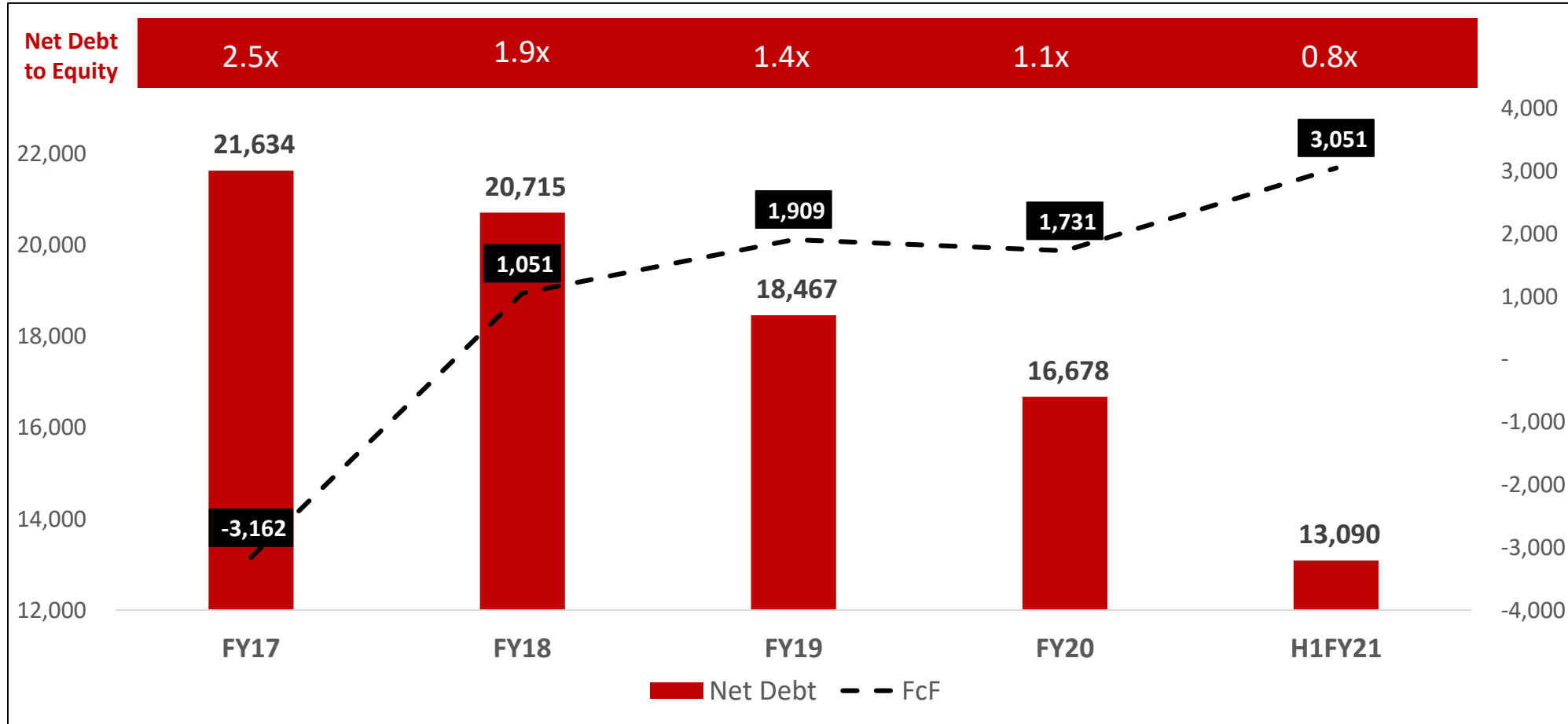


# Captive Mining Leading To Huge Raw Material Costs Saving



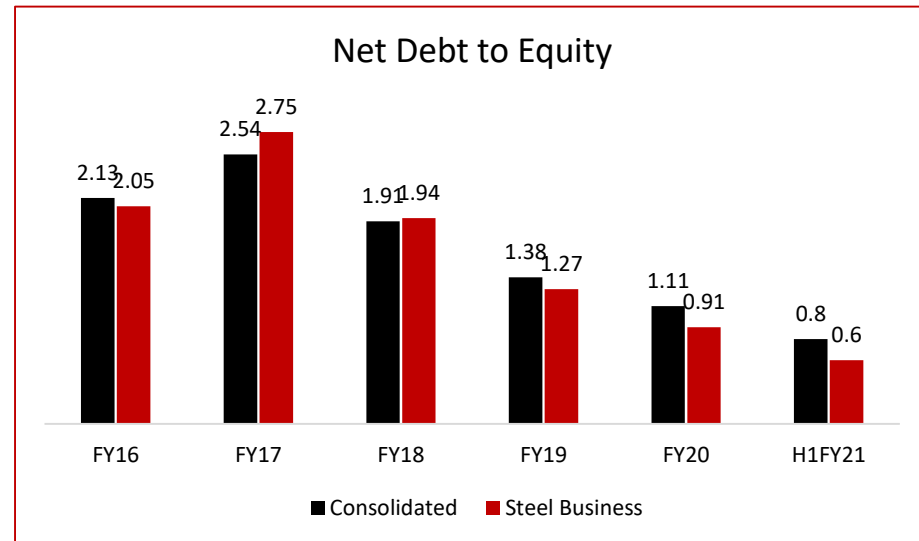
