



---

# Acquisition of Jammu Pigments Limited

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

*Company Update – Investor Presentation*

*December 2024*



# Disclaimer

*This presentation and the accompanying slides (the “Presentation”), which have been prepared by Godawari Power and Ispat Limited (the “Company”) solely for the information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment what so ever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company*

*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.*

*This Presentation has been prepared by the Company based on information and data which the Company considers reliable. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded. The Company does not make any promise to update/provide such presentation along with results to be declared in the coming years.*

# GPIL to acquire 51% stake in Jammu Pigment

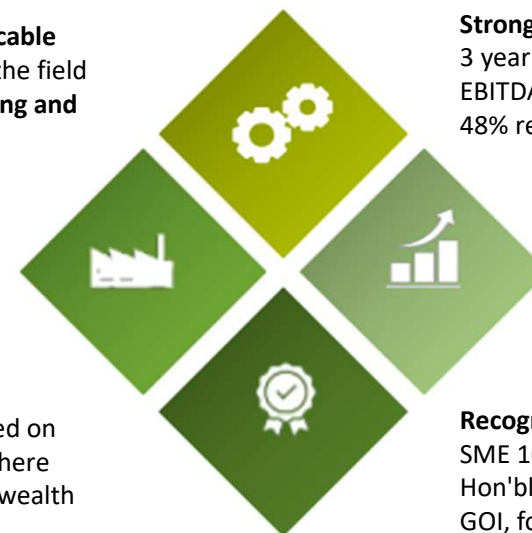
Enters non-ferrous space with this acquisition of recycling business

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
<b>Lead</b> (Alloy, Oxide & compounds)	1,26,198 TPA
<b>Zinc</b> (Oxide, Sulphate & compounds)	29,431 TPA
<b>Copper</b> (Cathode, Sulphate)	4,981 TPA
<b>Cadmium</b> (Metal, Alloy)	8,400 TPA
<b>Other Metals</b>	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

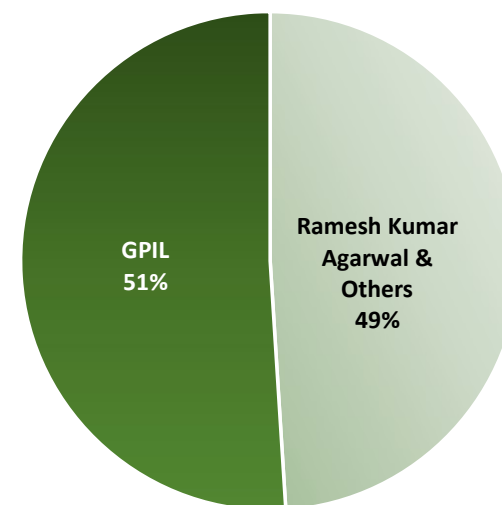
# The Transaction Structure

## 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
<b>Deal Value (a+b)</b>	<b>85,69,762</b>	<b>51%</b>	<b>254.52</b>

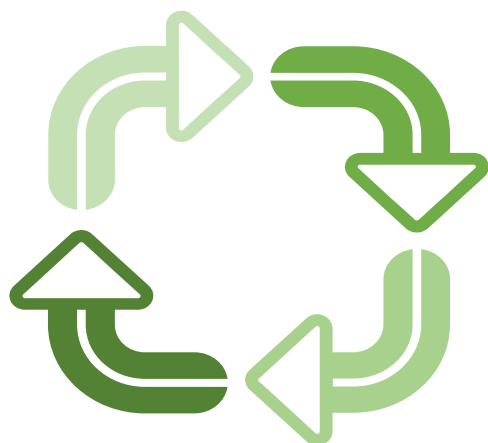
Post Acquisition Shareholding Pattern



# 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
<b>Lead</b> (metals & compounds)	991	763
<b>Zinc</b> (alloys & sulphate)	851	870
<b>Copper</b> (alloys & metals)	9070	7540

