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GODAWARI POWER & ISPAT



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Date: 11.02.2026

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

Dear Sirs,

Sub: Submission of Transcript of Conference Call held on 9th February, 2026 regarding Q3 & 9M FY26 Results.

This has reference to conference call held on 9th February, 2026 to discuss the results and performance of Q3 & 9M FY26 for Analyst/Institutional Investors/Fund House/Investors etc.

Please find attached herewith the Transcript of Conference Call held on 9th February, 2026

The aforesaid information is also being hosted on the website of the company viz., www.godawaripowerispat.com at Investors Information > Shareholders > Notices.

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, 50001:2018 & 27001:2022 certified company
CIN L27106CT1999PLC013756

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GODAWARI POWER & ISPAT

**“Godawari Power & Ispat Limited
Q3 FY '26 Earnings Conference Call”
February 09, 2026**



**MANAGEMENT: MR. ABHISHEK AGRAWAL – EXECUTIVE DIRECTOR –
GODAWARI POWER & ISPAT LIMITED
MR. SANJAY BOTHRA – CHIEF FINANCIAL OFFICER –
GODAWARI POWER & ISPAT LIMITED
MR. DINESH GANDHI – EXECUTIVE DIRECTOR –
GODAWARI POWER & ISPAT LIMITED**

MODERATOR: MS. SANA KAPOOR – GO INDIA ADVISORS LLP

Moderator:

Ladies and gentlemen, good day, and welcome to Godawari Power & Ispat Limited Q3 FY '26 Earnings Conference Call hosted by Go India Advisors LLP. As a reminder, all participants' lines will be in listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star, then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand over the conference to Ms. Sana Kapoor from Go India Advisors. Thank you, and over to you, ma'am.

Sana Kapoor:

Thank you, Pari. Good afternoon, everyone. It's my pleasure to welcome you on behalf of Godawari Power & Ispat Limited. Thank you for joining us today for the Q3 and 9 month FY '26 Earnings Call. Please note that today's discussion may include certain forward-looking statements and must be, therefore, viewed in conjunction with the risks that the company faces.

We are joined today by Mr. Abhishek Agrawal, Executive Director; Mr. Dinesh Gandhi, Executive Director; and Mr. Sanjay Bothra, Chief Financial Officer.

May I now invite Mr. Dinesh Gandhi to present the company's business outlook and performance, after which we will open the floor for Q&A. Thank you, and over to you, sir.

Dinesh Gandhi:

Thank you, Sana. Good afternoon, everyone. Thank you for joining us today on this call. Our financial results and earnings presentations are available on our website as well as on the stock exchange. I believe that you had a chance to review them. I will take you through the results, post which we can have a question-and-answer session.

I'm pleased to share that 9 months FY '26 marked a steady performance with a slight decline in revenue. Across operational and financial front, revenue remained stable with slight decline. EBITDA and PAT margin stood strong at 22% and 14%, respectively, despite softer realization. Operating momentum remained strong in Q3 FY '26 on Y-o-Y basis, with iron ore mining production increasing 46%, while iron ore pellet and value-added product remained steady growth.

Pellet sales temporarily declined during Q3 FY '26 on account of accident in the pellet plant in end of September '25, which impacted production and sales volume during Q3 whereas value-added steel products sales grew 15% Y-o-Y. Realization for Y-o-Y 9 months and quarter softened across almost all product categories, except ferro alloys and galvanized products.

In Q3, on year on base year basis, EBITDA margin expanded to 20% from 17% in Q3 FY '25, despite a marginal decline in realization and pellet volumes. On a quarter-on-quarter basis, sales, EBITDA and PAT moderated, largely due to lower pellet sales volume and softer realization for intermediate and finished product.

Notwithstanding these challenges, margins remained resilient with EBITDA and PAT margin sustained at 20% and 13%, respectively, reflecting company's strong operational efficiency and margin stability.

Q3 -- during 9 months, production volume showed healthy growth with iron ore mining and pellet increasing by 27% and 10%, respectively, while value-added product remained largely stable with modest 4% growth. On sales front, pellets had increase of 17%, whereas it was slight dip of 3% on value-added product.

Coming on consolidated financial performance for 9 months, revenue dipped slightly on account of softer realization, which were, to some extent, offset by higher production and sales of pellet, galvanized fabricated product and the rolled structural product. EBITDA and PAT were lower primarily due to decline in sales realization. Still EBITDA and PAT margins remained strong at 22% and 14%, respectively.

Now coming on company's growth plan and the updates during 9 months of the current financial year, I'm happy to announce that GPIL has received much awaited environment clearance from Ministry of Environment for risk and climate change for more than doubling the iron ore mining capacity of Ari Dongri mine from 2.35 million to 6 million tons.

The consent to operate is expected to be received in a few days, following which commercial operations of the iron ore mining and ramp up of capacity will start hopefully during the current month itself. This marks a significant milestone in strengthening GPIL raw material security, backward integration, while reinforcing its long-term visibility and competitive positioning.

Environment clearance and consent to establish for 5.4 million ton crushing and beneficiation plant has also been received and we expect to complete the work for beneficiation plant by end of Q2 FY '27.

I'm pleased to highlight that additional 2 million ton iron ore pellet plant has commissioned and operations commenced in December '25, with commissioning of GPIL total pellet manufacturing capacity to more than 1.7x from 2.7 million to 4.7 million tons, strengthening its integrated operation and supporting future growth.