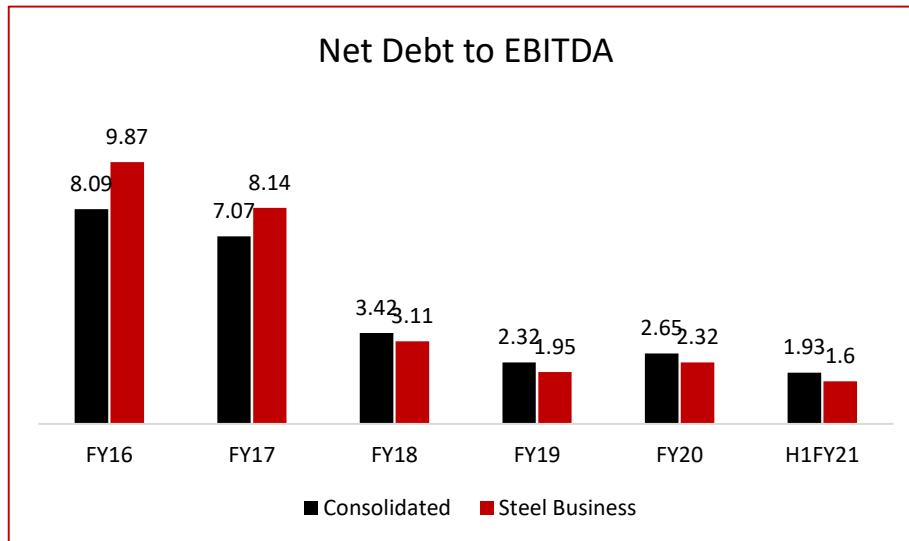
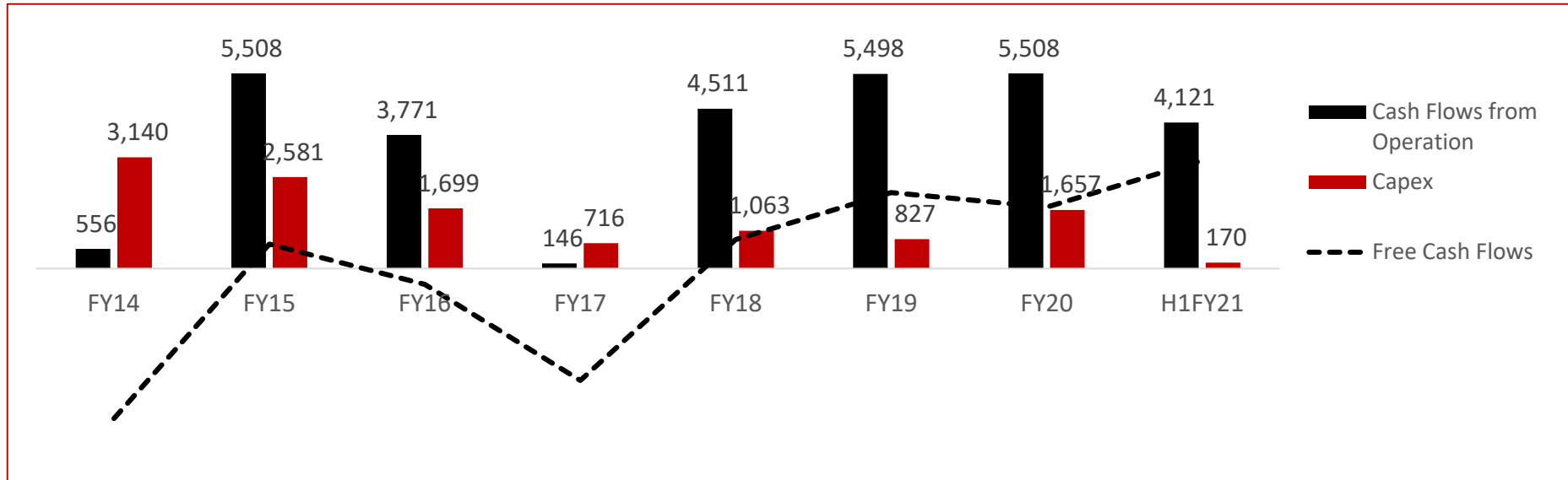
# Focussed on Value Creation: Net Debt Reducing & FCF increasing