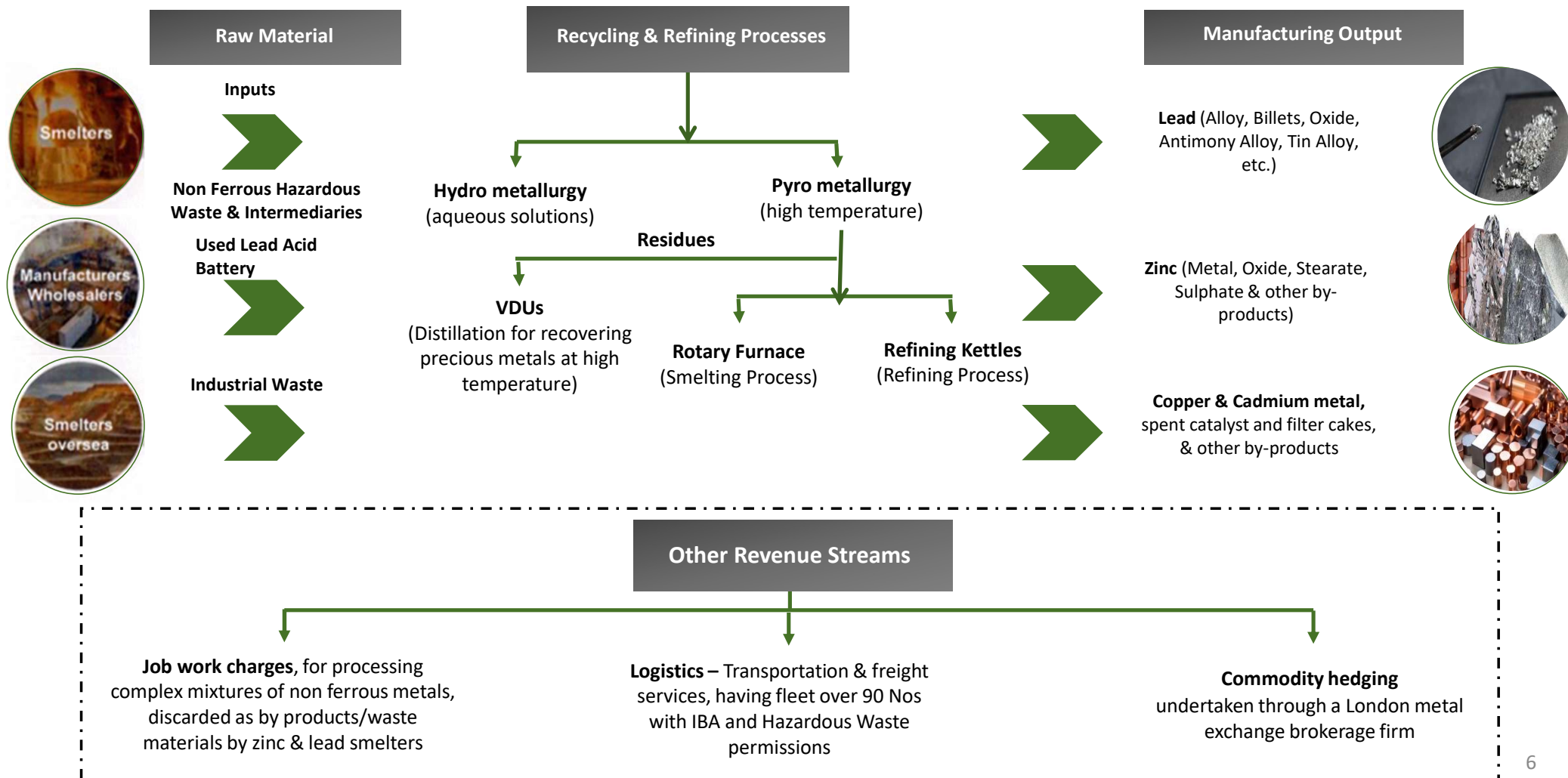
**Table 2: Peer comparison for FY24 (Mkt cap as on 26.11.24) (Rs.Cr)**

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.