These achievements will drive volume and profitability growth in FY '27. Progress on 0.7 million tons CRM complex remain on track with land acquisition completed, major equipment order finalized and bank funding secured. Construction will begin in April 2026. Commissioning targeted for March '27.

GPIL is also expanding its solar -- captive solar capacity by over 3x from 165 megawatt current to 540 megawatt to support captive consumption across iron ore mine, integrated steel plants and CRM operations. Land acquisition for solar expansion has been completed. Execution is currently underway, and these projects are expected to be completed in phased manner, beginning from March '26 to March '27.

In order to operate these projects in more efficient manner and save on the cost of banking, the company has recently decided to set up a battery energy storage capacity of 45 megawatt hour in one of the solar projects to meet the power requirement of captive iron ore mine where grid tariff is highest at about INR11 per unit. These equipments, which are being ordered will be the

same composition which our BESS manufacturing facility will commence over a period of next 1 year.

Additionally, as you are aware, company has decided to venture into manufacturing of battery energy storage system with an initial capacity of 20 gigawatt with a capex of INR1,025 crores during 2026, '27 and commissioning of BESS project is targeted for Q4 FY '27.

The decision to take up BESS project with a capacity of 20 gigawatts is driven by availability of single-line 20 gigawatt manufacturing line, which enables better land utilization, lower structural and operating costs, improved manufacturing efficiencies and supporting higher operating margins.

As a part of the company's ongoing efforts to simplify and streamline group structure, the Board has approved disinvestment of its entire 37.85% stake in Ardent Steel, which operates a merchant iron ore pallet plant. This stake is being divested for an approximate value of INR91 crores. This transaction is expected to be completed by March '26.

Coming on the ESG front, the company has completed major initiative under its energy efficiency decarbonation project, resulting in higher average DRI production, increased daily stream generation.

The company achieved a score of 76.6 from CARE Edge ESG Rating Agency, reflecting its recognition as an industry leader with a strong ESG risk management and performance. The company continues to make steady progress towards its long-term goal of achieving net zero carbon emission by 2050.

Coming on the market outlook, on international front, global iron ore prices remain range bound during FY -- during calendar '26 at USD 95 to USD 110 range and currently stood at about \$102, supported in H1 by weather-related production losses.

However, rising supply is likely to cap the prices going forward. China's steel consumption has officially peaked and is expected to gradually decline, although recently stimulus measures, including direct cash transfer, should provide near-term demand support.

Global iron ore market is at an inflection point with a supply addition such as Guinea's Simandou Project commencing operation in November '25 and expected to export 5 million to 10 million tons in calendar '26. Full ramp-up will start -- is expected to take longer. Iron ore prices in 2026 are expected to be range bound, averaging around \$100.

On domestic front, NMDC iron ore prices have remained largely range-bound at INR4,500 to INR5,500. Excluding seasonal fluctuation, current prices at INR3,900 reflects the revised structure with statutory levies excluded from January 2026. Pellet prices have tracked a similar trend, trading at about INR8,500 to INR10,000 during calendar '26 with current prices at around INR10,000 a ton, which is expected to remain stable during FY '26.

India's steel demand is expected to grow steady through the calendar '26 supported by infrastructure-led growth with budget '26 allocating INR12.2 lakh crores towards infrastructure capex, providing strong demand visibility.

We believe that iron ore demand in India is expected to remain strong in view of demand growth from newly commissioned and ongoing projects. With imposition of safeguard duty, the prices of finished and intermediate products across value chain have risen by 5% to 10%, which is expected to support profitability in 2026 and onwards.

In conclusion, leveraging competitive strength of captive iron ore, strong cash position and ongoing capacity expansion, company is strongly positioned to deliver sustained growth, value creation underpinned by efficiency gains, solar-led cost optimization and firm commitment to ESG.

With this, we can open the floor for Q&A. Thank you all.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from the line of Siddharth from Equirus.

Siddharth: So first question is on the capex. So how should one think about the capex over the next 3 years? What would be the cash outflow over '26, '27 and '28 ?

Dinesh Gandhi: See, Siddharth, our capex till now is finalized till end of FY '27. Like the capex in solar to reach a capacity of close to about 500 megawatts, that's BESS and CRM. All these projects, we are expecting to commission by March '27, and beyond which we have not yet announced any further capex.

So our capex in the next financial year, of course, is heavy capex, but with our strong balance sheet of around 10,000 -- INR1,000 crores of cash reserve and debt tie up for the upcoming project, except BESS, we are fully tied up with requirement of our cash flow for FY '27.

Siddharth: Sorry, what would be the total capex for FY '27?

Dinesh Gandhi: Our FY '27 capex will be close to about INR2,000 crores plus/minus INR200 crores.

Siddharth: And so for this year, how much have we spent till now and how much we will spend in the fourth quarter?

Dinesh Gandhi: This year, I don't have the exact number right now, but we would have spent close to about INR600 crores to INR700 crores in the current financial year.

Siddharth: Sir, second is on the iron ore mine. Now given that we are expecting the CTO also coming in, in this month itself, how should we think about the mining volumes for FY 27?