All figures in INR MN

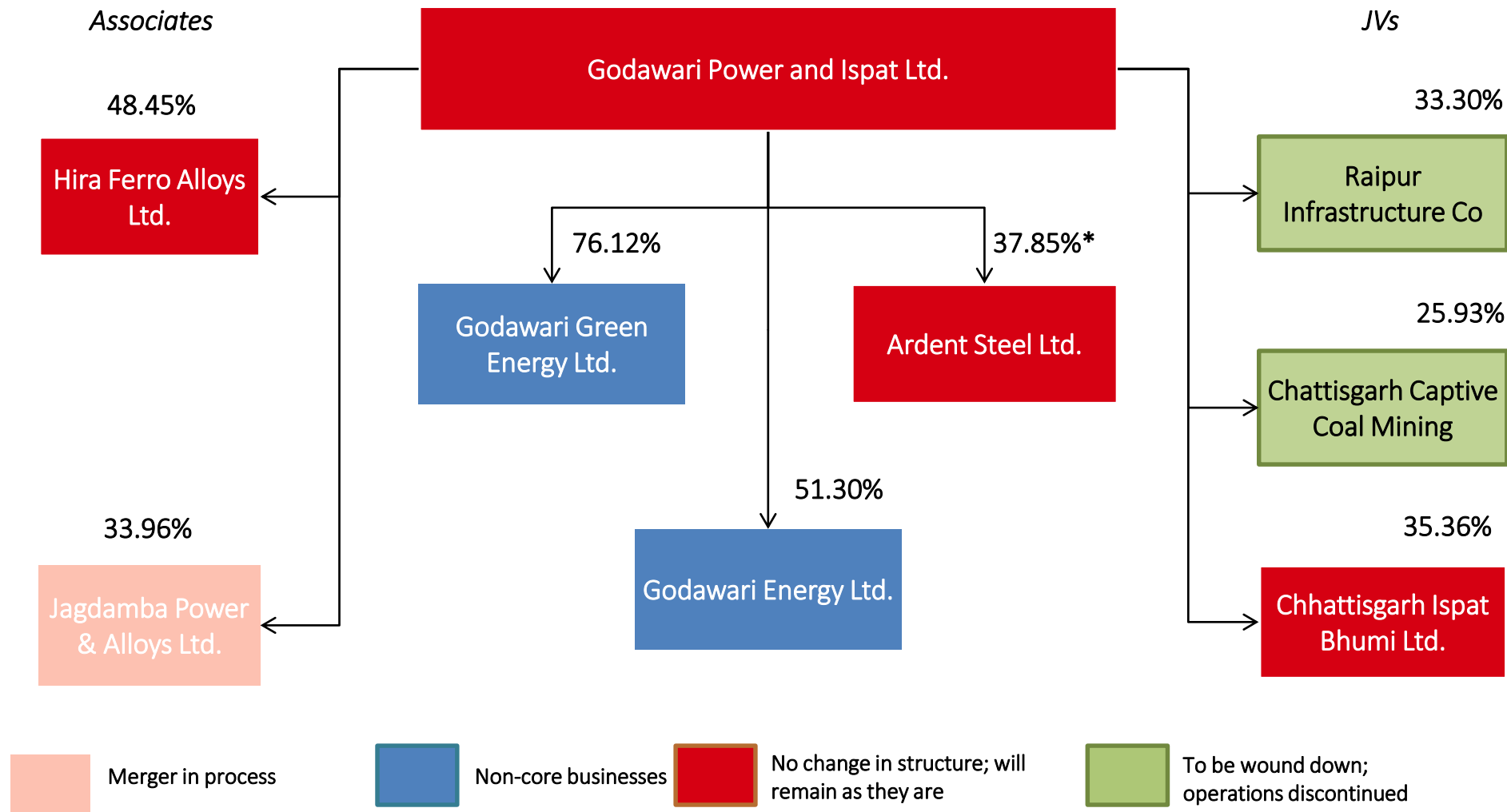


\*FcF = Free Cashflow from operation – capex - interest cost

# Improving Liquidity Ratios

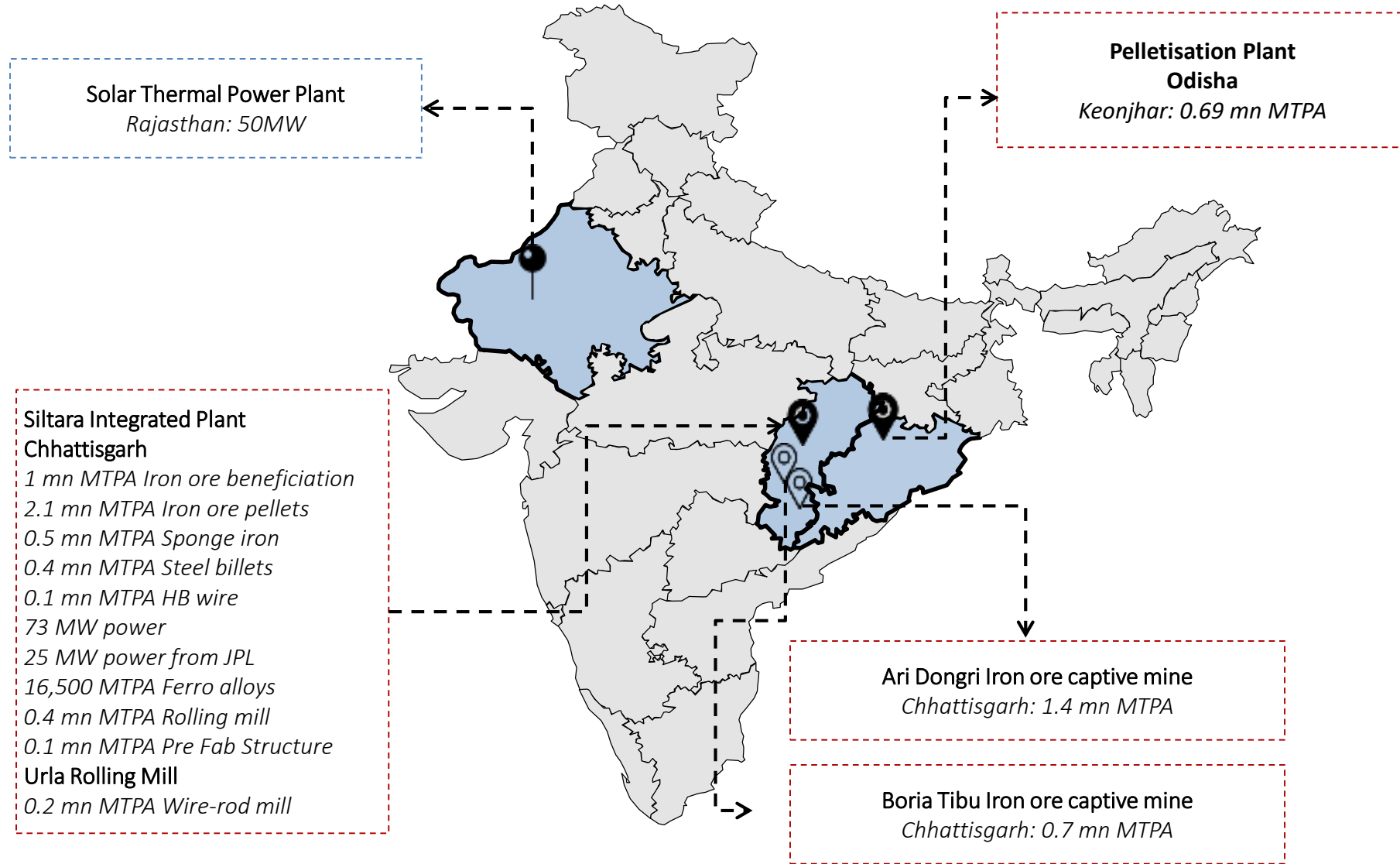


# Group Structure



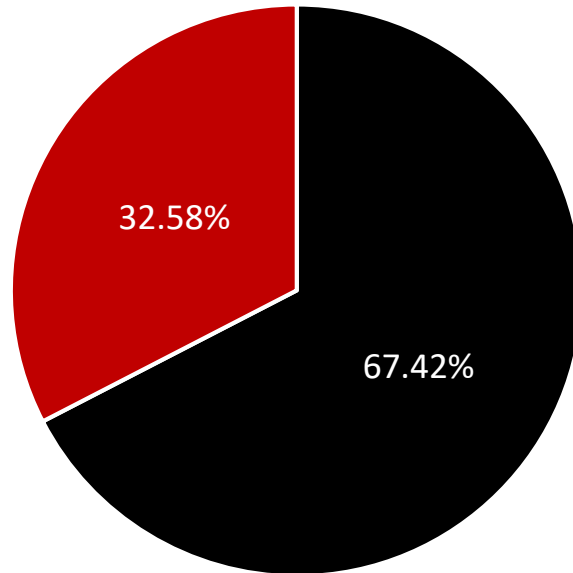
\* Stake reduced from 76% to 38% by way of strategic divestment.

# Large Portfolio of Long-life Assets



# Shareholding Pattern as on September 2020

## Shareholding Pattern



■ Promoter ■ Public

## Break up of Shareholding Pattern

Shareholding	% of Total Sh.
Institution	0.20%
Non Institution	32.29%
Total	32.50%

Promoter Shareholding	% of Total Sh.
Pledge*	32.51%
Total	67.50%

*\* 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. Prakhar Agrawal  
(Executive Director)**

2<sup>nd</sup> generation of the promoter group; Graduated from London School of Economics; Looks after the plant operations and purchases

# Board of Directors



Mr. Siddharth Agrawal  
(Non-Executive Director)  
Managing Director of subsidiary  
Godawari Green Energy Limited ;  
MBA with over 10 years of  
experience in various competencies