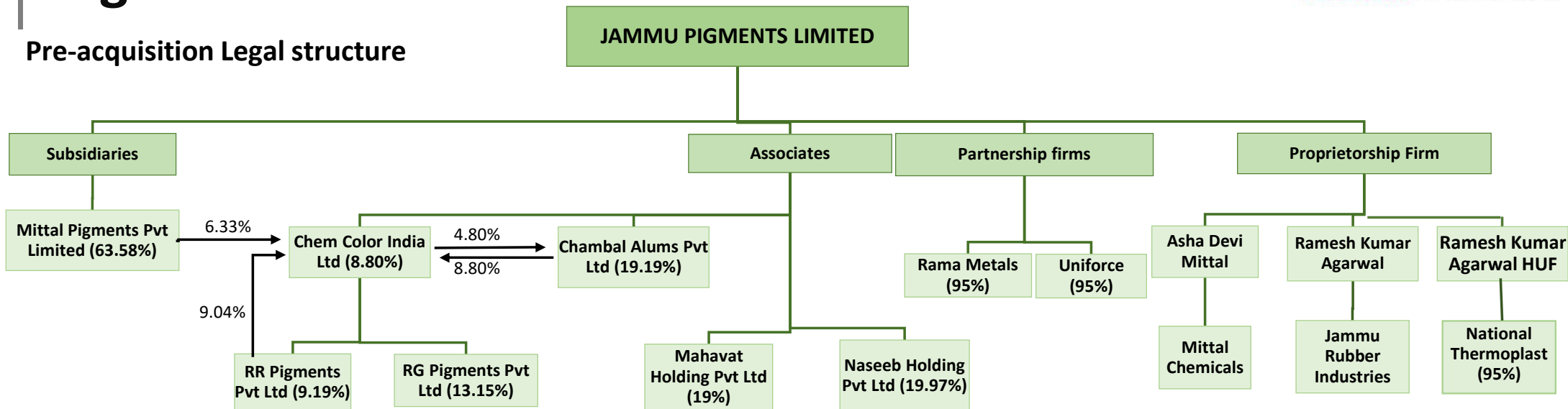
\*\* Pre Consolidation of Group Companies/Partnership Firms