Abhishek Agrawal: Okay. So Siddharth, just to answer that. So the CTO, the setting -- we are very much hopeful that CTO should receive very soon, maybe this week or maybe next week. So yes, once that is

received, so there will be a very slight increment in the production for this year, probably because only one month will be left for this financial year to get over.

For next year, from 2.35 million, we're looking at a capacity of 5 million and then the next year, which is FY -- so April '27 onwards, we're looking capacity of 6 million tons. So that is how we plan to ramp up our mining capacity.

Siddharth: Okay. So next year, we should reach by -- to around 5 million ton irrespective of when the beneficiation facility comes online?

Abhishek Agrawal: Yes. So I'll tell you what will happen is, so by October, November of FY -- sorry, October '26, we should be able to start producing at a run rate of 6 million tons. Because of the delay, so we'll get only 3 months of dry season in this next financial year, then monsoons will come. So eventually, by monsoons, the idea is to get the plant up and running. And from October onwards, we want to run the beneficiation at full capacity along with the mining. That is the entire planning going forward.

Siddharth: Okay. Sir, last question on the pellet capacity. So even FY '27, we should reach somewhere around 75% utilization?

Abhishek Agrawal: No. See, before the new plant was commissioned, we were operating close to at 90% capacity, and our plant has been running well from last 2 months. And for next year -- next financial year, we will operate at more than 90% capacity.

Siddharth: The entire capacity?

Abhishek Agrawal: Yes. So we should be able to produce more than 4 million, 4.2 million tons from next year onwards.

Siddharth: Okay. Sir, lastly, on the steel plant. Any thoughts on the steel plant or we will take it up somewhere next year only now?

Abhishek Agrawal: No, See, so as we had said earlier as well, we were waiting for the mining EC to get received because we didn't want to overcommit on the capex side. Now since mining has been received the EC, so the team is working on the last minute details. And hopefully, if -- we will discuss internally, I mean, if we want to go ahead with the steel plant, I think the proposal would be taken in the next Board meeting.

Siddharth: Okay, sir. Got it. But this will be 1 million ton steel plant only that we will be...

Abhishek Agrawal: Yes, yes. It will be a new location, 1 million blast furnace steel plant.

Moderator: The next question is from the line of Vikas Singh from ICICI Securities.

Vikas Singh: Sir, my first question pertains to Dinesh ji remark on the iron ore supply scenario. So one of our competitors like Lloyds has also came up with a large supply. So are we going to see some

excess supply in the iron ore space in the domestic market as well for the next 6 to 12 months perspective? And is that our assumptions? And would that impact our overall performance?

Abhishek Agrawal:

See, so I would like to take this question in two parts. In terms of volume supply from Lloyds, definitely, there will be a supply -- additional supply coming in from Lloyds. Apart from our new pellet plant, then there's one more person who's commissioned a pellet plant in this area. But at the same time, the domestic demand has gone up because people are still commissioning the new DRI kilns.

So volumes will definitely go up in terms of supply from the market depending -- NMDC also coming with 2 million pellet plant, which will start in Q1. So there might be some volume pressure. But because of our quality, because of our mining capacity and the beneficiation going up, the quality we make, we have a different end buyer. Our target audience is totally different. So we don't see a challenge in terms of our performance.

In terms of volume, there might be pressure. Over 12 months, there might be some lean period. But on the overall performance of the company, I don't see a challenge because of the quality we make because we'll be producing two -- we'll be producing high-grade in two plants and a commercial grade in one of the plants.

So because of higher grade, we will always demand a higher premium that will keep our margin intact and our customer audience will be totally different than other players in the market.

Vikas Singh:

Noted. And sir, after recent INR depreciation, has the exports been now profitable? Or it is still not -- and what is the difference at which we would start exports?

Abhishek Agrawal:

Today -- see, today, we are selling everything domestically. We have no intentions of entering the export market at the moment because the difference is almost -- the delta is very huge. The delta is more than \$15, \$17 at the moment.

Domestic demand is quite strong because in the last few weeks, the entire supply chain of domestic has gone up right from DRI to billets to steelmaking. There has been upsurge in the finished demand from the market. So at the moment, we have no plans of exporting any pellets. We have very strong demand. And sitting in February, we are almost booked till end of this quarter.

Vikas Singh:

Noted. Sir, my second question pertains to our capital allocation. Since now our cash inflow is going to go up significantly, we have invested in Jammu Pigments. Then we are doing batteries and at same time, steel. So going forward, would -- how should we look at our capital allocation in terms of -- because Jammu Pigments hasn't done anything yet?

So after batteries, our whole and sole focus would be on the steel only and/or we will still take up those small pockets of capex because we are kind of a little bit reluctant to do a large capex on a single segment. So how should...

Abhishek Agrawal: See, Jammu Pigments, whatever money we've invested, we always have the option of increasing our stake. That we can do any time. But at the moment, we have no plans to invest any more money in Jammu Pigments. Jammu Pigments will run independently. Whatever cash generation happens from the operations, basis that only, they will look to expand further.

We have no intention of investing any further money in Jammu Pigments, just to make it very clear, on the allocation side, and Mr. Dinesh ji mentioned, so our CRM, our solar and our BESS, so the outflow in this, this year should be close to about INR2,000 crores, INR2,500 crores.

With a strong cash reserve with the mining capacity coming up and EBITDA going -- our cash reserve going plus from the current financial year, I think we are well versed to meet all the capital allocation requirements. We don't see a challenge.