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



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



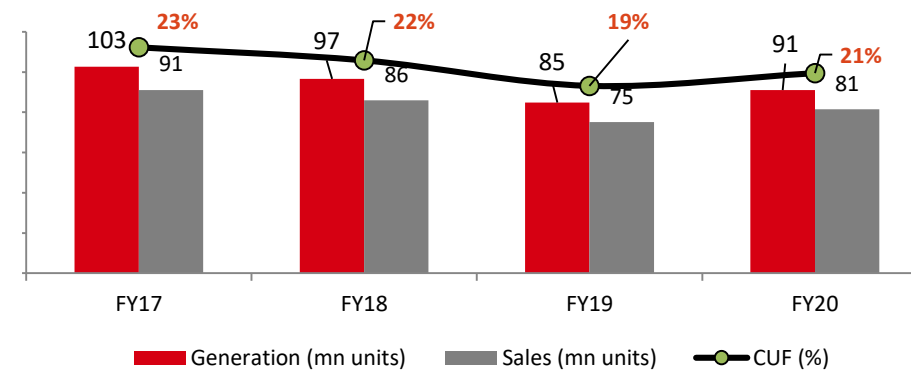
Ms. Bhavna G. Desai (Woman  
Independent Director)  
Over 2 decades of capital market  
experience; Bachelor of Commerce  
from University of Mumbai



# 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 term loan commitment upto October'21.

Operating Performance



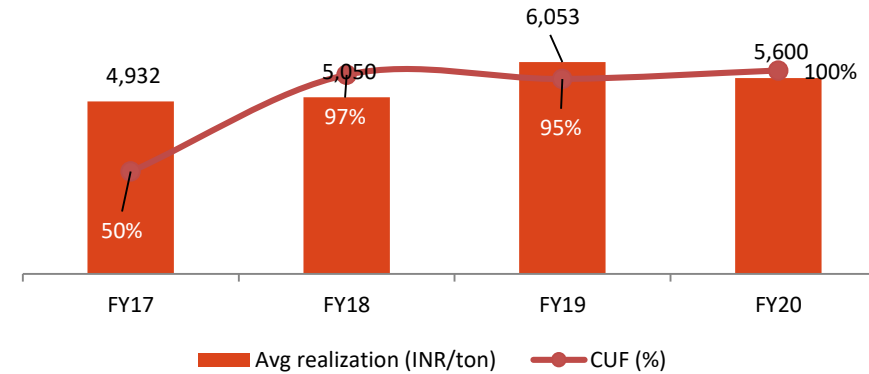
Summary Historical financials

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

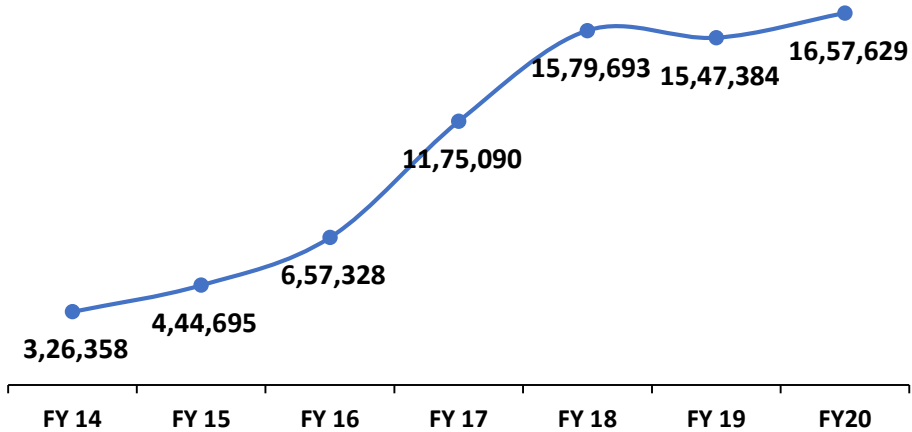


Summary Historical financials

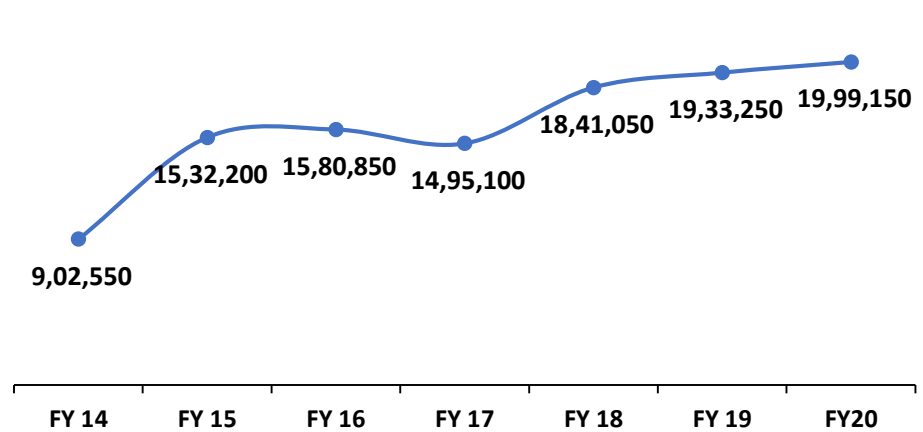
Particulars (INR mn)	FY17	FY18	FY19	FY20
Net Sales	1,471	2,966	3,540	4,171
EBITDA	280	764	915	1,013
EBITDA Margin (%)	19%	26%	26%	24%
Depreciation	111	112	120	157
Finance Costs	216	223	179	137
PAT	(32)	282	441	527
PAT Margin (%)	(2.2%)	9.5%	12%	13%

