

Press Release – Q1FY25 Financial and Operational Performance

Q1FY25 NET SALES, EBITDA & PAT up 12%, 33% & 24% (YoY)

Raipur, 7th August'2024: Godawari Power & Ispat Ltd (BSE Code – 532734; NSE Code - GPIL), a fully integrated steel player, has kicked off the year on a strong note and delivered outstanding results for the first quarter of FY25.

Q1FY25 Key Financial Highlights

- Consolidated Revenues from operations (Net of Trading Sales) increased by 12% to Rs. 1,342 Cr. on YoY basis due to increase in production, sales and realization of pellets.
- Consolidated EBITDA and PAT increased to Rs. 408 Cr. and Rs. 287 Cr. on YoY and QoQ basis respectively despite fall in volumes & realization of finished products. This is primarily because of the cost savings benefits gained from last year's de-bottlenecking capital expenditures on commissioning solar power plants, new high-efficiency Turbine Generator and operational leverage.
- Healthy balance sheet with Net Cash balance of Rs. 1,261 Cr.

Particulars	UoM	Year-on-Year			Quarter-on-Quarter	
		Q1FY25	Q1FY24	YoY	Q4FY24	QoQ
Net Sales	Rs. Cr.	1,342	1,199*	12%	1,530	-12%
EBITDA	Rs. Cr.	408	307	33%	329	24%
EBITDA Margin	%	30%	23%		22%	
PBT	Rs. Cr.	387	307	26%	310	25%
PAT Attributable to Owners	Rs. Cr.	287	231	24%	218	31%
PAT Margin	%	21%	17%		14%	
EPS	Rs.	23	19	23%	17	31%

*Net Sales including Trading Sales for Q1FY24 = Rs. 1,326 Cr.

Q1FY25 Strategic Updates

- Rewards to Shareholders** – GPIL has completed Buyback of 21.5 Lac shares at the price of Rs. 1,400 per share in July 2024. The BOD has approved Special Dividend of 25% on Face Value of Rs. 5 per share on the occasion of 25th Anniversary of GPIL and the Board of Directors have also approved sub-division of face value of Rs. 5 per share into 5 equity shares of Rs. 1/- each.
- Next Leg of Growth - Capex Plan** - Strong Capex Plan of more than doubling the capacities of Ari Dongri Iron Ore Mining, Pellets and Integrated Steel Plant is in place. Environment approval for capacity enhancement & consent to set up already received and construction work has already started. The orders for major equipment have already been placed. The Project is expected to commission the by Q1FY26. All

approvals for capacity expansion of Ari Dongri iron ore mine and integrated steel plant are expected to be received by Dec'24.

- **Updates on Rolling Mill** – The modification of Rolling Mill for the manufacture of Structural Steel have been completed and the production of Structural of Steel has been started. The Structural Steel will be partially used captively for manufacturing Galvanized Fabricated products for supply to Government agencies like Indian Railways, Power grid and state discoms etc.
- **Updates on Solar Power Projects** – The 20 MW Captive Solar Plant, for electric power requirement of Rolling Mill & Fabrication cum Galvanizing plant, has also been synchronized. GPIL has planned to set up a new 70 MW Solar Power Plant to meet power requirement of the additional 2MnT upcoming capacity of pellet plant for which land acquisition is in progress and the project is expected to be completed in Q1FY26. This is being set up to contribute to the power requirement.
- **Journey towards Net Zero Carbon Emission** – The Company is undertaking various energy efficient and decarbonization initiatives to become Net Zero Carbon Emission Company by FY2050. Initiatives like focus on energy-efficient and R&D projects to cut total plant CO2 emissions. As a first step, the Company has planned capital expenditure of Rs 75 crores for these initiatives. which will generate an additional 11MW of power without requiring extra fuel. This is expected to contribute to cost savings and carbon reduction.

Mr. B.L. Agrawal, Chairman and Managing Director, commenting on results said that *“I’m excited to share that the Company has started FY25 with robust performance, with GPIL delivering impressive results for Q1FY25. Net Sales (excluding trading sales), EBITDA and PAT for the quarter showed a significant growth of 12%, 33% and 24% respectively on YoY basis because of the cost savings benefits gained from the de-bottlenecking capex undertaken by the Company in recent past. The company has rewarded the shareholders through Buybacks, Special Dividend and sub-division of shares on the occasion of 25th Anniversary of the Company. Given our robust net cash position, a strategic capex plan to more than double our iron ore mining, pellets, and integrated steel capacities, enhanced operational efficiencies, cost savings through solar power, the competitive advantage of captive iron ore mines, manufacturing of high-grade pellets and the support from all stakeholders, we are well-positioned to achieve continued excellence for the foreseeable future.”*

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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