Vikas Singh: And sir, I've just seen in our presentation, our carbon intensity remains very high despite we using some of the solar -- so after assimilating all the solar power projects, basically, what is the final carbon...

Abhishek Agrawal: See, we're currently at 2.4 levels -- 2.45 levels. So to reduce the carbon intensity, a new pellet plant, we have switched from coal gas to natural gas. That is one of the initiatives. With solar capacity adding from a capital consumption, that will further reduce my intensity. But -- and we are also working in one of the carbon capture projects with IIT Bombay. It's an R&D project for 5 ton capture per day. If that is successful, I think then we have a clear path to move forward.

But you need to understand, for the entire steel cycle, today, the major crux where carbon emission is happening is the DRI. Out of 2.4, 2.45, 1.8, 1.85 is the contribution only from DRI. So that is the area where we're getting to attack if you want to bring down our carbon level.

On the power front, we have taken care. On the pellet side, we have taken care. Now the main challenge remains the DRI, where we have tied up with IIT Bombay. We are working on an R&D project of 5 tons per day. That project should be up and about by coming Diwali, which is 10 months from now on. And the results are good, then we have a clear path how to move forward to reduce our carbon intensity.

Vikas Singh: And sir, just one last question, if I may squeeze in. Sir, coal, cost-wise, next quarter, what are our expectations? I believe we import most of the coal. So INR depreciation has hit them and as well as there are talks about Indonesian supply getting hampered. So your thoughts on...

Abhishek Agrawal: See, Indonesian coals are mainly used for power plants. They're not used for DRI. But definitely, it will have a certain impact on the South African price as well because there will be a glut in the system. So there will be some transfer of a new buyer and new market seller, right? Our current cost in the Q4 quarter, absolute value is about INR11,000 of import.

Our DRI per ton contribution is INR8,000 in Q1 because we have -- we do forward buying. So Q1, the cost will vary maximum is about 5%, 7%. We've ensured that. So any substantial impact, it has to happen, it'll probably happen from Q2 onwards, which is almost 6 months from now on. So no point commenting about that.

- Moderator:** The next question is from the line of Manav from YES Securities.
- Manav:** Sir, first question is, in the presentation, we have mentioned that roughly 452 acres of land acquisition has been done for the integrated steel plant and for the CRM complex. So what would be the capex outlay of the 452 acres, if you could give me the number?
- Abhishek Agrawal:** To acquire the land?
- Manav:** Yes.
- Abhishek Agrawal:** I think it's about INR32 crores. Am I correct, Bothra ji?
- Sanjay Bothra:** Yes, sir.
- Abhishek Agrawal:** Yes. So it's about INR32 crores. So we have signed a 99-year lease agreement with the state industry department and the total outflow has been about INR32 crores to acquire the land.
- Manav:** Okay. Got it. And sir, for the capex that you mentioned for INR2,000 crores to an earlier question by Siddharth-ji, just wanted to know, it doesn't include any steel capex, which are probably going to...
- Abhishek Agrawal:** No, no, no. Steel -- so steel capex is not involved. For steel, we will first have to internally discuss, get it approved by the Board. So whatever capex we'll be doing right now, it has nothing to do with the new steel plant. It's CRM about INR800 crores, the battery storage and the additional solar capacity. These are the three major capex, which will happen in FY '27.
- Manav:** Got it, got it, sir. Sir, just on the pricing front, can you give us some sense on how Q4 is shaping up versus Q3?
- Abhishek Agrawal:** See, on the mining side? Sorry, can you come again? On the mining...
- Manav:** On the market side?
- Abhishek Agrawal:** Market side, okay, sorry. Yes. So see, on the market side, fortunately, there has been quite an upsurge in terms of prices. Pellet is up almost 10%, 12%, DRI is up by 20%, semifinished and finished are almost up by 12%, 13%. The demand is quite strong. And so the change we have realized in last couple of years is, you should think Q4 and Q1 are the best quarters for steel. But what -- sorry, earlier was Q1 and Q2 were best quarters for steel.
- But now we have realized is there is a change in terms of demand and supply. Now Q4 and Q1 are supposed to be the best quarters before the monsoon arrives. So if you see Q2 was dull, Q3 was also very dull, and this was a trend last year as well. So Q4, the demand is very good, and we're expecting the demand to continue for at least for Q1 as well before the monsoon arrives.
- Manav:** Got it, sir. That was quite helpful. So on the imported coal, would it be possible to give what the current mix is for us right now, imported versus the domestic coal usage?