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

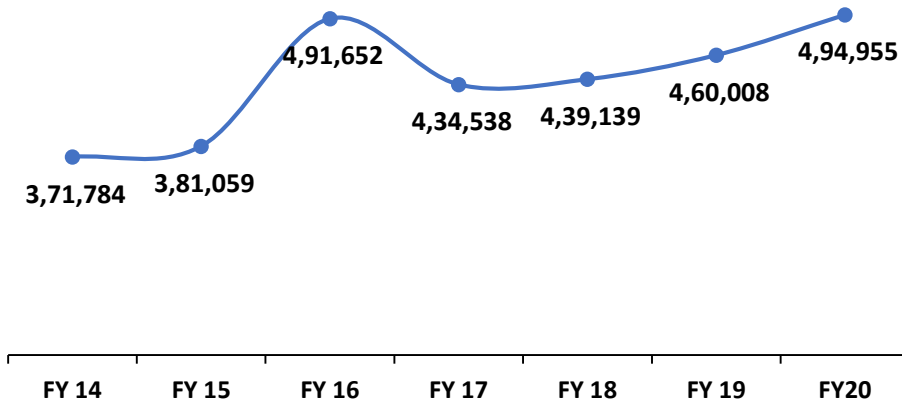
## Trend of Iron Ore Mining (mt)



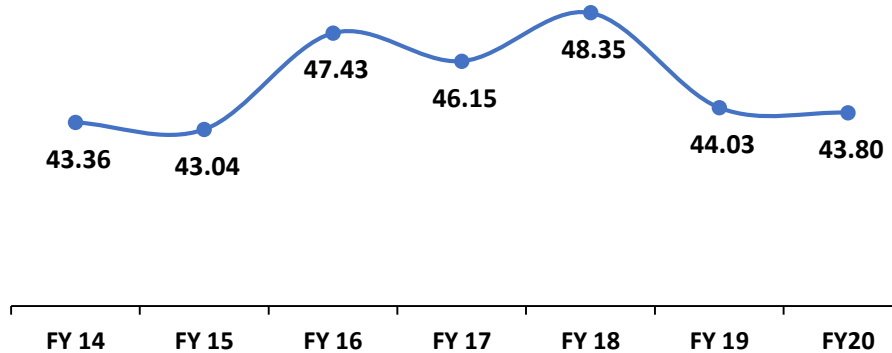
## Trend of Pellets Production (mt)