# Jammu Pigment - Business Model

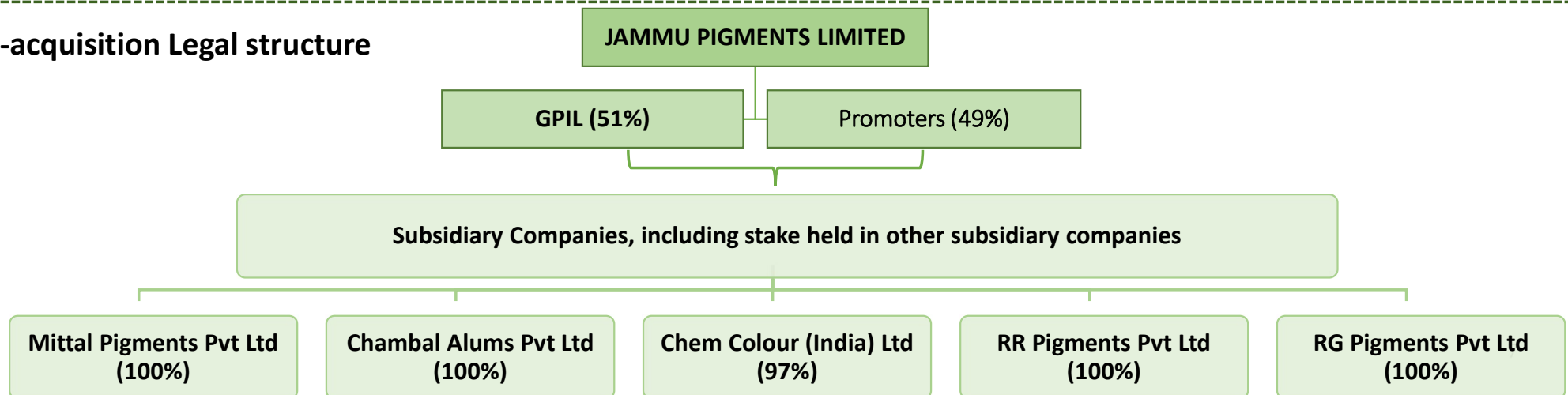


# Legal Structure

## 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**

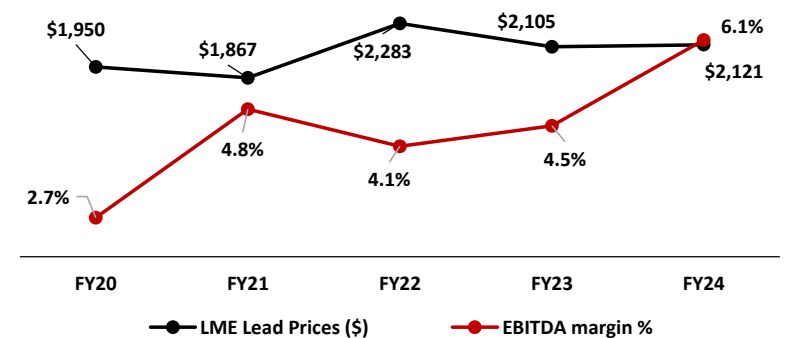
## Tax incentives under J&K Industrial Policy, 2021 & New Central Sector Scheme, 2021

- ❑ **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	
<b>Total</b>	<b>196,572</b>	<b>70,997</b>	<b>267,569</b>	<b>200</b>

# 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)

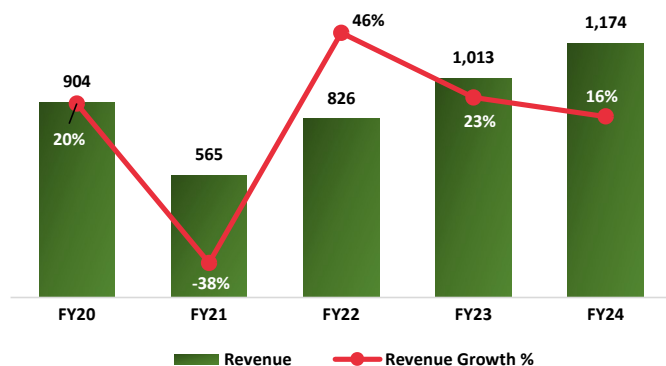


Particulars (in Rs. Crore)	FY20	FY21	FY22	FY23	FY24	Particulars (in Rs. Crore)	FY20	FY21	FY22	FY23	FY24
<b>ASSETS</b>						<b>EQUITY AND LIABILITIES</b>					
<b>Non Current assets</b>						<b>EQUITY</b>					
(a) Property, Plant and Equipment	55.82	57.43	56.79	57.56	68.72	(a) Equity Share Capital	12.28	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						
<b>Sub Total - Non Current Assets</b>	<b>67.78</b>	<b>77.43</b>	<b>78.60</b>	<b>83.08</b>	<b>98.58</b>	<b>Minority Interest</b>	15.94	16.60	17.66	19.08	19.30
						<b>Non -Current liabilities</b>					
						(a) Long-Term Borrowings	44.08	49.15	59.52	61.85	32.60
<b>Current Assets</b>						(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	<b>Current liabilities</b>					
(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
<b>Sub Total - Current Assets</b>	<b>248.38</b>	<b>266.18</b>	<b>330.66</b>	<b>371.19</b>	<b>445.45</b>	(c) Other Current Liabilities	28.15	10.05	22.39	15.95	35.74
<b>Total Assets</b>	<b>316.17</b>	<b>343.61</b>	<b>409.27</b>	<b>454.27</b>	<b>544.03</b>	<b>Total Equity and Liabilities</b>	<b>316.17</b>	<b>343.61</b>	<b>409.27</b>	<b>454.27</b>	<b>544.03</b>

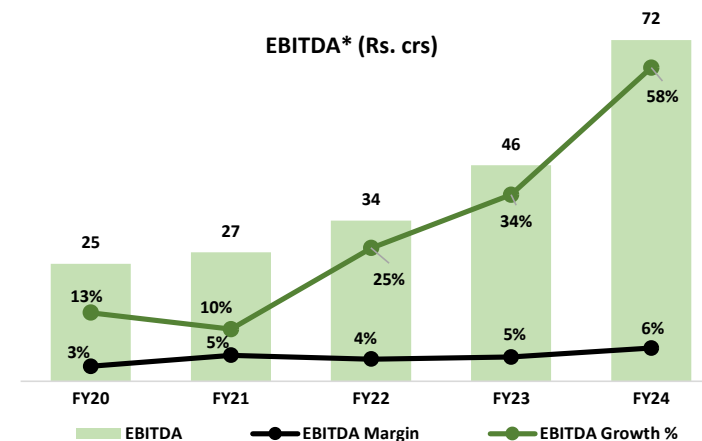
\*All figures are for JPL CFS, which consolidates only JPL & MPPL