- Abhishek Agrawal:** See, for our DRI, 100% we completely import RB1 coal. So that's about 0.5 million, 0.6 million tons annually. And for our coal gas operation for pellet plant and for our power plant, we do about 0.4 million tons of domestic coal. So the ratio is about 55% or 60-40, 60% is imported and 40% is domestic. We need about 1 million tons annually to run entire operation.
- Manav:** Okay. That is quite helpful. Sir, just if I'll squeeze in one more question. Just wanted to know the company has acquired four wagons basically for logistics purposes. So what sort of cost savings are we expecting from this acquisition versus what the current mode is?
- Abhishek Agrawal:** So see, there are two -- basically two purpose to buy four wagons under the railway scheme. One is with our new pellet capacity, we do realize we want to also sell pellets outside the Raipur market for which the railway is the cheapest mode. So to ensure the rack availability and timely movement of our racks, we have acquired this acquisition where one rack -- one entire rack will cost us about, I think, about INR24 crores, INR25 crores.
- Secondly, the scheme under which we have acquired, so there is flat 10% discount on freight for a period of 15 years. That is the scheme railway has designed. So a 10% saving will be there on the railway freight for 15 years, plus the most important point is the timely evacuation of our pellet volumes via rack mode.
- Manav:** Okay. And we can leave this out as well, right, during the load...
- Abhishek Agrawal:** So if we feel our racks are not getting fully utilized, we can always lease out on rental basis to other companies and earn extra income from that.
- Manav:** Okay, okay. Sure. But it wouldn't be a separate business line operations that you're...
- Abhishek Agrawal:** No, no, no. This is just a part of infrastructure where we want to move for a timely movement of our pellet volumes outside Raipur market. And given the situation, if the racks are not being fully utilized, we can always rent it out to the other buyers -- other players who wants it for better movement.
- Dinesh Gandhi:** In fact, in our disclosure, we have clearly mentioned that we don't want to enter into the logistics business. It is for the captive requirement in idle case only it will be leased out. Yes, we have clearly mentioned in our disclosure results.
- Manav:** Got it. Sir, just one last question. I wanted to get a fair bit of understanding on the other expenses going down by roughly 11% Q-on-Q. So could you give the reasons behind the same, please?
- Abhishek Agrawal:** Can you please come again? Other expenses?
- Manav:** Going down on a quarterly basis. So...
- Abhishek Agrawal:** No. See, one was because our pellet volumes are quite low, our pellet plant, due to that unfortunate accident, was almost shut for a span of 40 days. So entire October, our pellet plant was not running. So there might be some contribution basis that as well because there was no fuel burn, there was no other items purchased. So that can be one of the reasons.

Plus, what has happened is the domestic coal for power plant is towards almost rock bottom due to better availability post monsoon. So that can also contribute on the operating costs going down.

Manav: Got it, got it. So primarily because of the lower pellet volumes.

Abhishek Agrawal: Yes. Exactly, exactly. Yes, mainly pellet volumes, yes.

Moderator: The next question is from the line of Sahil Sanghvi from Monarch Network Capital.

Sahil Sanghvi: My first question is despite 6 lakh ton of pellet production, the sales that we've done seems to be pretty low. I mean, I understand some part of the pellet goes into forward integration, but still, I believe, as compared to the previous few quarters, we've not sold enough. So any particular reason you want to flag off on this?

Abhishek Agrawal: Yes, there are two primary reasons. One was there was additional capacity of -- so our pellet plant, there was a couple of people who also commissioned their pellet plant in the same period. So suddenly, there was an oversupply of pellet in the domestic market. The steel market was very lull. There was absolutely very less demand. The sponge prices were towards rock bottom since COVID about INR20,000.

So there was a phase up in December where the demand of pellet was quite low. That is why the inventory has gone up. But since then, all inventory will be cleared in Q4 because of demand being back on the higher side. So it's just a quarter-on-quarter analysis. At today's position, our entire inventory which is piled up in December has been already cleared out.

Sahil Sanghvi: Right. Good to hear that. So we're still targeting a 3 million ton of production this year?

Abhishek Agrawal: Yes, yes. We might not be able to reach probably exactly, but plus, minus 5%, we should be there. Our production volume guidance starting of the year, we are very much on track to achieve that.

Sahil Sanghvi: Got it, got it. Secondly, just the first year of operations for BESS, would it be safe to assume a 40%, 45% utilization or should we assume a little lower?

Abhishek Agrawal: No. So just to be on a very -- because it's a new vertical, totally a new field, even we have considered a 40% to 50% plant load for the first year. So April '27 to December -- March '28, we consider a production capacity of say 8 to 10 gigawatts only against 20 gigawatt line.

Sahil Sanghvi: Right. And margins could be around 6%?

Abhishek Agrawal: Yes. So for our modeling, we have considered a margin of about 7%. The reason I'll tell you why is because considered slightly higher margin compared to our peers is because we have chosen a new technology cell, which is a 620Ah cell against a 314Ah cell, which others are doing. So because of that, our operating costs will be slightly on the lower side, and that is why the hence improved margin. So our first line will be 100% basis 628Ah cell.