## Trend of Sponge Iron Production (mt)

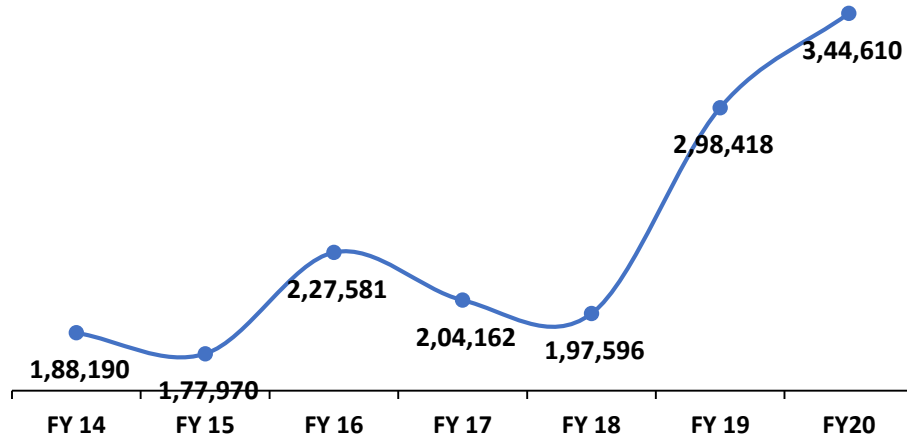


## Trend of Captive Power Generation (kwh in cr)

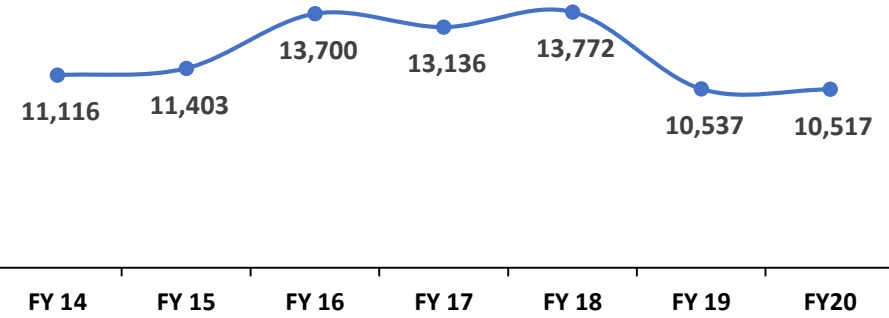


# GPII Standalone – Past Operational Performance at a Glance...

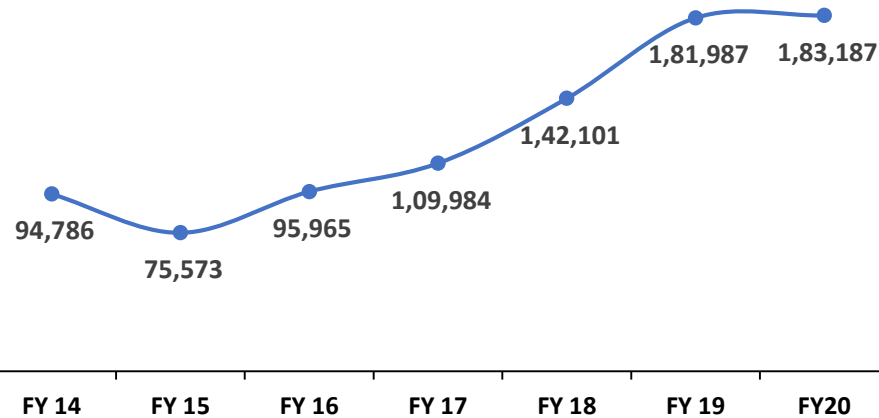
## Trend of Steel Production (mt)



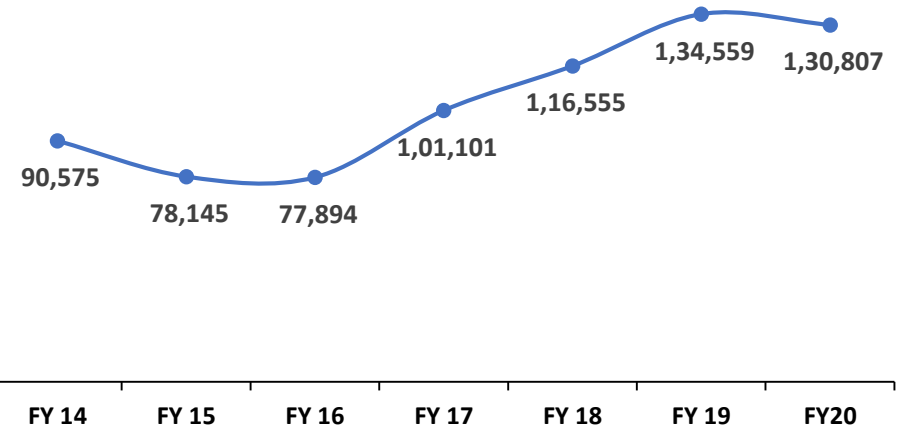
## Silico Manganese (mt)