# Financial Highlights\*\*

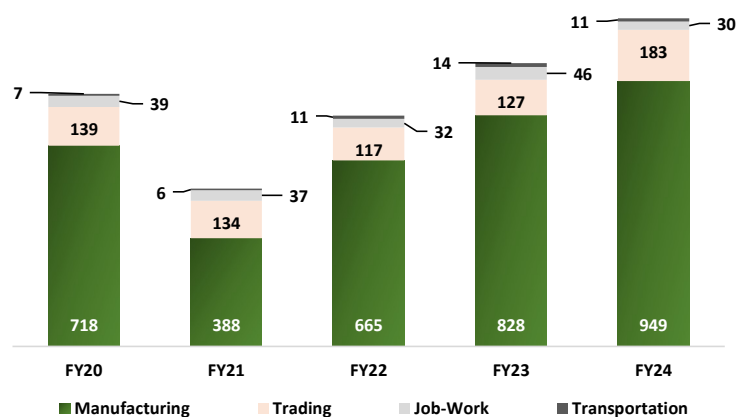
Revenue\* (Rs. crs)



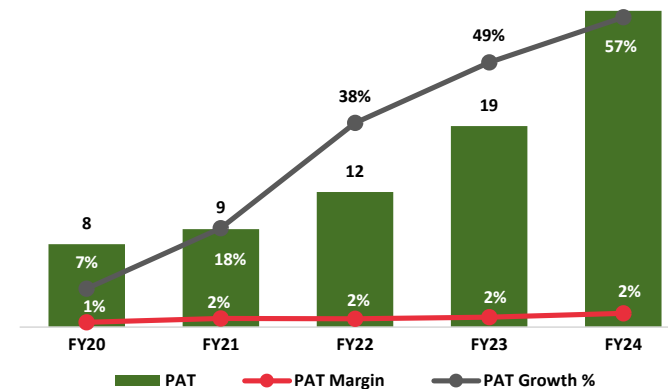
EBITDA\* (Rs. crs)



Segment Revenue\* (Rs. crs)



PAT\* (Rs. crs)

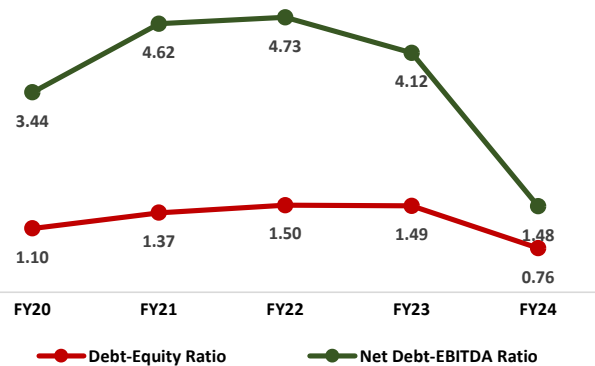


\*All figures are for JPL CFS, which consolidates only JPL & MPPL

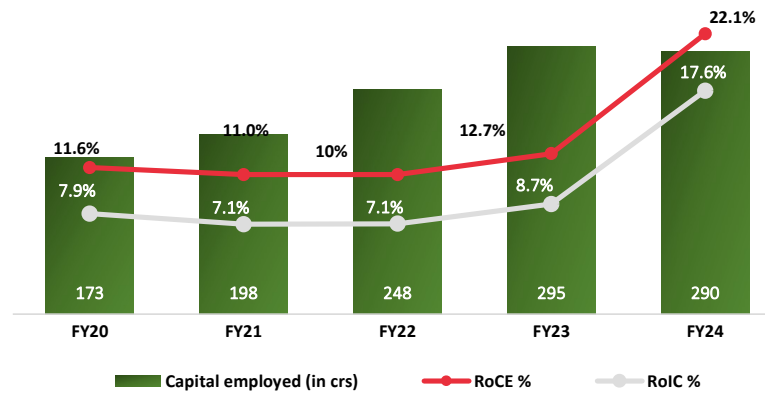
\*\* Before Consolidation of Group Companies into JPS