- Moderator:** The next question is from the line of Vinit Thakur from Plus91 AMC.
- Vinit Thakur:** I would like to know what is our revenue and EBITDA guidance once the entire capex is done. What is the level of debt that we are expecting to have in the books for the capex?
- Abhishek Agrawal:** So you're talking about next year or once all the new capacities are running at full production?
- Vinit Thakur:** For the next year and once the capacities are all done -- are live?
- Abhishek Agrawal:** See, so from current operations, once -- so next year, once our mining will be at full capacity, our operations pellet will be at full capacity, we're looking at a revenue of close to about INR6,500 crores, INR7,000 crores from the steel complex.
- On the battery storage side, if you can see a capacity of 8 gigawatts, so you can consider revenue of INR5,000 crores and from the CRM, again, you consider 50% capacity, which is a 3 lakh, 3.5 lakh ton, so you can consider a volume of close to about INR2,000 crores. So put together, anything between INR12,000 crores to INR15,000 crores will be the turnover from FY '28.
- Vinit Thakur:** Okay, sir. And sir, what is the level of debt that we are expecting to have in the books for the capex?
- Abhishek Agrawal:** Dinesh ji?
- Dinesh Gandhi:** Debt will be close to about say -- peak debt at FY '27 as of the capex which have been announced till date will be in the range of net debt will be lower but on the gross side, it will be in the range of about INR1,500 crores with the minus cash balance will be the net debt that depends on the cash flow generation in the next financial year. What we have done is we have tied up a debt of INR1,500 crores for all this capex to keep the cash on the balance sheet for our future expansions.
- Abhishek Agrawal:** And the way we have negotiated with the bank is, depending on our cash flows for the next year...
- Dinesh Gandhi:** We already have a clause to prepay.
- Abhishek Agrawal:** Exactly. We've a option to prepay and also we will only draw when there is a requirement. So we also -- we've kept both options open of prepayment and draw the money as and when required.
- Vinit Thakur:** Okay, sir. And sir, I would like to know what was the impact of the new labour laws on GPIL. So our employee expenses or anything has increased drastically because of that?
- Abhishek Agrawal:** See, there will be -- there will be, of course, there will be because now with the new employee code coming in effectively, so earlier -- so now you have to treat your contract labours as the same category of your employees. So there will be a very marginal impact, probably, I think, hardly about INR7 crore, INR8 crores on an annual basis. So not a huge impact.

Does that now -- the law says even your third-party employees or contractor employees has to be treated in the same way as you treat your own company employees. That's the major difference. So there are change of law, there's change of salary structure, which will be complied from next financial year. The impact is very minimal, yes. You can say about INR70 lakhs, INR80 lakhs a month, that's it, not very major.

Vinit Thakur: And sir, how much free cash flow are you expecting 3 years down the line?

Abhishek Agrawal: Very difficult because see, if you don't go ahead with the steel plant, then probably from FY '28 once all our capex are done and the new production capacity comes up, there will be close to about INR2,500 crores or INR2,000 crores of free cash every year. But if the steel plant is shaping up, and we do decide to go ahead, then for the next 3 years, all our free money will be invested in the new steel plant. So it's difficult to comment at the moment. All depends what capex we plan going forward.

Vinit Thakur: Sir, since you've mentioned the steel plant, is there any clarity on when will we have -- when will we take a decision if we want to do it or not to do it?

Abhishek Agrawal: In best possible -- worst possible scenario, I think by end of -- so which will be the annual Board meeting, which will happen in April and May, we will have full clarity on that. So either we are going ahead or we're not going, we'll drop it. That's very clear. Because we were waiting for the mining EC to come. Now since that has come, we are working on the last fine-tune details. And I think by next Board meeting, either we'll take it up or we'll drop it. That's for sure.

Vinit Thakur: Sir, what's the expected capex for the steel plant if we do want to go ahead? And what will be the capacity for it, your thinking?

Abhishek Agrawal: Capacity will be 1 million, and the capex we envisage should be somewhere about INR5,000 crores.

Moderator: The next question is from the line of Aryan Bhatia from InVed Research.

Aryan Bhatia: Sir, my question is on the incremental sales volume. So please correct me if I'm wrong. So the incremental sales volume, once both iron ore mining and pellet comes, will be 2.7 million from the pellet plant and 0.5 million from the beneficiation plant? Is my understanding correct?

Abhishek Agrawal: No. So firstly, we will not be selling anything out of our beneficiation plant. Beneficiation plant is being put up to enhance the quality of concentrate, which will feed to our pellet plant. So there will be nothing sold out of beneficiation plant. It's part of our internal process. On the pellet side, which if you do a volume of, say, 4 million, so out of which, about 1 million will be for captive consumption and 3 million will be for merchant sale.

Aryan Bhatia: Okay. So out of the 4 million, 1 million for captive consumption and 3 million...

Abhishek Agrawal: Yes, whatever. So we produce 4 million, we produce 4.2 million, 4.5 million, whatever we produce over above 1 million, that will be for completely merchant sale.