## MS Rounds Production (mt)

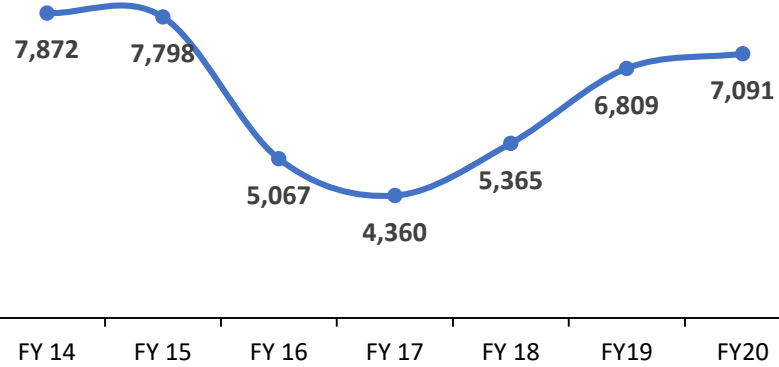


## HB Wire Production (mt)

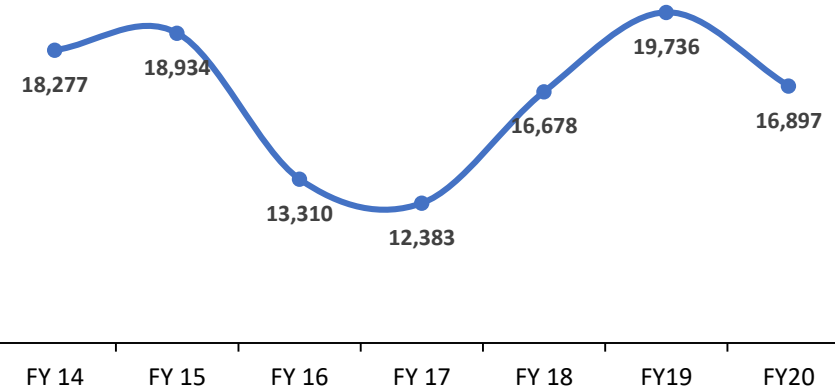


# Past Sales Realisations

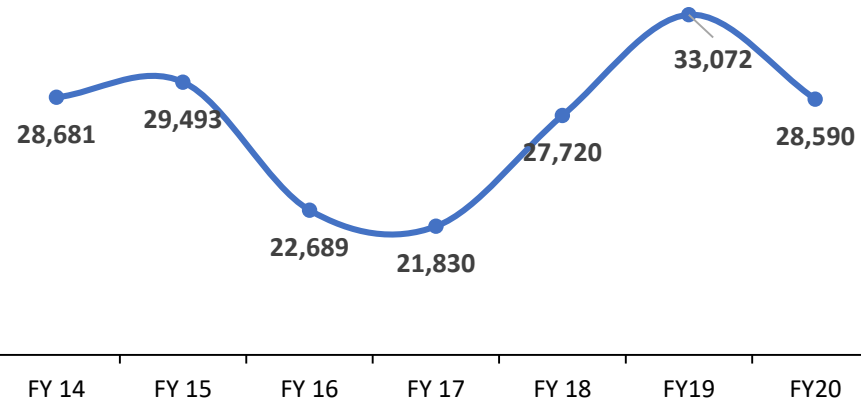
Iron ore Pellet



Sponge Iron

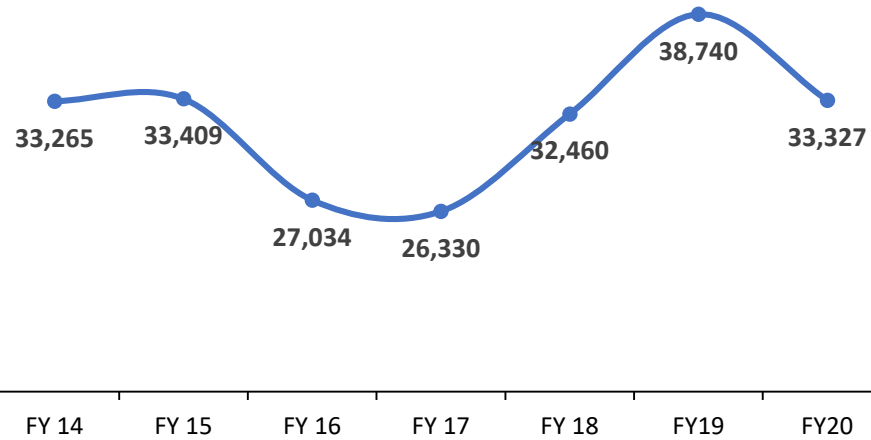


Steel Billets

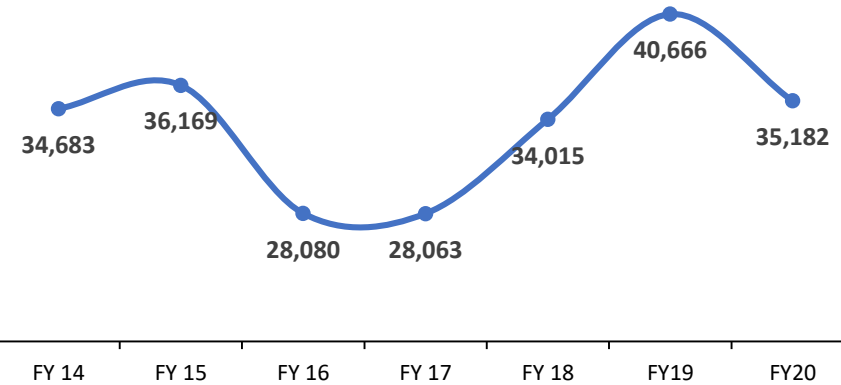


# Past Sales Realisations

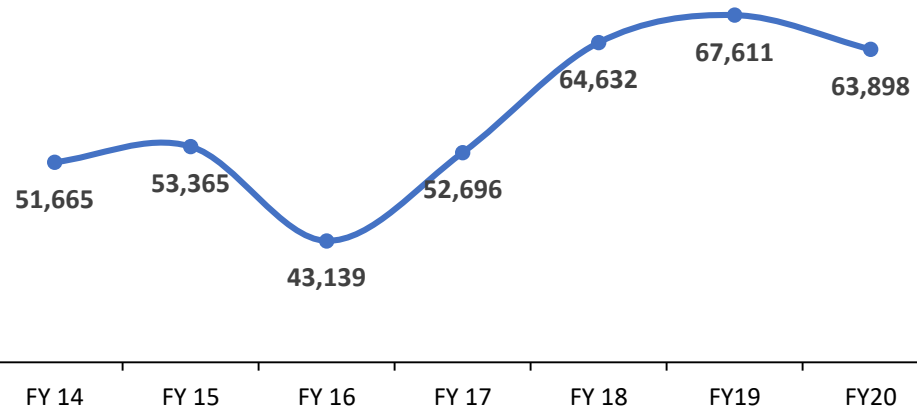
## M.S. Round



## H.B. Wire



## Silico Manganese



# GPII 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

# GPII 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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