# Ratios

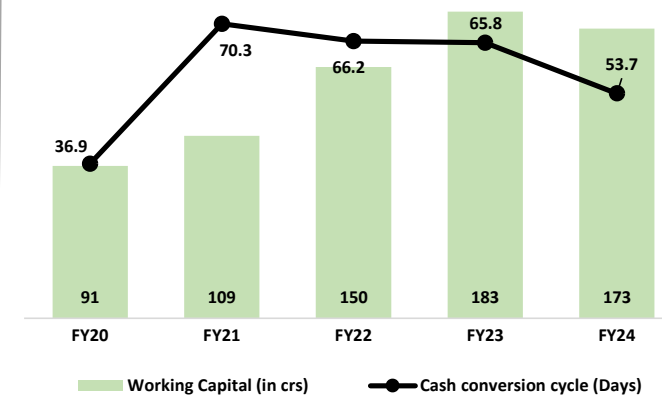
Debt to Equity Ratios\*



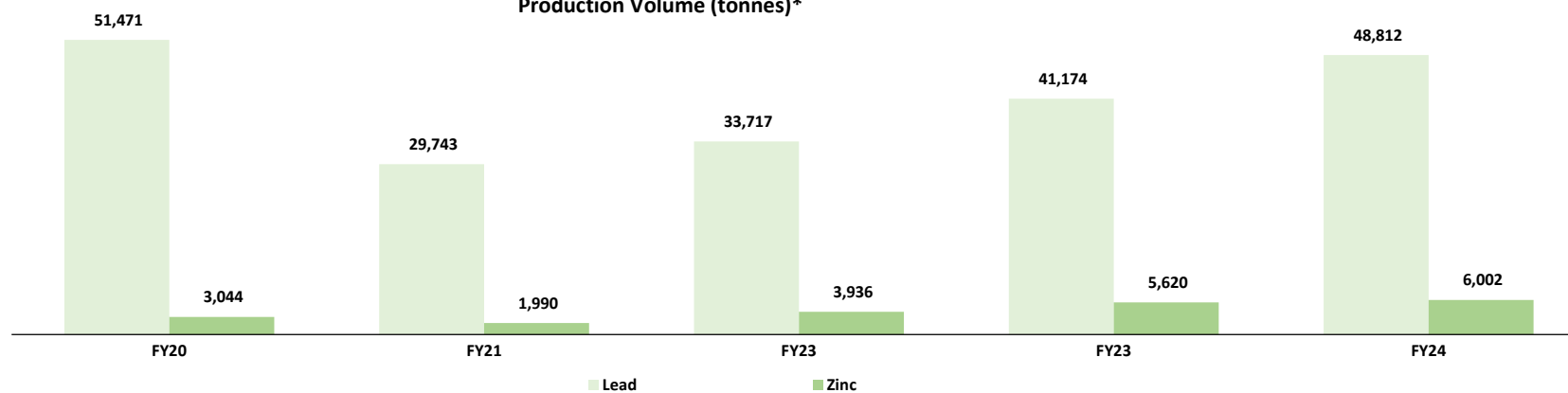
Capital Employed & Return Ratios



Working Capital\*



Production Volume (tonnes)\*



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

# Thank You

## Investor Relations Contact:

Sana Kapoor  
Go India Advisors  
[sana@GoIndiaAdvisors.com](mailto:sana@GoIndiaAdvisors.com)  
M:+91 81465 50469

## Company Contact:

Sanjay Bothra  
Chief Financial Officer (CFO)  
[sanjay.bothra@hiragroup.com](mailto:sanjay.bothra@hiragroup.com)  
Godawari Power and Ispat Ltd.

YC Rao  
Company Secretary  
[Yarra.rao@hiragroup.com](mailto:Yarra.rao@hiragroup.com)  
Godawari Power and Ispat Ltd.