- Aryan Bhatia:** Okay, okay. And sir, my second question is regarding our margin on the CRM complex. So what is the EBITDA margin you are expecting because like we will be buying HR coil from outside and...
- Abhishek Agrawal:** Yes. See, so it's more of -- exactly, it's more of a convergent business to make value-added steel. We've also filed for two PLI schemes under the new scheme by Steel Ministry. So on a year-on basis, I see EBITDA -- operating margin level at about 8% to 10% on the maximum side, 8% to 10%.
- Aryan Bhatia:** I just wanted a clarity on this margin because if I look at the HR coil prices, it's around INR51,000, INR52,000 and CR coil is around INR57,000. So shouldn't the gross margin be 10% as compared to EBITDA margin?
- Abhishek Agrawal:** See, on papers, you are very correct. But we are getting into value added steel. A lot of branding, a lot of marketing will be required. We have to educate our customers because we will be competing against all established players like the JSW, Tata and all that.
- So that's why, to be very conservative, for initial couple of years, to establish ourselves as one of the leading players with the desired quality, we have considered the margin on the slower side. Once we establish, we can definitely consider 8%, 10% on the gross profit margin side definitely.
- Aryan Bhatia:** Okay, got it. And sir, last question is on our BESS projects. Like can you give the unit economics on the BESS like per gigawatt of revenue we can get, sir?
- Abhishek Agrawal:** See, today, if you see today per megawatt hour of the entire setup to deliver at site for usage by a buyer is about INR80 lakh per megawatt hour. So it makes 1 container at about INR4 crore. So at a first year of 8 gigawatt, you can easily multiply 8 gigawatt into INR80 lakhs. So it becomes close to about INR6,500 crores of revenue, with an operating margin of about 7% to 8%. So on INR6,000 crores, it comes to about INR450 crores to INR500 crores.
- Moderator:** The next question is from the line of Siddharth from Equirus.
- Dinesh Gandhi:** You can take the next question. I think he is not there in the call.
- Moderator:** The next question is from the line of Abhi Shah from Siddhi Technologies.
- Abhi Shah:** So yes, I have one question. What is the difference between BF pellets and DR pellets? And what is the mix? Yes...
- Abhishek Agrawal:** Yes, please complete your question, so sorry.
- Abhi Shah:** So what is your mix in producing BF pellets and DR pellets? As you said in one of your remarks that you have higher quality of iron ore. So does it mean that you have higher DR pellets mix in your production?

Abhishek Agrawal: Okay. So to clarify technically first, basically, there are two DR pellets. One is the coal-based DRI sponge, which we operate, and one is the gas-based DRI, which is being operated by mostly Middle East and a few European countries. Even Essar Hazira, ArcelorMittal is utilizing the same thing. So to make a DR gas-based pellet, the major difference comes in the physical parameters, which is one is the sizing.

So for a BF pellet or a coal-based DRI pellet, the size we produce is 5 to 18, where for DR pellet, you need a size of 9 to 18. That is a major change. Secondly, the strength of BF pellet, there's a parameter called CCS, which is a coal crushing strength. So for BF, 220 plus is more than enough. But for gas-based DR pellets, you need a minimum of 270, 280. So that is where the challenge comes to maintain that physical parameters.

And that's the reason you get a substantially higher premium in the export market compared to a BF pellet. So for example, today, a BF pellet premium for a 65% Fe pellet is hardly about \$13 whereas for a DR pellet, the premium is as high as about \$28. So that is where the difference is technically between a BF pellet and DR pellet.

In our case, since there is a strong demand from the domestic market, so we have no intentions of making the DR pellets and exporting to Middle East. We always have the option to doing that. But at the moment, looking at the current domestic demand, we will keep making BF pellets which are equally suitable for DRI sponge iron.

Moderator: The next question is from the line of Manav from YES Securities Limited.

Manav: Sir, my question is pertaining to the BESS. So you just mentioned that for the first year, we would be running at a 45% to 50% utilization level. I wanted to talk about in the second phase of BESS, will we take the expansion post the first year of running and seeing how things are going on? Or will it be being done simultaneously?

Abhishek Agrawal: No, no, no. We've got to be a little cautious because it's totally a different scene. There will be huge competition. So we will only invest into the second phase once we are able to stabilize the line for the first phase.

Manav: Got it. And what would be the time line that I think for the brownfield expansion? Now it would be a lesser period, right, which would be taken up?

Abhishek Agrawal: Yes. So probably just to commission the second phase will take about maximum about 8 to 10 months. That's it.

Manav: Got it, got it. And sir, second question is, could you just give me how the ferro alloy market is shaping up in terms of pricing. I think the prices have been quite steady over the last 6 months. How do we see it going ahead?

Abhishek Agrawal: Yes, so ferro alloy prices has been hovering INR70,000 plus minus 5% benchmark. On the lower side, it went to INR68,000 when the market was lull in Q3. And today, when the market is good, the prices have moved up to about INR74,000. So ferro alloy for the entire year has been

operating at INR70,000 plus minus 5% range. And I feel this will continue. So since the market is good right now, I feel the prices should be about INR74,000, INR75,000 for a few months going forward.

Manav: Okay. That is quite helpful. Sir, one last question. I wanted to know there has been discussions about expanding the Boria Tibbu mine. So what's the management's view on how...

Abhishek Agrawal: No, we have full plans to expand the Boria Tibbu mines. As I've -- we have commented earlier as well, the mines being low grade, so we have to put up a beneficiation plant inside the mines for which essential area will be required. So we've already started the process of preparing the TOR to file for the new EC along with the beneficiation plant. So we see that plant up and running in say FY '30, which is 3 years from now on, bare minimum.

Manav: Got it. And have you applied for this already?

Abhishek Agrawal: No, the documents are under preparation. We have finalized how we want to run that mine along with beneficiation. So the TOR will be filed in Q1 of next financial year for the new EC. So you can consider about 12, 15 months of EC period and another 15 to 18 months of plant erection. So 3 years from now on.

Manav: Okay. Got it. And this would come regardless whether we proceed ahead with the steel plant or no, right?

Abhishek Agrawal: Yes, definitely, because today, my pellet requirement from a pellet to feed my pellet plant, I need about 5 million tons of concentrate. So it's always nice to have a backup of 1 million ton of same grade from a different mine. So if you don't put up the steel plant, this will be an alternative source. So if there are some challenges because of probably extended monsoon or something, they can always feed the mines to the pellet plant.

Manav: Okay. And what capacity expansion are you planning from 0.7 to what...

Abhishek Agrawal: So 4 million, 100%, 4 million beneficiation. So the output concentrate will be close to about 1.5 million tons at 40% recovery.

Moderator: The next question is from the line of Shikhar Mundra from Vivog Commercial Limited.

Shikhar Mundra: So for the expanded pellet capacity of 4.7 million tons, what is the corresponding iron ore which you require?

Abhishek Agrawal: Sorry, come again? You were not clear.

Shikhar Mundra: For the expanded capacity of 4.7 million tons of pellet, what is the iron ore which is required to make that?

Abhishek Agrawal: Okay. So on apple-to-apple basis, we need about 5 million tons of iron ore. But to make that 5 million tons, we will have to beneficiate that 6 million, sort of 6 million, we -- about 15% to

20%, there will be yield losses to upgrade the quality of iron ore. So from 6 million, we'll do about 4.75 tons of concentrate, which will be sufficient enough to feed my entire pellet plant.

Shikhar Mundra: Okay. So the entire 6 million tons of iron ore capacity will be used. I mean, we won't have extra to sell?

Abhishek Agrawal: No, we have -- no, no, no, we rather than selling, rather we would like to probably extend our mining life. We have no intention of because -- I'll tell you another reason because if we happen to sell it in the market, as per the new MMDR Act, because our mines was allotted in the captive category, we are allowed to sell 50% apart from consumption, but then you have to pay additional royalty.

So the royalty amount will be INR1,000 plus. So it doesn't make sense to sell addition but better to reserve and extend your mining life or have a buffer stock if something goes haywire in the mine because of extended monsoon or it can be anything.

Shikhar Mundra: Got it, got it. And post this expansion, on 4.7 million tons, what will be the split between high-grade pellets and low-grade pellets?

Abhishek Agrawal: So the split will be, so about -- about 70% will be high grade, 30% will be low grade.

Shikhar Mundra: And what is the current split?

Abhishek Agrawal: Current split is, again, it's same. So current split is about 65% is high grade, 35% is low grade. So one plant will continue to remain like that. The two bigger plants will keep producing -- sorry, the ratio will change to 80%. So 80% will be high grade, 20% will be low grade. My apologies.

Shikhar Mundra: Okay. So our margins, we are expecting our margins to slightly improve?

Abhishek Agrawal: Exactly. So whatever challenges we're going to face from the pressure, the supply side because of Lloyds and other competitors, we will very much negate that with our quality and higher premiums.

Moderator: The next question is from the line of Devesh Shah from Shree Polymers. As there is no response, sir, can we move to the next question?

Dinesh Gandhi: Yes.

Moderator: The next question is from the line of Siddharth from Equirus.

Siddharth Gadekar: First, on the mining side, now with the expanded capacity and ramping of the mines, will there be some change in the cost structure given the operating leverage that would be coming in? How should we see the mining cost moving over the next 2 years?

Abhishek Agrawal: See, the mining cost should remain on the similar level, primarily there are two reasons. One is because of additional mining, our mining costs will slightly go up because the way our mines is, it's not a very open cast, flat land. We are going well below the sea level. So currently, we're

mining at about 100 meters, and to reach 6 million, we have to probably reach about 140, 150 meters.

So our mining costs will go up. That will be compensated by the volume, the solar plant we have established, the new battery storage as well as the beneficiation. So we still expect the mining cost to be at 3,000 level in the longer term, which is currently right now.

Siddharth Gadekar: Okay. Sir, secondly, with all the power projects coming online in the next 2 years, what kind of cost savings would we have on the energy side?

Abhishek Agrawal: See, on mining side, today, the grid tariff is about INR11, which will be replaced by a power of say INR3. So on the plant side, the grid tariff is about INR7, which will be raised by INR3. So on total put together, our annual cost -- average cost of generation, which is currently about INR3.75, should be well below INR3.

Siddharth Gadekar: So the payback should be less than 2 years for the entire product, sir?

Abhishek Agrawal: No. So mining, the payback is about 3 years. But from a plant side, the payback is about 4 -- 4.5, 5 years because the tariff is on the lower side.

Moderator: The next question is from the line of Devesh Shah from Shree Polymers.

Devesh Shah: After all expenses, what could be total turnover of the company in 2020 -- 2030?

Abhishek Agrawal: 2030, sir?

Dinesh Gandhi: 2030?

Devesh Shah: Yes, 2030.

Abhishek Agrawal: Total turnover of the company, right?

Devesh Shah: Yes, expect a guidance.

Abhishek Agrawal: Yes, of course, of course, I do understand that. So the total turnover of the company, So I'll tell you, roughly at about INR25,000 crores.

Moderator: Ladies and gentlemen, that was the last question for today. I now hand over the conference to management for closing comments. Over to you, sir.

Dinesh Gandhi: Thank you, ladies and gentlemen, for joining us on this call. We hope we have been able to answer all your queries. In case you have any further questions, please get in touch with us or to our Investor Relations team. Thank you very much. Thank you. And with this, we can conclude the call. Thank you very much.

Abhishek Agrawal: Thank you.



GODAWARI POWER & ISPAT

*Godawari Power & Ispat Limited
February 09, 2026*

Moderator:

Thank you. On behalf of Go India Advisors LLP, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.